



# Planning & Budget Committee

*September 7th, 2021*



# Outline of Presentation

- ∞ FY21/22 Budget Updates
- ∞ FY20/21 End-of-Year Budget Performance Reports (Fund 11 & 13)
- ∞ FY21/22 Adopted Budget (Fund 11 & 13)
- ∞ Fund 13 Carryover Balance
- ∞ FY21/22 Fund 13 Spending Plan (Handout)

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# FY 2021-22 Budget Updates

- ☞ On June 25th, 2021 Governor Newsom and Legislature reached an agreement around a final 2021-22 State Budget. On July 12, 2021 the Governor signed the 2021 Budget Act.
- ☞ A key takeaway – the 2021-22 budget is positive for California Community Colleges (increasing overall funding by more than \$3.5 billion over 2020-21 levels) and reflects an alignment with many of the system’s budget priorities. Many of the investment are one-time, challenging the system to focus on lasting results with one-time resources.

# FY 2021-22 Budget Updates

## Enacted State Budget Highlights:

- ∞ Cost-of-Living-Adjustment (COLA), COLA of 5.07 percent, the highest in over a decade.
  - **District Impact:** An additional \$8.8 million in apportionment revenue for the District (roughly \$6 million of this allocated for SAC).
  - This is great news but new expenditures continue to rise district-wide annually by roughly \$9 million.
- ∞ Hold Harmless Provision
  - Extended for an additional year
  - Will now go through **FY 2024-25**
- ∞ Deferral Payments
  - All \$1.5 billion in system deferrals will be paid in July and August 2021.

# FY 2021-22 Budget Updates

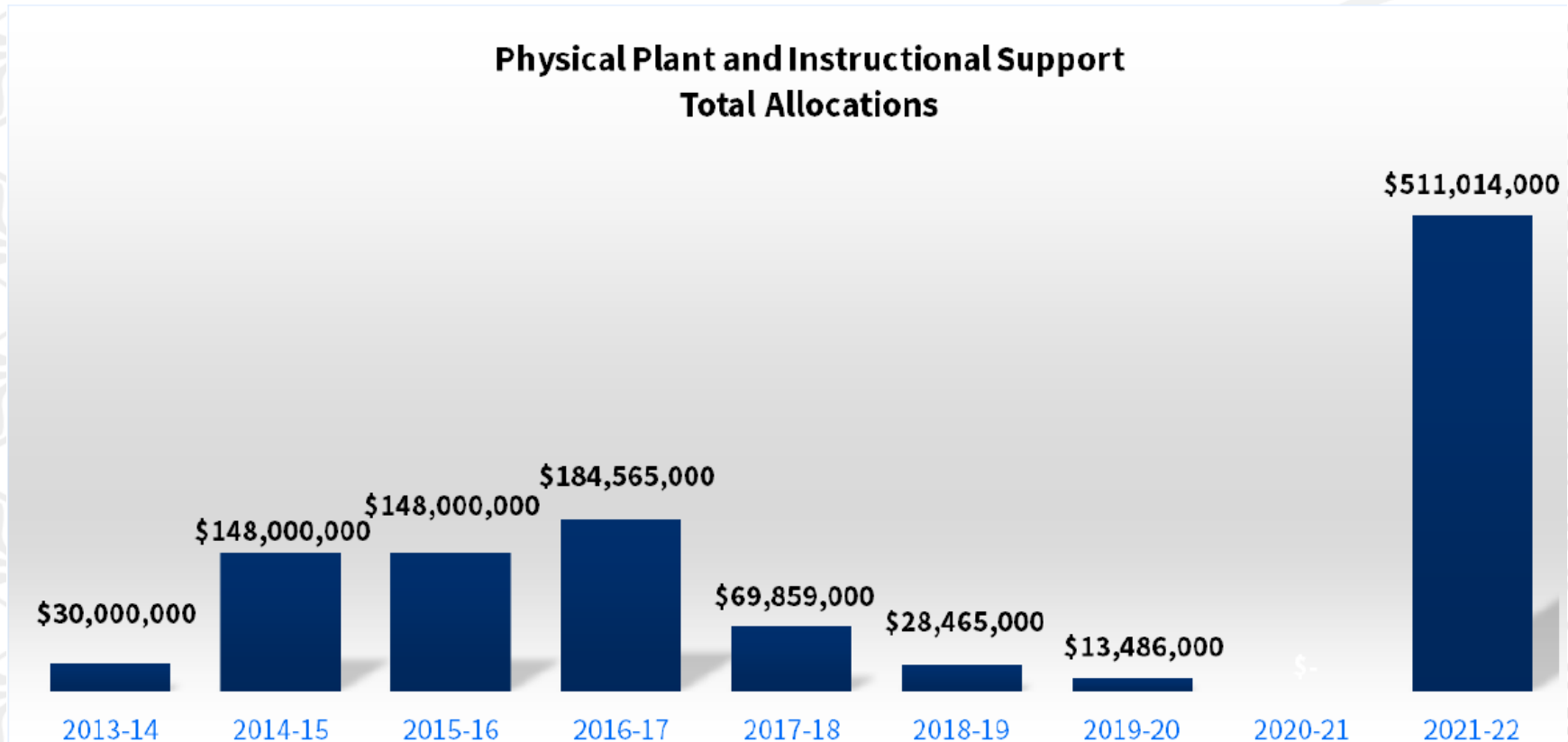
## Enacted State Budget Highlights:

- ∞ \$511 million in one-time funds for **Deferred Maintenance**.
  - **District Impact:** Roughly **\$12.5** million awarded to the District to address deferred maintenance/ instructional equipment needs. Funds must be expensed by 6.30.23.
  - Of the 12.5 million, SAC will receive **\$1,025,978** specifically for instructional equipment. Funds can be used to purchase:
    - \* Classroom/Laboratory Equipment
    - \* Instructional Furniture
    - \* Instructional Information Technology Equipment and Software Licenses
    - \* Adaptive Equipment
    - \* Library Material



# FY 2021-22 Budget Updates

## Physical Plant and Instructional Support Total Allocations



# FY 2021-22 Budget Updates

## Enacted State Budget Highlights:

- ☞ Student Equity and Achievement Program – 5% base increase
- ☞ Strong Workforce Program – 17.1% base increase
- ☞ Guided Pathways implementation continues through June 30<sup>th</sup> 2026 (one-time funds)
- ☞ Various ongoing increases to a number of other categorical programs.

# FY 2021-22 Budget Updates

## Supplemental Retirement Program (SRP I & II) SAC:

\***Faculty** (23 in total)

11 SRP I

12 SRP II

\***CSEA** (36 in total)

27 SRP I

9 SRP II

\***Management** (4 in total)

2 SRP I

2 SRP II

### SRP Savings Reconciliation

	FD 11 Only		
	SAC	SCC	DO
<b>FY 2021/22</b>			
<i>Back out</i>	6,589,518	4,000,599	3,662,281
<i>Cost of Backfill/Right Sizing Request</i>	(3,454,197)	(2,087,040)	(2,697,831)
<b>Subtotal Savings Exc SRP Cost</b>	<b>6,013,330</b>	<b>3,135,321</b>	<b>1,964,450</b>
<i>Est SRP 1 Cost</i>	(604,113)	(338,121)	(274,213)
<i>Est SRP 2 Cost</i>	(262,327)	(202,063)	(203,849)
<b>Total Savings After Cost</b>	<b>4,128,645</b>	<b>2,268,882</b>	<b>486,388</b>



## HEERF Balances & Important Dates

SAC Funds	Amount Awarded	Performance Period Ends	Encumber By Date	Receive & Pay by Date	First Drawdown due by
HEERF I - Student Emergency Aid	2,797,198	4/21/2021	N/A	N/A	N/A
HEERF I - Institutional	2,797,198	5/4/2021	3/31/2021	6/30/2021	N/A
HEERF I - MSI	383,790	6/3/2021	3/31/2021	7/31/2021	N/A
HEERF II - Student Emergency Aid	2,797,198	3/11/2022	N/A	N/A	6/10/2021
HEERF II - Institutional	13,298,831	6/22/2022*	6/22/2022*	8/21/2022*	6/10/2021
HEERF II - MSI	939,100	3/12/2022	3/12/2022	5/12/2022	6/11/2021
HEERF III - Student Emergency Aid	14,244,279	6/22/2022	N/A	N/A	9/21/2021
HEERF III - Institutional	13,968,975	6/22/2022	6/22/2022	8/21/2022	9/21/2021
Early Action Emergency Fin Aid (SB 85)	1,331,775	None noted**	N/A	N/A	N/A
Retention & Enrollment Outreach (SB 85)	226,000	None noted**	N/A	N/A	N/A

SCC Funds	Amount Awarded	Performance Period Ends	Encumber By Date	Receive & Pay by Date	First Drawdown due by
HEERF I - Student Emergency Aid	1,446,953	4/21/2021	N/A	N/A	N/A
HEERF I - Institutional	1,446,953	5/4/2021	3/31/2021	6/30/2021	N/A
HEERF I - MSI	199,110	6/3/2021	3/31/2021	7/31/2021	N/A
HEERF II - Student Emergency Aid	1,446,953	1/17/2022	N/A	N/A	4/18/2021
HEERF II - Institutional	5,419,845	5/12/2022*	5/12/2022*	7/11/2022*	4/18/2021
HEERF II - MSI	401,273	3/12/2022	3/12/2022	5/12/2022	6/11/2021
HEERF III - Student Emergency Aid	6,113,466	5/12/2022	N/A	N/A	8/11/2021
HEERF III - Institutional	5,930,510	5/12/2022	5/12/2022	7/11/2022	8/11/2021
Early Action Emergency Fin Aid (SB 85)	688,823	None noted**	N/A	N/A	N/A
Retention & Enrollment Outreach (SB 85)	137,581	None noted**	N/A	N/A	N/A

District Funds	Amount Awarded	Performance Period Ends	Encumber By Date	Receive & Pay by Date	First Drawdown due by
COVID-19 Block Grant - State Portion	1,555,426	6/30/2022	6/30/2022	7/30/2022	N/A

\* Dates extended. Same as HEERF III.

\*\* No spending deadline is specified in the budget language. CCCCO encourages rapid disbursement to address current needs

Version 07/21/2021

# FY 2021-22 Budget Updates

## Current Unfunded Liabilities - SAC Capital Projects

<b>41-2398_Health Sciences Bldg.</b> - estimated budget	58,800,000
State Funds 41-2398	(20,475,000)
Prior year funds 41-2398	(21,447,309)
FY18/19 Fund 11 Transfer 41-2398	(2,500,000)
FY19/20 Fund 11 Transfer 41-2398	(2,500,000)
FY20/21 Fund 11 Transfer 41-2398	(2,500,000)
RDA Funds (in FY20.21)	(6,000,000)
RDA Funds (in FY20.21)	(1,000,000)
<b>Est. Unfunded Liability</b>	<b>2,377,691</b>
<b>Russell Hall</b> Secondary Effects & Relocation (demolition) estimated budget	852,200
<b>Campus Entrance Improvement</b> - estimated budget	10,000,000
<b>CEC Renovation/ Replacement</b> - estimated budget	50,000,000
<b>Est. Unfunded Liability</b>	<b>60,852,200</b>
<b>Grand Total - Est. Unfunded Liabilities</b>	<b>63,229,891</b>

# FY 20/21 End-of-Year Budget Performance Report

## Fund 11

Description	2020-21 Allocated Budget	2020-21 Actual Expenses	Balance	% Used
Academic Salaries	48,754,138	48,390,151	363,987	
Classified Salaries	13,667,688	12,764,096	903,592	
Benefits	23,281,555	22,859,943	421,612	
<b>Total Salaries &amp; Benefits</b>	<b>85,703,381</b>	<b>84,014,190</b>	<b>1,689,191</b>	<b>98%</b>
Supplies & Materials	402,065	197,469	204,596	
Services & Operating Expenses	4,452,001	3,475,767	976,234	
Capital Outlay	38,799	20,407	18,392	
Interfund Transfers Out	2,500,000	2,500,000	0	
<b>Total Operating Expenses</b>	<b>7,392,865</b>	<b>6,193,643</b>	<b>1,199,222</b>	<b>84%</b>
<b>Grand Total</b>	<b>93,096,246</b>	<b>90,207,833</b>	<b>2,888,413</b>	<b>97%</b>
Check	-	-	-	



# FY 20/21 End-of-Year Budget Performance Report

## Fund 13

Description	2020-21 Allocated Budget	2020-21 Actual Expenses	Balance	% Used
Academic Salaries	414,716	406,094	8,622	
Classified Salaries	239,235	220,977	18,258	
Benefits	148,566	138,869	9,697	
<b>Total Salaries &amp; Benefits</b>	<b>802,517</b>	<b>765,940</b>	<b>36,577</b>	<b>95%</b>
Supplies & Materials	387,643	147,180	240,463	
Services & Operating Expenses	3,263,139	1,357,367	1,905,772	
Capital Outlay	431,786	213,099	218,687	
Interfund Transfers Out	242,900	242,900	-	
<b>Total Operating Expenses</b>	<b>4,325,468</b>	<b>1,960,546</b>	<b>2,364,922</b>	<b>45%</b>
<b>Totals</b>	<b>5,127,985</b>	<b>2,726,486</b>	<b>2,401,499</b>	<b>53%</b>
<b>Institutional Contingency</b>	<b>1,257,404</b>	-	<b>1,257,404</b>	
<b>Grand Total</b>	<b>6,385,389</b>	<b>2,726,486</b>	<b>3,658,904</b>	
Check	-	-	-	

# FY 21/22 Adopted Budget

## Fund 11

Description	2019-20 Actual Expenses	2020-21 Actual Expenses	*2021-22 Adopted Budget	% of FY21/22 Adopted Budget
Academic Salaries	49,800,371	48,390,151	52,373,426	
Classified Salaries	13,281,242	12,764,096	15,028,083	
Benefits	24,651,094	22,859,943	27,024,426	
<b>Total Salaries &amp; Benefits</b>	<b>87,732,707</b>	<b>84,014,190</b>	<b>94,425,935</b>	<b>95%</b>
Supplies & Materials	441,027	197,469	423,276	
Services & Operating Expenses	4,376,468	3,475,767	4,476,914	
Capital Outlay	20,578	20,407	16,312	
Interfund Transfers Out	2,500,000	2,500,000	-	
<b>Total Operating Expenses</b>	<b>7,338,073</b>	<b>6,193,643</b>	<b>4,916,502</b>	<b>5%</b>
<b>Grand Total</b>	<b>95,070,780</b>	<b>90,207,833</b>	<b>99,342,437</b>	<b>100%</b>
Check	-	-	-	

\* salaries & benefits will be reduced by \$3,135,321 due to district-wide right sizing saving strategy

# FY 21/22 Adopted Budget

## Fund 13

Description	2019-20 Actual Expenses	2020-21 Actual Expenses	2021-22 Adopted Budget	% of FY21/22 Adopted Budget
Academic Salaries	340,196	406,094	172,775	
Classified Salaries	142,888	220,977	55,488	
Benefits	118,762	138,869	82,453	
<b>Total Salaries &amp; Benefits</b>	<b>601,846</b>	<b>765,940</b>	<b>310,716</b>	<b>4%</b>
Supplies & Materials	381,314	147,180	200,766	
Services & Operating Expenses	927,563	1,357,367	6,549,897	
Capital Outlay	620,656	213,099	11,861	
Interfund Transfers Out	500,000	242,900	-	
<b>Total Operating Expenses</b>	<b>2,429,533</b>	<b>1,960,546</b>	<b>6,762,524</b>	<b>96%</b>
<b>Grand Total</b>	<b>3,031,379</b>	<b>2,726,486</b>	<b>7,073,240</b>	<b>100%</b>
<b>Allocated Budget (minus contingency)</b>	<b>5,371,859</b>	<b>5,127,985</b>	<b>5,658,592</b>	
<b>Intuitional Contingency</b>	<b>1,342,964</b>	<b>1,257,404</b>	<b>1,414,648</b>	
<b>Total Allocated Budget</b>	<b>6,714,823</b>	<b>6,385,389</b>	<b>7,073,240</b>	
<b>YE Balance</b>	<b>3,683,444</b>	<b>3,658,904</b>		
<b>% Used (minus contingency)</b>	<b>56%</b>	<b>53%</b>		
Check	-	-	-	



# Fund 13 Carryover Balance

## 2020-21 Revenue Allocation Model

	SAC	SCC	District	Totals
Apportionment Revenue	116,647,935	55,249,971		171,897,906
Other State Revenue	5,196,186	2,554,469		7,750,655
<b>Total State Revenue</b>	<b>121,844,122</b>	<b>57,804,439</b>		<b>179,648,561</b>
Minus Institutional Cost	11,475,962	5,443,665	16,921,206	
Minus District Service Cost	18,266,093	8,666,353	26,930,867	
	29,742,055	14,110,018	43,852,073	
	<b>67.82%</b>	<b>32.18%</b>		
<b>Revenue</b>	<b>92,102,067</b>	<b>43,694,421</b>		<b>135,796,488</b>
FY20/21 Expenses	90,207,833	45,063,930		
Apprenticeship Revenue	-	3,901,642		
Local Revenue	1,848,298	836,070		
HEERF Indirect Revenue	1,077,524	692,852		
<b>Ending Fund 11 Balance 6/30/21</b>	<b>4,820,056</b>	<b>4,061,055</b>		
Carryover Fund 13	3,658,904	359,564		
Carryover Fund 11	4,820,056	4,061,055		
Minus SCC ADA	(1,405,720)	(665,780)		
<b>Total Carryover Balance</b>	<b>7,073,240</b>	<b>3,754,839</b>		

# Fund 13 Expenditure Plan

**Please See Handout**

**Thank you**