



DE ANZA COLLEGE



Finance and College Operations
Planning and Budget Team
January 19, 2018

Governor's 2018/19 Budget

Item	2017-18 Enacted Budget	2018-19 Governor's January Proposal	Notes
Ongoing Funds			
Cost of Living Adjustment (COLA)	\$97 M (1.56%)	\$161.2 M (2.51%)	
Enrollment Growth	\$57.8 M (1%)	\$60 M (1%)	Allows the system to serve around 25,000 more students.
Base Augmentation (New Funding Formula)	\$186.3 M	\$175 M	To support transition to a new equity and outcomes focused funding formula.
College Promise Programs	\$0	\$46 M	To implement AB 19 (Chpt. 735/ Statutes of 2017)
Student Success (SSSP) & Equity	No Augmentation	No Augmentation	
Workforce & CTE Pathways	No Augmentation	No Augmentation	
Part-Time Faculty Office Hours	\$5 M	No Augmentation	
Basic Skills	No Augmentation	No Augmentation	
COLA: Adult Education Block Grant		\$20.5 M	COLA for AEBG plus \$5 M for data collection
Full-Time Student Success Grants	\$25 M	\$32.9 M	Consolidates the two categorical programs. Grant based on units taken by qualifying student.
Completion Incentive Grants	\$25 M		
Chancellor's Office Operations	\$618,000	\$2 M	Non-98 for 15 vacant positions
Online Education	\$5 M	\$20 M	\$100 M one-time and \$20 M ongoing

Governor's 2018/19 Budget Cont.

One-Time Funds			
Online Education		\$100 M	One-time for the establishment of a new online colleges targeting 25-34 year olds with no degree.
Deferred Maintenance & Instructional Equipment	\$76.8 M	\$274.3 M	
Prop 39 Clean Energy Job Creation Fund	\$46.5 M		
Innovation Awards	\$20 M	\$20 M	Focused on enhancing equity
Other			
Adjusted Growth		(-) \$73.7 M	
Capital Facilities			
Prop 51 Bond Projects	15 Projects	5 Projects	<p>29 projects requested in the 2018-19 Capital Outlay Program. Funds only:</p> <ul style="list-style-type: none"> • Redwood's Arts Building Replacement • Mt. San Antonio's New Physical Education Complex • Laney's Learning Resource Center • Merritt's Child Development Center • Golden West's Language Arts Complex Replacement

Finance and College Operations (VP1) Budget Reduction Status Update

VP1 Budget @ 12/31/17

FINANCIAL MANAGER	ORG DESCRIPTION	Original BUDGET	Revised BUDGET	YTD ACTUAL	P. O. ENCUMBR	P. R. RESERV	12/31/17 Budget AVAIL
CHEU, S.	VP FIN & COLLEGE OP'S	25,182.00	65,860.00	5,743.06	3,377.52	0.00	56,739.42
CHEU, S. Total		25,182.00	65,860.00	5,743.06	3,377.52	0.00	56,739.42
GREY, P.	ASSOC VP-COLLEGE OP'S	22,228.00	30,422.00	8,095.79	3,902.00	36,960.91	(18,536.70)
GREY, P.	MINOR FACILITY MODIF	7,550.00	135,000.00	26,580.19	2,505.00	0.00	105,914.81
GREY, P.	GROUNDS	27,609.00	65,361.17	38,119.36	29,173.42	2,172.50	(4,104.11)
GREY, P.	POSTAL SERVICES	24,400.00	10,000.00	4,367.04	323.75	0.00	5,309.21
GREY, P.	GRADUATION	25,000.00	30,000.00	11,516.24	0.00	0.00	18,483.76
GREY, P.	SECURITY SYSTEM	35,000.00	64,248.35	20,130.48	7,501.92	0.00	36,615.95
GREY, P.	EMERGENCY PREPARE	7,000.00	2,000.00	190.72	0.00	0.00	1,809.28
GREY, P.	ATHLETIC FIELD MAINT	11,500.00	11,500.00	3,511.40	0.00	0.00	7,988.60
GREY, P. Total		160,287.00	348,531.52	112,511.22	43,406.09	39,133.41	153,480.80
GREY/DASILVA	CUSTODIAL	100,223.00	200,000.00	78,827.36	140,823.04	0.00	(19,650.40)
GREY, P./DASILVA, M. Total		100,223.00	200,000.00	78,827.36	140,823.04	0.00	(19,650.40)
VARELA, M. (Interim)	DIR-BUDGET/PERSONNEL	0.00	15,000.00	4,651.42	0.00	0.00	10,348.58
VARELA, M. (Interim)	PERSONNEL	1,472.00	4,000.00	149.50	0.00	0.00	3,850.50
VARELA, M. (Interim)	CASHIERING SERVICES	52,457.00	55,000.00	34,338.09	0.00	0.00	20,661.91
VARELA, M. Total		53,929.00	74,000.00	39,139.01	0.00	0.00	34,860.99
VP 1 TOTALS		339,621.00	688,391.52	236,220.65	187,606.65	39,133.41	225,430.81

F&CO Budget Reduction Goal

- Three-Year Districtwide Target: \$10M
 - Year 1 (FY17/18): \$2M
 - Year 2 (FY18/19): \$3M
 - Year 3 (FY19/20): \$5M
- De Anza College's share is 50% or \$5M
- The breakdown per area is *

Instruction:	\$2.25M
Student Services:	\$2.2M
President/Marketing:	\$100K
Finance and College Operations:	\$450K

*Each area will assess their ability to reduce their budgets – numbers may change

- Current F&CO goal: Identify full \$450K in reductions with tiered implementation:
 - Year 1 & 2 (implement by 7/1/18): \$225K
 - Year 3 (implement by 7/1/19): \$225K

B Budget (standardized) is \$688K (need to check for extras)

A Budget is approximately: \$3.8M

Reduction Proposal - 1

At 6/30/17 Facility Rental fund balance of \$895K

- Revised method of allocating support costs to users
- Potential for increased growth over next few years
- Potential to support two entry-level custodial positions on an ongoing basis - \$130K

	2013	2014	2015	2016	2017	Current YTD 2018
<i>Total Revenue</i>	309,176	252,034	298,184	335,397	426,490	254,779
<i>Total Expenses</i>	216,818	163,492	175,745	375,812	226,805	125,495
<i>Net Change in Fund Balance</i>	92,358	88,541	122,439	-40,415	199,685	129,284
<i>Beginning Fund Balance, July 1</i>	432,448	524,806	613,347	735,785	695,370	895,055
<i>Ending Fund Balance, June 30</i>	524,806	613,347	735,785	695,370	895,055	1,024,339

Reduction Proposal - 2

Associate Vice President of College Operations works closely with several Fund 15 and Self-Supporting areas. Allocate a portion of that salary to those areas:

- Bookstore - 10%
- Dining Services - 10%
- Facility Rental - 10%
- Campus Center – 5%

Total savings of approximately \$70K with benefits

Reduction Proposal - 3

Change status of VTA SmartPass (previously known as EcoPass) from general fund to self supporting fund 15

Permanently move salary cost from general fund to fund 15 (currently done on a quarterly basis)

Savings of \$25K

Summary of Proposed Reductions

3-Year Goal for Finance and College Operations	\$450K
Change Funding of Custodial Positions	-\$130K
Change Funding for SmartPass (EcoPass)	-\$25k
Change Funding of AVPCO	-\$70K
Remaining Balance	\$225K

Moving Forward-Identifying Remaining \$225K

- Additional funding sources
 - Other revenue generating opportunities?
- Analysis of B Budget expenses – potential saving areas?
- Potential elimination of positions
 - Effect on performance in those areas
 - Equipment to improve efficiencies
 - Reduced level of service - campus expectation
 - Consolidation with other areas, Foothill Campus
 - Review vacant positions to limit effect on filled positions
- Other items to consider
 - Additional reduction of B Budget due to supplement by carryforward is also possible
 - Custodian position added last fiscal year not covered by salary savings and could potentially be cut if carryforward “float” is reduced by position reductions

Questions?

