&LW\ &ROOHJH RI 6DQ)
0XO<WHLDU %XGJHUWRODQGHQVW
6WUD3WOHDJQL F
1RYHPEHU

Financial , Policy, and Accreditation Framework

Survey of Funds and Fund Types

7KH &RORRZJHDWKHURXQWLQJ SULQFLSOHV RXWOLQHG LQ WKH %XGJHW DQG $FFRXQWLQJ0HQWDO1HV WKH IROORZLQJ W\SH

H Q V X U H W K H X W L O L W L H V D Q G W K H L U F U H G L W V U
W K H E D V L V I R U U H F H L Y L Q J I H G H U D O I L Q D Q F L D O D L G G R O O

7 K H U H [L V W E H D Q R I D F F U H G L W D W L R Q D Q G W H D F K L Q J & R O O H J H
I L Q D Q F L D O V L W X D W L R Q H Y D O X D W H V Q G L D Q D G F, L D O U H V R X U F H V D Q G

III.D.1. Financial resources are sufficient to support and sustain student learning programs and services and improve institutional effectiveness. The distribution of resources supports the development, maintenance, allocation and reallocation, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability.

III.D.4. Institutional planning reflects a realistic assessment of financial resource availability, development of financial resources, partnerships, and expenditure requirements.

III.D.7. Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately.

III.D.9. The institution has sufficient cash flow and reserves to maintain stability, support strategies for appropriate risk management, and, when necessary, implement contingency plans to meet financial emergencies and unforeseen occurrences.

III.D.12. The institution plans for and allocates appropriate resources for the payment of liabilities and future obligations, including Other Post-Employment Benefits (OPEB), compensated absences, and other employee related obligations. The actuarial plan to determine Other Post-Employment Benefits (OPEB) is current and prepared as required by appropriate accounting standards.

7 K H & R¶ O O H J H F U H G L W W U R E H L Q W K H G E \ $ & & - & L Q W K H
2 F W R E H U 9 L V L W W K H W H D P 5 H V H D U F K D Q G 3 O D Q Q L Q J W R
P D G H W Z R V X J J H V W L R Q V W K D W W K H 3 O D Q U H G G U H V V H G L Q

2. It is suggested the college continue to focus on a realistic, responsive, and responsible enrollment management plan.

3. It is suggested the college focus on realistic budget reductions tied to the outcome of enrollment management.

7 K H & R O O H J H ¶ V F X U U H Q W I L Q D Q F L D O W K H W R W D O & R P P L V V L R Q R Q S O D Q V L W Q G H W D L O W K H H Q K D Q F H G & R P P L V V L R Q R Q G G U H V V

7KH 3DDGGQUWVKWHHOWHWQRI $FFUHGLWDWLRQ 6WDQGDUG ,,, '

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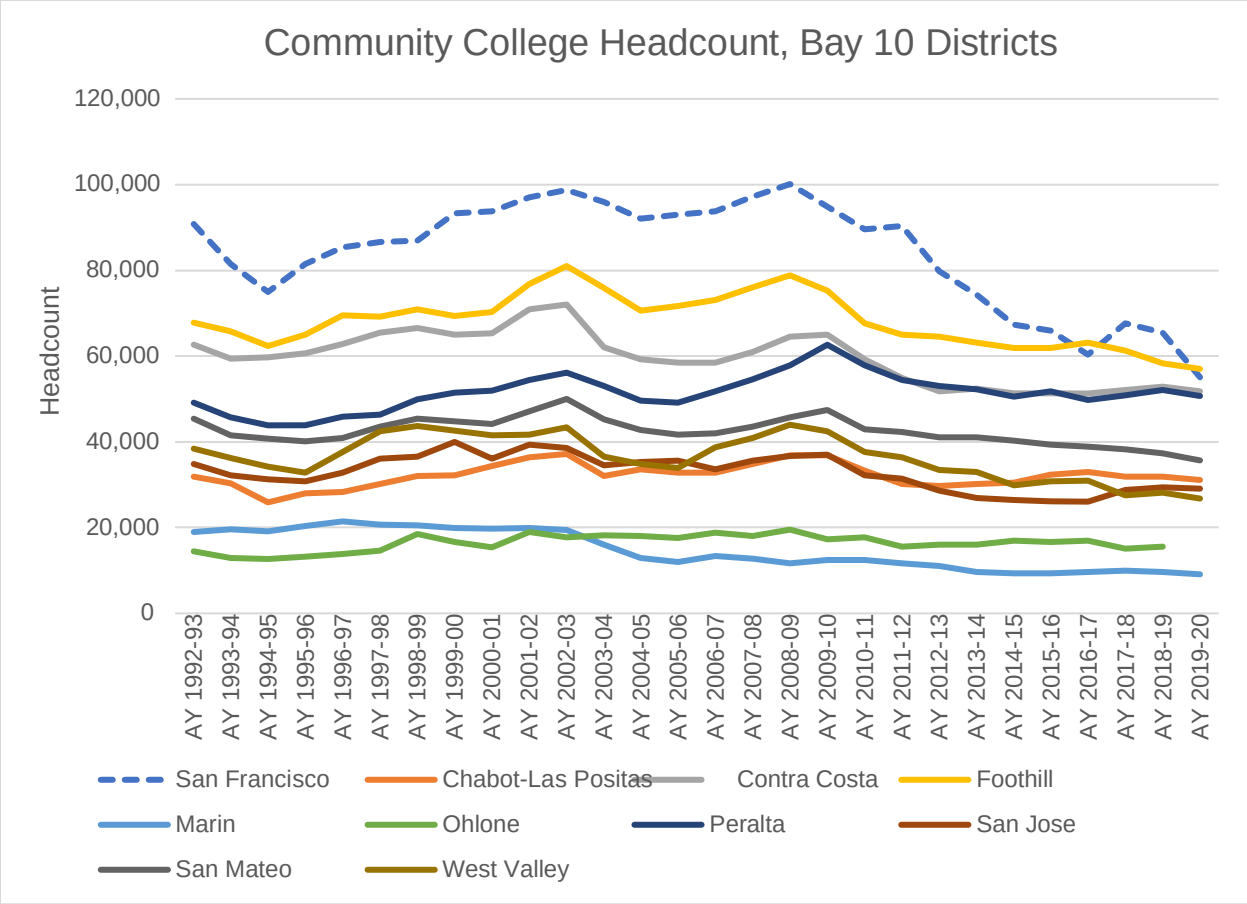
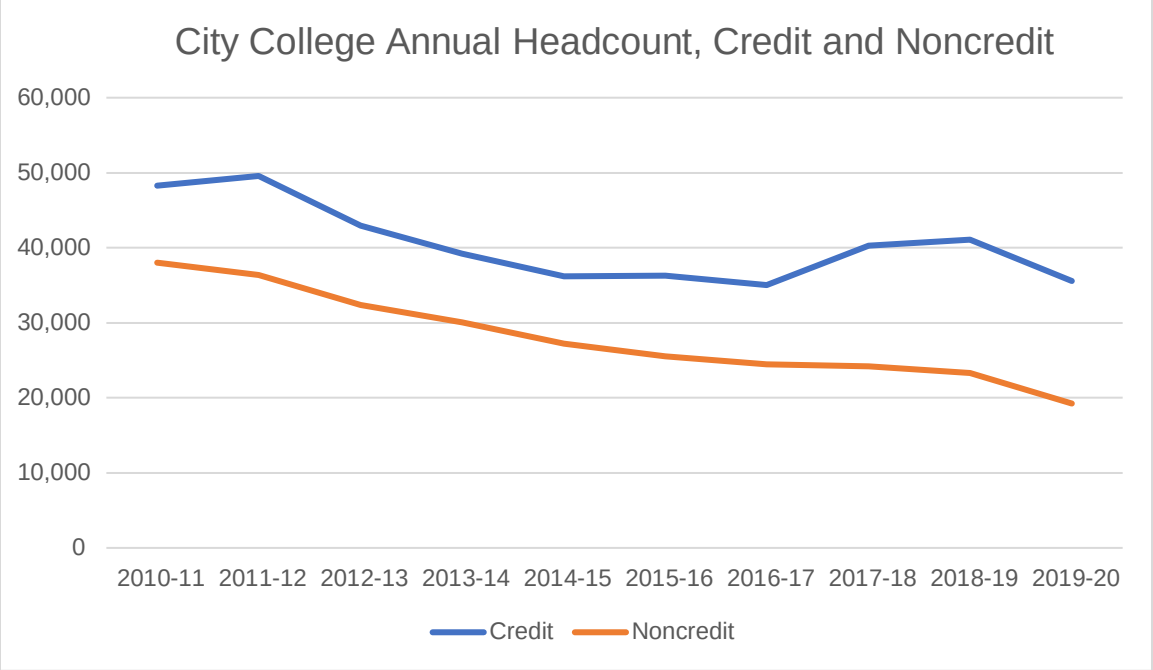


Source: CCCCO Data Mart, 9/1/20

$ F U R V V W K H % D\H D G L\DQFH Q HFRQRPLF ,QGH[PDJD]LQH

City College Headcount Credit vs. Noncredit

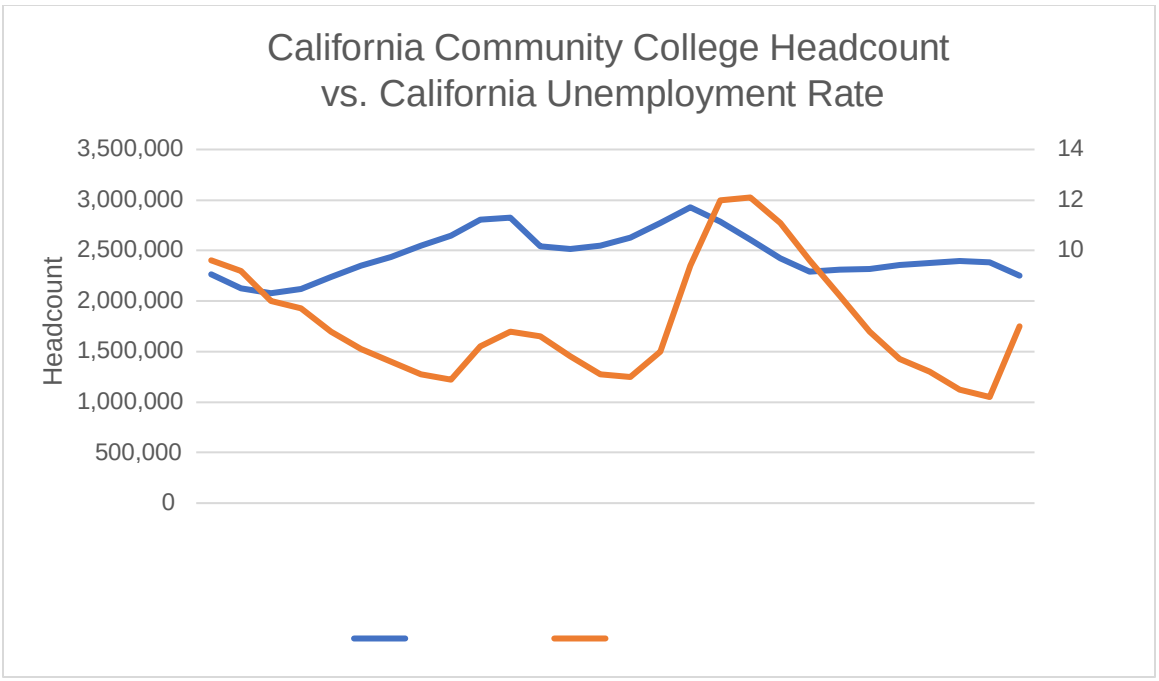


Source: Office of Research and Planning

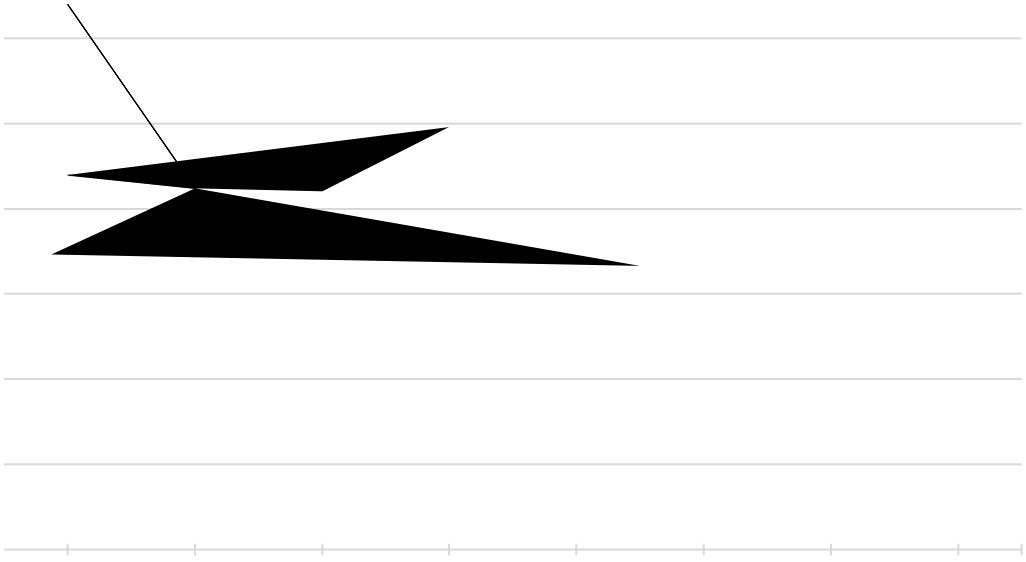
7KH &ROOHJH KDV H[SHULHQFHG DQ RYHUDOO GHFOLQH LQ WKH GHFOLQH LQ QRQFUHGLW HQUROOPHQW KDV RXWSDFH DQG WKH ODVW SUH SDQGHPLF \HDU FUHGLW KHDG QRQFUHGLW KHDGFRXQW GHFOLQHG

Economy

$ FRPPRQ DVVXPSWLRQ RI HFRQRPLVWV LV WKDW HQUROOPHQW ZLOO HFRQRP\ LV JRRG HQUROOPHQW GURSV DQG ZKHQ WKH HFRQRP\ VORZV SHRSOH UHWXUQ WR VFKRRO DQG LPSURYH WK


California Community College Headcount
vs. California Unemployment Rate
Headcount
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
14
12
10

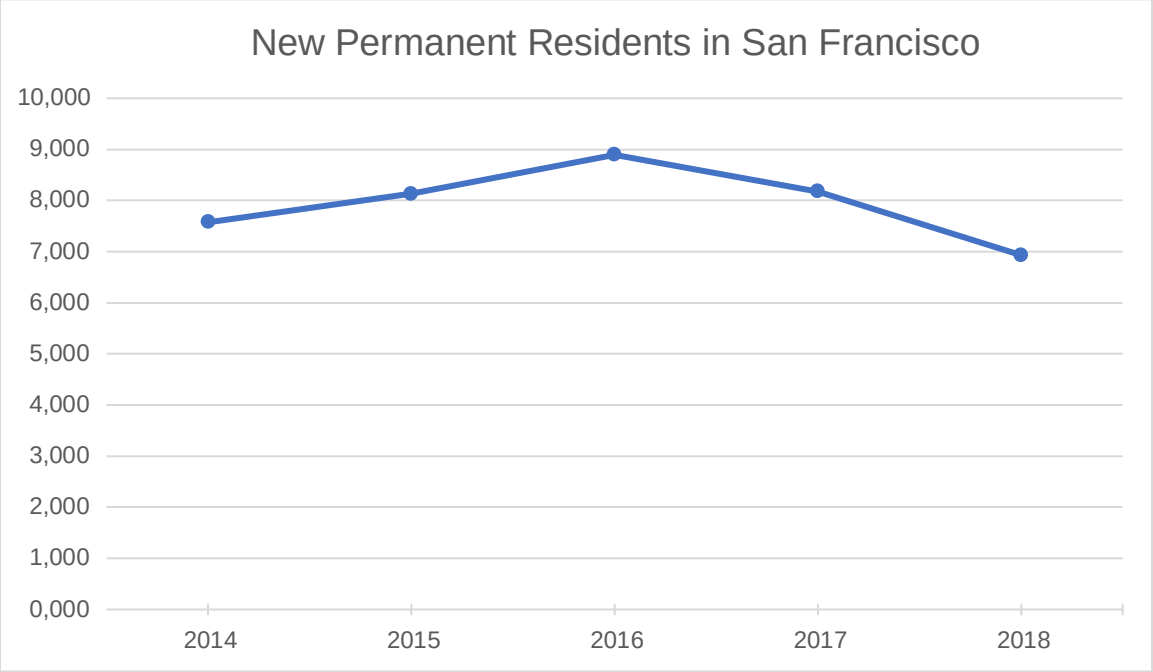
7KH IROORZLQJ FKDUW VKRZV KLVWRULF DQG SURMHFWHG



Source: CA Department of Finance Demographic Research Unit

2YHUDOO WKH EHFKMQHEHQUDRI 6DQ)UDQFLWKDVSHDWKDW UH
(QJOLVK OHVV WKDQ YHU\ ZHOO

7KH IROORZLQJ FKXDPUEWUVKRRZQVHZKHJDO SHUPDQHQW UHVLGH
WKH ODVW1RHWZDEOUWKLV WDEOH LV EDVHG RQ 86 'HSDUWP
LPPLJUDWLRQ VWDWLVWLFV DQG GRHV QRW LQFOXGH XQG



Source: US Dept of Homeland Security, Office of Immigration Statistics

2YHUDOO WKH QXPEHU RI QDWXUDOL]HGQWXWXHQVGHQWV E
DQG KDV EHHQ WUHQGLQJ GRZQZDUGV VLQFH

Credit outlook

&RPPXQLW\ &ROOHJH VWXGHQWZRGHPRQWKEQG DWWD&LWHU&R OHJ
GHFOLQLQJ VLQFH 6DQ)UDQFLVFR LV H[SHULHQFLQJ D KH
WKLV \HDU WKHUH LV QRW VWURQJ HYLGHQFH WKDW WKLV
HQUROOPHQWRJUDOZQKPEKH WI 6DQ)UDQFLWKFR UHWRGHQ\WDJ
EUDFNHW IRU FUHGLW VWXGHQWV LV SURMHFWHG WR GHF

%DVHG RQ WKHVHDHGLWRHQUROOPHQW LV QRW H[SHFWHG W

Noncredit outlook

7KH GHFOLQLQJ &RPPXQLW\ &ROOHJH HQUROOPHQW ILJXUH
QRQFUHGLW VWXGHQWV DV GRHV WKH GDWD RQ XQHPSOR\
RI 6DQ)UDQFLVFR UWKLHGDJHRUDJHRWWKDOI RQRQFUHGL
H[SHFWHG WR ULVH L-QRZHKYHQH[WHUZKDVEHHQ D GHFOLQ

WKH QXPEHU RI 6DQ)UDQFLVFDQV WKDW UHSRUW VSHDNLQ
SRLQW WRZDUGV GHFOLQHV LQ SURVSHFWLYH (6/ VWXGHQW

%DVHGVHQIDWKWRQRFUHGLW HQURROPHQW LV QRW H[SHFW
\HDUV

Debt Repayment

7KH &ROOHJH LV FXUUHQWO\ UHSD\LQJ WKH VWDWH IRU DQ
7KLVUHSD\PHQW ILJXUH LV 0 DQQXDOO\ DQG LV H[SHFWHG

Local funding

,Q DGGLWLRQ WR VWDWH IXQGLQJ WKH &ROOHJH UHFHLYHV
VRXUFHV 7KH IROORZLQJ WDEOH VXPPDUL]HV WKH PDMRU
WKURXJK

Funding Source	FY 2018-19 Actual	FY 2019-20 Estimate	FY 2020-21 Budget
Sales Tax	$15,195,215	$13,516,695	$11,600,000
Nonresident Enrollment Fees	$5,590,686	$5,144,554	$4,155,643
Parcel Tax	$20,190,456	$19,813,662	$19,813,662
Total	$40,976,357	$38,474,911	$35,569,305

3URMHFWLRQV IRU WKHVH IXQGLQJ VRXUFHV DUH DV IROOR

Sales Tax

6DOHV WD[SURMHFWLRQV IRU WKH

- x EOPS services
- x Lottery funds for instructional supplies
- x Funds for specific categorical programs, including Strong Workforce Program, Adult Education Program, and the Student Equity and Achievement Program

7 K H I X Q G L Q J F D O F X O D W L R Q V I R U W K H V H V H U Y L F H V D Q G S U R J U D P V L Q W K L V S O D Q D V V X P H V W K D W W K H O H Y H O R I U H V W U L F W H G I X

Potential New Funding (un)re W*92 re W* n BT /TTET Q (BTurce W* 0 0 6s/MCID 6 >>BDC

Multi -year Budget and Enrollment Plan

Multi -year Goals

7KH 3HQGV WKURXJK WKH VXQVHW RI V
SURYLVLRQDO EXGJHWLQJ JRDOV LQFOXGH &RO OHJH
ILQDQFLDO VLWXDWLRQ DQG LPSURYHG VWHZDUGVKLS RI WKH &RO OHJH

- Stabilized credit and noncredit enrollment, with small year-over-year enrollment changes
- Growth in unrestricted fund reserves to 8.8% of College operating expenses in 2023-24, dropping to 8.2% in 2024-25. Increasing the reserve percentage through 2023-24 helps to insulate the College against the funding reductions that are projected for 2024-25, as well as any unanticipated reductions in funding. It will also help ensure that the College can withstand state deferrals in funding (like those seen in 2020-21) without resorting to short-term borrowing.
- Personnel costs below 90% of total unrestricted and parcel tax expenditures.

Unrestricted General Fund and Parcel Tax Revenue

7KH IROORZLQJ WDEOH VXPPDUL]HV SODQQHG XQUHVWULFW
WKH ILVFDO \HDUV WKURXJK)LVFDO \HDU
DGRSWHG E\ WKH %RDUG RI 7UXVWHHV RQ 2FWREHU)LJX
DUH EDVHG RQ SURMHFWLRQV IURP WKH PXOWL \HDU IXQ

	2020-21	2021-22	2022-23	2023-24	2024-25
Total Computational Revenue	$136,132,983	$136,132,983	$136,132,983	$136,132,983	$128,181,752
Debt Payment	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Other state and local revenues	22,235,002	22,235,002	22,235,002	22,235,002	22,235,002
Parcel tax	19,813,662	19,813,662	19,813,662	19,813,662	19,813,662
Total Revenue	$176,981,647	$			

U H W L U H P H Q W V \ V W V1 0.5 1 <0003ifac 1 Tf 12 0 0 12 72.025 708.72 Tm [<0055004fact<

	2020-21	2021-22	2022-23	2023-24	2024-25
Non-compensation	$18,959,181	$18,151,190	$18,756,001	$18,389,037	$16,925,173

Transfers

7KH &RXQFLO UHVWULFWHG JHQHUDO IXQG DOVR SURYLGHV VX
ZKHUH UHYHQXHV IRU WKRVH IXQGV GR QRW PDWFK H[SHQV
WKH &DIHWHULD IXQG ZKLFK VXSSRUWV DWWHQGDQFH &DPSXV P

7UDQVIHUV KDYH EHHQ UHGXFHG LQGLVFORVXUH VWDWHPHQWV
VKXWGRZ0 0€ð 0

Summary of Unrestricted General Fund & Parcel Tax Revenues and Expenses

7KH IROORZLQJ WDEOH VXPPDUL]HV SODQQHG XQUHVWULFW
H[SHQVHV IRU WKH IL[WKFUDRX JHKDULW FDO \HDUJXUHV DUH IURP
ILQDO EXGJHW DGRSWHG E\ WKH %RDUG RI 7UXVWHHV RQ 2

	2020-21	2021-22	2022-23	2023-24	2024-25
Beginning Fund Balance	$13,851,873	$8,385,299	$8,711,130	$10,243,241	$13,779,376
Total Revenue					

Budget, Enrollment, and Service Impacts

7KH &ROOHJH¶V XQUHVWULFWHG JHQHUDO IXQG EXGJHW KDV D 0 GHILFLW WKDW UH
EDODQFH RI ZLWK D IXQG EDODQFH PDUJLQ RI DSSUR[L
EHQHILWV H[SHQVHV LQ ZLOO H[SLUH DW WKH HQG RI
EHQHILWV H[SHQVHV ZLWKRXW DQ DQWLFLSDWHG RIIVHWWL
&ROOHJH¶V XQUHVWULFWHG JHQHUDO IXQG DQG SURSHUW\
@P&°FÐ[0QH

$ FRQWULEXWRLQJKHD&RROHJH¶V VWUXFWXUDO GHILFLW KDV
SDUWLFXODU D FODVV VFKHGXOH WKDW GHWKLHUDUFKQHRWKHDSWFDQHGL
LVHTXLUHGWWRKFLWXUFKHGXOH LQ DHZDUWKDWVWXSKDUWZLW
SODQQHG WRWDO FRPSXWDWLRQRUHJ¶V X(QULRQOPHQW 0D
&RPPLWWHH ZLOO EH SDRDWHG VHQWRORQHSQWRJ FHUWLILFDV
FRPSOHWLRQV DV ZHOO DV SURJUDPPDWLF FRVWV DQG EH
SURJUDPPDWLF DXSDGLQJ RI WKH DQQRXDWKEXGJHWLQSURFH
7KHVH UHFRPPHQGDWLRQV WKEHHFRPSOHWHG RVFKQXOH WR
SURGXFWLRQ WLPHOLQHV DQG WKH UHTXLUHPHQWVWRX
IXOOWLPH IDFXOW\ E\ 0DUFK

%XGJHWLQJ UXOHVSDUDPHQWV ZLOO EH FRRDSURHQVLYH WD
FRPSHQVDWLRQ H[SHQVHV IRU DOOFRPSOHQWVDWLRQHQVLYH
&RQWULEXWLRQV WR WKH&RROHJH¶V UHWLUHPHQW SODQV
LQFOXGHG LQHEXGJHWLQJ

,W LV H[SHFWHG WKDW WKH &ROOHJH ZLOO EH DEOH WR HV
SUHVHUYH HDFK RI WKH &ROOHJH¶V LQVWUXFWLRQDO SURJ
3URFHGXUH HVWDEOLVKHV WKH SURFHVV WKDW PXVW E
RI DQUKQWWLRQDO SURJUDPV LV FRQWHPSODWHG 7KLV SURF
VWDQGDUGV &RXQFLOHUHVSRQVLEOH ³WHDFK RXW´ SODQ IRU
SURYLGH DQ RSSRUWXQLW\ IRU VWXGHQWV WKDW KDG EHJ

:KLOHW LV H[SHFWHG WKDEWWKSHU&RROHJHZEHWKH &ROO
SURJUDPV WJK@HpÀ€DVV X0 •0

Budgeting for Other Areas

2WKHU EXGJHW DUHDV RI WKH &RROHJH LQFOXGH DUHDV W
WKDW IRFXV RQ SURJUDP H[SHQVHV %XGJHWLQJ IRU WKHV
VWDIILQJ DQG OHYHOV DW WKH 2FHDQ &DPSXV DQG WKH Y

Annual Budget Development Process and Principles

Development Process and Principles

$ Q Q X D O E X G J H W V Z L O O %H D G H Y H O R S H G D Q G R S H U D W H G R Q D Q D O D V V R F L D G P L Q L V W U D W L Y H S U R F H G X U H V

Program Review/Annual Plan

7 K H & R O O H J H 5H Y L H Z 3 U R J U D P $ Q Q X D O 3 O D Q Q L Q J S U R F H V V H V D Q I X Q G L Q J U H T X H V W V 7 K H V H I X Q G L Q J U H T X H V W V D Q G W K H L U & R O O H J H H[H F X W L Y H 2 I I L F H U V Q X D O E X G J H W V

Participatory Governance

$ Q Q X D O E X G J H W V G H Y H O R S H G E D V H G R Q W K H

Conclusion

7KH &ROOHJH LV LQ D GLUH ILVFDO HPHUJHQF\ WKDW ZLOO
SUHVHUYH WKH TXDOLW\ RI WK\HVFDQ\VHGXFDWLRQDOH[SHULHQFH
HGXFDWLRQDO LQVWLWXWLRQ DQG DVXPHV WKDW LWV RS
QRW H[FHHG LWV7KH3UHVLGHQWXSHUYLVHGPDS IRU WKH &
RQJREDO.DQFHVWKEXJVHWDELOOLQHO VKRJLQDPWDQGGWVRXGHQW V
RSHUQZLWWKH &RQOYHDOWKH¶:KHDQVWKH URDG DKHDG ZLOO EH D
FRPPLWPHQW RI WKH &ROOHJH FRPPXQLW\ ZRUNLQJ WRJHV
VWDEOLRFWQWLQXHGOLYSHUJRIDPV WR PHHW WKH QHHGV F