

# Grossmont-Cuyamaca Community College District Income Allocation Model (IAM)

## History & Background:

- Budget Allocation Taskforce (BAT) was formed in Spring 2012 to serve as an advisory taskforce to the Chancellor for assessment, analysis, and recommendations regarding budget allocation between the sites. Tri-Chairs were the presidents from both colleges and the Vice-Chancellor of Business Services. The composition included Academic Senate Representatives from both colleges, classified senate representative, and CBO's from both colleges.

## Components of IAM:

- Unrestricted General Fund Revenue
- Beginning Balance
- Districtwide Commitments/Contingency Board Reserve
- District Services Allocations

## Calculation of IAM:

- UGF Revenue + Beginning Balance = Total Funds Available
- Total Funds Available – Commitments = Site Allocations

## Grossmont-Cuyamaca Community College District Income Allocation Model (IAM)

### Unrestricted General Fund Revenue:

- **State Apportionment Revenue (SCFF)**
  - Basic Allocation: based on the size of college FTES
    - Currently both colleges are considered small size college
  - FTES Allocation: based on **Resident FTES** percentage since 2017/18 Adoption Budget
    - GC 67.91%
    - CC 32.09%
  
- **Full-Time Faculty Hiring Funds**
  - 2015/16 : GC 10 / CC 5
  - 2018/19: GC 6 / CC 6
  - 2021/22: GC 11 / CC 13
  
- **Revenue Reduction – State Deficit**
  - In some years, District budget a revenue deficit (reduction to revenue) in anticipation of State not funding us for the total apportionment amount
  - Decision is based on whether P2 report includes a State deficit
  - Amount of deficit is split based on **Resident FTES** percentage
  - If by June, the State does not include deficit or if it less than what was budgeted, District will release the deficit and bring recommendations to DSP&BC on how to allocate the deficit
  
- **Other State Revenue**
  - Revenue is split based on the % of State Apportionment and Full-Time Faculty Hiring Funds
    - Lottery
    - Part-Time Faculty Compensation (Parity)
      - ❖ District has one schedule for PT & Overload and PT are paid the same rate as the overload rate
    - Mandated Block Grant – based on FTES
    - College Promise Grants (BOG Fee Waivers Administration Fee)
    - Adjunct Office Hours

## **Grossmont-Cuyamaca Community College District Income Allocation Model (IAM)**

- **Local Revenue**

- Each site estimates its local revenue and is dedicated to the site
- The following year budget is adjusted if actual revenue came in higher or lower
- Local revenue is defined as those revenues earned specifically by location and directly under the control of each college or District including but not limited to the following:
  - Non-Resident Tuition (International & Out of State)
  - Facility Rentals
  - Transcripts
  - Interest
  - Cellular Transmitters
  - 2% Pass Through Property Taxes from SDCOE
    - ❖ Split between colleges based on Assignable Square Footage
      - GC – 58%
      - CC – 42%

- **Transfers In**

- Transfers from Other Postemployment Benefits Fund (OPEB) to fund retiree health benefits
  - Started in FY 2019/20
  - Funds are transferred to Districtwide Commitments allocation since the retiree health benefits expenditures are budgeted there
  - Need to analyze if we still need to transfer funds from OPEB

- **Transfers Out**

- Transfers to Parking Fund to fund 70% of CAPS salaries & benefits
  - Started after the pandemic since there were no student parking permits
  - Student parking permits will start Fall 2023
  - Need to analyze the parking fund to see if we still need to continue to fund it
  - The amount is split based on **Total FTES** percentages

### **Beginning Balance**

- Each site keeps their ending balance from prior year including Purchase Order Carryover (POCO)

## **Grossmont-Cuyamaca Community College District Income Allocation Model (IAM)**

### **Districtwide Commitments Costs:**

- Cost is deducted from the college allocation based on **Total FTES** percentages
- Expenditures considered to be regulatory or committed and of benefit to the entire District
- Budget is estimated on prior year expenditures and or on updated rates
- Districtwide expenditures includes:
  - Contingency Board Reserve
  - Board Election
  - IT system maintenance agreements and software
  - Property, casualty & liability insurance
  - Law enforcement – SD County Sheriff
  - Retirees health benefits
  - SERP payments – until 2025/26
  - Bargaining related commitments
  - Students credit card fees
  - Bank charges
  - Legal expenses
  - Election expenses
  - Personnel Commission
  - Memberships

### **District Services Allocations:**

- Cost is deducted from the college allocation based on **Total FTES** percentages
- Budget is based on projected salaries and benefits plus a baseline budget for supplies and operating expenses:
  - Current baseline amount is \$1.5 million, this amount increases by the COLA % each year
  - For the last several years the baseline amount has been decreased by \$500K
- District Services allocation funds activities overseen by the District Office such as:
  - Governing Board & Chancellor
  - Human Resources
  - Public Safety/Risk Management
  - Information Technology
  - Research & Planning
  - Educational Support & Services
  - Marketing & Communication
  - Business Services