

# BUDGET COMMITTEE

## MEETING AGENDA

September 3, 2014

3:00 p.m.



**Location: Building 4, Conference Rm. #2460**

**Time: 3:00 p.m. – 4:30 p.m.**

### Committee Members:

Mike Gregoryk, Chair	Mark Fernandez	Gary Nellesen	Bill Scroggins (Guest)
Richard McGowan, Co-Chair	Martin Ramey	Michael Sanetrick	
Jim Jenkins for Irene Malmgren	Rosa Royce	Fernando Aguayo (Student)	Kerry Martinez (Notes)
Audrey Yamagata-Noji	Lisa Romo	Edmond Xiong (Student)	
	Johnny Jauregui		
	Lance Heard		

### AGENDA ITEMS:

- 1. Agenda Check**
- 2. Review Budget Committee Meeting Summary of June 18, 2014**
- 3. 2014-15 Proposed Adopted Budget Review**
- 4. Gap Analysis Review**



**Mt. San Antonio College  
Budget Committee  
Summary of September 3, 2014**

Revised 10.1.14

<b>Committee Members:</b>	
<input checked="" type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> Jim Jenkins for Irene Malmgren <input checked="" type="checkbox"/> Audrey Yamagata-Noji	<input checked="" type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce <input checked="" type="checkbox"/> Lance Heard
<input checked="" type="checkbox"/> Gisela Carrillo Lopez (Student) <input checked="" type="checkbox"/> Fernando Aguayo (Student) <input checked="" type="checkbox"/> Johnny Jauregui <input checked="" type="checkbox"/> Gary Nellesen	<input checked="" type="checkbox"/> Lisa Romo <input checked="" type="checkbox"/> Michael Sanetrick <input type="checkbox"/> Bill Scroggins (Guest) <input checked="" type="checkbox"/> Kerry Martinez (Notes)
<b>ITEM</b>	<b>DISCUSSION/COMMENTS</b>
<b>1. Agenda Check</b>	Mike reviewed the Agenda with the committee members. He noted that Gary Nellesen has offered his Gap Analysis submissions as a pilot. Mike noted that there are a number of new Budget Committee members in attendance today and asked everyone to introduce themselves.
<b>2. Review Budget Committee Meeting Summary of June 18, 2014</b>	Richard McGowan suggested adding to the meeting Agenda for September 17, 2014, "Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit," which was discussed in the Budget Committee meeting on June 18, 2014. The Budget Committee Meeting Summary of June 18, 2014, was approved, with one addition.
<b>3. 2014-15 Proposed Adopted Budget Review</b>	Rosa Royce reviewed handouts titled Changes to the Fund Balance from the 2013-14 Adopted Budget to the 2014-15 Adopted Budget, and Budget and Actuals Comparison History Unrestricted General Fund, and the complete 2014-15 Adopted Budget.  Rosa noted the beginning balance as of June 30, 2014, is \$19,694,989 and the 2013-14 Estimated Ending Fund Balance (Reserves) is \$30, 236,185, 20.64%. After including the Estimated 2014-15 Ongoing Budget Deficit of (\$10,651,336), the Total Estimated 2014-15 One-time Revenues and Expenditures of \$31,478, and the Total Estimated 2013-14 Increases/Decreases Revenue-Generated Accounts of (\$3,245,417); the 2014-15 Estimated Ending Fund Balance (Reserves) is \$16,370,910, 10.28%.
	<b>ACTION/OUTCOME</b>
	Approved, as presented.
	Approved, with one addition.

Rosa noted she and Mike met and developed a new reporting spreadsheet to try to help people better understand the Adopted Budget. The first spreadsheet shows ongoing revenues and expenditures in the Unrestricted General Fund 11 and 12. Mike explained the Growth Revenue of \$3.2 million as noted on the spreadsheet and also the \$2.6 million in the Expenditures column titled Class Schedule Increase. He stated these two numbers are very important; they prove that we are not making commitments that we can't afford to make. He noted there is a cost to do business which is the \$2.6 million spent to obtain growth.

Richard McGowan noted an observation that the actual structural deficit in 2011-12 was (\$6,431,677); in 2012-13 it declined and was \$(5,507,236), then in 2013-14 it declined again to \$(3,081,166). He noted a 3-year trend of actual declining structural deficit balances which is a good thing, but the College is again budgeting for 2014-15 a very high structural deficit of (\$10,651,336). Richard asked why the College continuously budgets a growing structural deficit when it is actually shrinking. Mike stated this is a valid observation. He also gave an example and asked why the College gave salary and benefit increases when the COLA was .85%. Richard suggested if since we truly have a structural deficit; we recommend, as a committee, that all new expenditures cease until the College resolves the structural deficit and balances the budget. Mike suggested that we do a better job at communicating to the Budget Committee the notifications received from the Chancellor's Office throughout the year which can give the committee a better understanding of what Fiscal Services is dealing with. The Adopted Budget is a moving target.

Gary Nellesen stated he really appreciates the reports that Rosa has presented. They are very clear and straight-forward. Richard asked everyone to recognize and appreciate the work that Rosa and her staff in Fiscal Services put in to the development of the Adopted Budget document. He suggested some type of recognition be added to the document. Mike stated they are acknowledged at the Board of Trustees meeting but agrees it is a great idea to recognize them on the document.

<b>4. Gap Analysis Review</b>	Gary Nellesen explained the work that he has done so far on the Gap Analysis. Mike asked everyone to take this with them and review it to get an idea of what type of documentation is needed. He asked that everyone complete their part of the document and send them to Kerry. She will compile everyone's submissions into one document. This document will be ready to review at the next Budget Committee meeting on September 17, 2014.
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**FUTURE AGENDA ITEMS:**

- Statement from the Budget Committee to President's Cabinet – Ongoing Structural Deficit
- Review Draft ACCJC "New" Standards Gap Analysis - Budget Committee
- Review 2014-15 New Resources Allocation Requests
- Continue Review of the Budget Review and Development Process

**FUTURE MEETING DATES:**

- September 17, 2014
- October 1, 2014
- October 15, 2014



# ACCJC “New” Standards Gap Analysis – Budget Committee

6.18.14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
<b>Standard I: Mission, Academic Quality, Institutional Effectiveness and Integrity</b>						
I.A.3. - <u>Everyone</u> The mission guides institutional decision-making, planning, and resource allocation and informs institutional goals for student learning and achievement.	X			Recent efforts to update the mission statement should be documented in PAC minutes and/or special PAC committee notes/minutes.	X	
I.B.4. - <u>Everyone</u> The institution uses assessment data, organizes its institutional processes and allocates and reallocates resources to support student learning and student achievement.	X			PIE in general, more specific efforts may be found in individual committee meeting minutes. Example: Facilities Advisory Committee project prioritization process.	X	
I.B.6. – <u>Audrey &amp; Irene</u> The Institution disaggregates and analyzes outcomes for subpopulations of students important to its mission. When the institution identifies performance gaps, it implements strategies, which may include human and fiscal resources, to mitigate those gaps and evaluates the efficacy of						

# ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)	
	Yes	No		Description	Systematically Collected?		
	Highly Effective	Effective	Somewhat Effective		Ineffective	Yes	No
those strategies.							
I.B.7. - <b>Everyone</b> The institution regularly evaluates its policies and practices in educational programs and student and learning support services, resource management, and governance to assure their effectiveness in supporting academic quality and accomplishment of mission.	X				PAC Minutes should reflect a high level of internal dialogue, as will many other committee meeting minutes/notes. Example: Budget committee efforts to update resource allocation process.	X	
I.B.8. – <b>Lance, Martin, Everyone</b> The institution engages in continuous, broad based, systematic evaluation and planning. The institution integrates program review, planning, and resource allocation that leads to accomplishment of its mission and improvement of institutional effectiveness and academic quality. Institutional planning addresses short- and long-range needs for educational programs and services and for human, physical,	X				See above	X	



# ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	Somewhat Effective	No Ineffective	Description	Systematically Collected? Yes No	
technology, and financial resources.							
<b>Standard III: Resources</b>							
III.D.1. - <b>Everyone</b> Financial resources are <b>sufficient</b> 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. CW IIID Intro	X				Financial resources should be deemed sufficient in consideration of the number of programs and services that were discontinued during the fiscal crisis. (very few if any). The integrity of financial management should be easy to demonstrate through audit reports and the types of financial reports produced by fiscal services.		Not sure if we collect and distribute financial reports systematically beyond the budget committee and PAC....Are they published on the web somewhere?
III.D.2. - <b>Everyone</b> The institution's mission and goals are the foundation for financial planning, and financial planning is integrated with and supports all institutional planning. The institution has policies and procedures to ensure			X		I think that the question of how well the institutions financial planning is grounded in mission and goals needs discussion at budget committee.  Policies and procedures		

ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes		No		Systematically Collected?		
	Highly Effective	Effective	Somewhat Effective	Ineffective	Yes	No	
sound financial practices and financial stability. Appropriate financial information is disseminated throughout the institution in a timely manner. CW IID1, IID1a, IID2c					are certainly in place and will be easy to document.  Budget committee needs to discuss how effectively and timely financial information is disseminated...??		
III.D.3. - <u>Everyone</u> The institution clearly defines and follows its guidelines and processes for financial planning and budget development, with all constituencies having appropriate opportunities to participate in the development of institutional plans and budgets. CW IID1d	X				Budget process and resource allocation is well documented and participation is encouraged	X	
III.D.6. - <u>Richard, Mike, Gary</u> Financial documents, including the budget, have a high degree of credibility and accuracy, and reflect appropriate allocation and use of financial resources to support student learning programs and services. CW		X			No question about the accuracy and credibility of financial documents. Budget committee may want to discuss “appropriate allocation” ...I do not see a gap here.	X	It should be easy to identify examples of financial documents that have been reviewed externally and accuracy verified. Appropriate allocation of funds may be demonstrated by the number and types of programs at the college, the number of

ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes	No			Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective	Ineffective		Yes	No
IIID2a							
III.D.7. - <u>Richard, Mike, Gary</u> - Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately. CW IIID2b	X				Management reports, MDA section of audits....very few if any audit findings in the last few years.		programs and services that were kept active despite the financial crisis, and the fiscal responsibility of the district.
III.D.8- <u>Richard, Mike, Gary</u> . - The institution's financial and internal control systems are evaluated and assessed for validity and effectiveness, and the results of this assessment are used for improvement. CW IIID2e	X				Not sure of the details of how the auditors comments on internal controls outside of audit reports are addressed?		
III.D.9. - <u>Richard, Mike, Gary</u> - 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. CW IIID3a	X				Evidence may be found in the rare need to borrow to meet ongoing commitments. Trans funds not needed in past years???		
III.D.10. - <u>Richard, Mike, Gary</u>	X				Audit reports, required	X	

ACCJC “New” Standards Gap Analysis – Budget Committee

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	Yes	No			Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective	Ineffective		Yes	No
The institution practices effective oversight of finances, including management of financial aid, grants, externally funded programs, contractual relationships, auxiliary organizations or foundations, and institutional investments and assets. CW IIID3b							
III.D.11. - <b>Richard, Mike, Gary</b> The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies, plans, and allocates resources for payment of liabilities and future obligations. CW IIID1c	X				Board policy, audit reports, budget committee meeting minutes, cabinet meeting notes, financial reports.	X	
III.D.12. - <b>Richard, Mike, Gary</b> The institution plans for and allocates appropriate		X			Tentative and approved budget, Budget committee meeting	X	How should the accreditation report address the recent history of not making

ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
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. CW IIID3c, d				notes, actuarial study and reports, board policy,....are there specific reports that show liabilities associated with compensated absences and other similar obligations? How are these liabilities reported other than as part of the financial statements and tentative and approved budgets?		payments into the OPEB trust?
III.D.13. - <u>Richard, Mike, Gary</u> On an annual basis, the institution assesses and allocates resources for the repayment of any locally incurred debt instruments that can affect the financial condition of the institution. CW IIID3e	X			Bond audit reports, COPS debt service is covered by BOND funds in an escrow account. Were TRANS type debt incurred in any of recent years, if so how was the debt cleared? What documentation exists to show that funds were budgeted to cover the debt (tentative budget) What other locally incurred debt instruments exist? Do the BOND	X	Budget committee should discuss these questions.

ACCJC “New” Standards Gap Analysis – Budget Committee

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	Highly Effective	Effective	Somewhat Effective	No	Description	Systematically Collected? Yes No	
<p>III.D.14. - <b>Richard, Mike, Gary</b> All financial resources, including short- and long-term debt instruments (such as bonds and Certificates of Participation), auxiliary activities, fund - raising efforts, and grants, are used with integrity in a manner consistent with the intended purpose of the funding source. CW IID2d</p>	X				<p>ANTICIPATION NOTES (BAN) fall into this category? ....BAN audit reports.</p> <p>Financial and performance audits of Bond and BAN funds. Citizens oversight reports, annual reports of bond funded construction activity should clearly show that funds are used as intended.</p> <p>Required reporting for specific grants. Are all grants subject to required reporting? Are any grant funds not subject to outside oversight? If so how are we ensuring that fund are spent according to the purpose of the grant.</p>	<p>X</p>	
<p>III.D.15. - <b>Richard, Mike, Gary</b> The institution monitors and manages student loan default rates, revenue</p>		X			<p>Budget committee should discuss these questions and prepare a list of deficiencies if any.</p>	<p>X</p>	

ACCJC “New” Standards Gap Analysis – Budget Committee

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	Yes	No		Description	Systematically Collected?		
	Highly Effective	Effective	Somewhat Effective		Ineffective	Yes	No
streams, and assets to ensure compliance with federal requirements, including Title IV of the Higher Education Act, and comes into compliance when the federal government identifies deficiencies. CW IID3f							
III.D.16. – <u>Gary, Audrey Irene, Rosa</u> Contractual agreements with external entities are consistent with the mission and goals of the institution, governed by institutional policies, and contain appropriate provisions to maintain the integrity of the institution and the quality of its programs, services, and operations. CW IID3g	X				Specific examples of contracts should be identified in the report, terms and conditions of contracts should contain controls to monitor performance of contracted entities.	X	All contracts for services and supplies should be available for review. Contract terms should be periodically reviewed. (budget committee should discuss types of contracts in addition to construction and service contracts related to operations).
<b>Standard IV: Leadership and Governance</b>							
IV.A.2. – <u>Faculty Members</u> The institution establishes and implements written policy authorizing administrator, faculty, and staff participation in decision-making processes.							



ACCJC “New” Standards Gap Analysis – Budget Committee

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Highly Effective	Effective	Somewhat Effective	No	Description	Systematically Collected? Yes No	
The policy makes provisions for consideration of student views and judgments in those matters in which students have a direct and reasonable interest. Policy specifies the manner in which individuals bring forward ideas and work together on appropriate policy, planning, and special-purpose committees. CW IVA2							
IV.A.3. – <u>Faculty Members</u> Administrators and faculty have a substantive and clearly defined role in institutional governance and exercise a substantial voice in institutional policies, planning, and budget that relate to their areas of responsibility and expertise. CW IVA2a							

File location: Dropbox\ACCJC 2016\Gap Analysis\Committee Templates – Budget Committee



**CHANGES TO THE FUND BALANCE  
FROM 2013-14 ADOPTED BUDGET TO 2014-15 ADOPTED BUDGET**

	Estimated May 9, 2014	Actuals June 30, 2014	Difference
<b>UNRESTRICTED GENERAL FUND</b>			
<b>2013-14 Adopted Budget Fund Balance (Reserves)</b>	<b>\$ 19,694,989</b>	<b>\$ 19,694,989</b>	<b>\$ -</b>
Additional Non Resident Tuition (International and out-of-state)	793,727	788,351	(5,376)
Additional 2012-13 Over Cap Growth/Restoration (Ongoing and One-Time)	302,586	695,228	392,642
Additional COLA for the 2012-13 Over Cap Growth/Restoration	4,751	5,458	707
Adjustment to 2013-14 Growth/Restoration (Base)	-	(28,670)	(28,670)
2013-14 Over Cap Growth/Restoration	-	1,262,599	1,262,599
2012-13 Statewide Structural Deficit Improved with Apportionment Recalculation <sup>(1)</sup>	1,025,815	1,065,158	39,343
Increase in 2013-14 One-Time Apportionment Deficit from 1% to 1.7% at P2 <sup>(2)</sup>	(3,093)	(957,880)	(954,787)
Redevelopment Revenues Backfill (Was Offset by Property Taxes)	2,012,207	2,012,207	-
Prior Year Lottery Adjustment	190,291	179,061	(11,230)
Miscellaneous Revenues	283,122	451,729	168,607
<b>Changes in Revenues as of June 30, 2014</b>	<b>4,609,406</b>	<b>5,473,241</b>	<b>863,835</b>
2013-14 Positive Budget Balances	1,438,103	2,665,659	1,227,556
Salary and Benefit Savings	1,759,217	1,367,767	(391,450)
2013-14 New Resources Allocation Requests	(886,111)	(661,622)	224,489
Additional Cost of 1,037 FTES Course Offerings in Hourly Adjunct for 2013-14	(1,495,536)	(1,549,266)	(53,730)
<b>Changes in Expenditures as of June 30, 2014</b>	<b>815,673</b>	<b>1,822,538</b>	<b>1,006,865</b>
<b>Total 2013-14 Variance - Unrestricted General Fund</b>	<b>5,425,079</b>	<b>7,295,779</b>	<b>1,870,700</b>
Revenues, Revenue-Generated Accounts (Includes Converted Auxiliary Trust Accounts)	1,341,196	1,706,390	365,194
Expenditures, Revenue-Generated Accounts (Includes Converted Auxiliary Services Trust Accounts)	1,557,472	1,539,027	(18,445)
<b>Total 2013-14 Variance - Unrestricted General Fund, Revenue Generated Accounts</b>	<b>2,898,668</b>	<b>3,245,417</b>	<b>346,749</b>
<b>Total 2013-14 Variance</b>	<b>\$ 8,323,747</b>	<b>\$ 10,541,196</b>	<b>\$ 2,217,449</b>
2013-14 Estimated Ending Fund Balance (Reserves)	28,018,736	30,236,185	2,217,449
<b>Fund Balance Percentage</b>	<b>19.00%</b>	<b>20.64%</b>	
<b>Estimated 2014-15 Ongoing Budget Deficit <sup>(3)</sup></b>	<b>(12,137,122)</b>	<b>(10,651,336)</b>	<b>1,485,786</b>
Total Estimated 2014-15 One-time Revenues and Expenditures <sup>(3)</sup>	2,648,813	31,478	(2,617,335)
Total Estimated 2013-14 Increases/Decreases Revenue Generated Accounts	(2,898,668)	(3,245,417)	(346,749)
<b>Estimated 2014-15 Fund Balance (Reserves)</b>	<b>\$ 15,631,759</b>	<b>\$ 16,370,910</b>	<b>\$ 739,151</b>
<b>Fund Balance Percentage</b>	<b>10.10%</b>	<b>10.28%</b>	

(1) The June recalculation of the 2012-13 apportionment shows that the deficit was reduced from 3.7% to 0.19%.

(2) Estimated at 1% or \$1,295,780 in the 2013-14 Adopted Budget. In P2, the deficit increased to 1.7% or \$2,253,660. The deficit is largely due to a shortfall in enrollment fees and property taxes. The June recalculation of the 2012-13 apportionment shows that the deficit was reduced from 3.7% to 0.19%.

(3) Includes \$2,500,000 funding for the Annual Contribution to the OPEB Trust from the Unrestricted General Fund. The Retiree Benefit Premiums of \$3,881,979 will be paid from the OPEB Trust.

For Additional Details Refer to Pages 13 to 18 of the 2014-15 Adopted Budget



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
BUDGET AND ACTUALS COMPARISON HISTORY  
Unrestricted General Fund**

	2011-12 Actuals	2012-13 Actuals	2013-14 Adopted Budget	2013-14 Actuals	2014-15 Adopted Budget	Est. 2015-16 Preliminary Budget
<b>UNRESTRICTED GENERAL FUND 11 AND 12</b>						
<b>ONGOING REVENUE SOURCE:</b>						
Base Apportionment	\$ 134,239,283	\$ 124,383,618	\$ 125,762,935	\$ 125,762,935	\$ 128,090,485	\$ 128,090,485
Apportionment Workload Reduction/Tier 2 "Trigger Cut"	(9,855,665)	-	-	-	-	-
2012-13 Over Cap Growth/Restoration *	-	-	-	347,614 (1)	-	-
COLA	-	-	1,974,478	1,979,936 (2)	1,114,919 (12)	1,114,919
2013-14 Growth/Restoration	-	-	-	-	1,813,906 (3)	1,813,906
2013-14 Over Cap Growth/Restoration	-	-	-	-	1,262,599 (13)	1,262,599
<b>Total Apportionment</b>	<b>\$ 124,383,618</b>	<b>\$ 124,383,618</b>	<b>\$ 127,737,413</b>	<b>\$ 128,090,485</b>	<b>\$ 132,281,909</b>	<b>\$ 132,281,909</b>
Miscellaneous	\$ 6,523,243	\$ 6,470,466	\$ 5,972,370	\$ 7,426,412	\$ 6,371,031	\$ 6,371,031
Lottery - Current Year	3,830,160	3,533,040	3,698,982	3,669,625	3,903,232 (14)	3,903,232
<b>TOTAL ONGOING REVENUES</b>	<b>\$ 134,737,021</b>	<b>\$ 134,387,124</b>	<b>\$ 137,408,765</b>	<b>\$ 139,186,522</b>	<b>\$ 142,556,172</b>	<b>\$ 142,556,172</b>
Salaries, Benefits, and Operating Expenditures	(135,205,913)	(133,674,513)	(140,268,112)	(135,785,480)	(146,304,389)	(148,804,389) (20)
OPEB Contribution and Retirees Premiums	(5,962,785)	(6,219,847)	(6,586,543)	(6,482,208)	(6,903,119)	(6,903,119)
<b>TOTAL ONGOING EXPENDITURES</b>	<b>\$ (141,168,698)</b>	<b>\$ (139,894,360)</b>	<b>\$ (146,853,655)</b>	<b>\$ (142,267,688)</b>	<b>\$ (153,207,508)</b>	<b>\$ (155,707,508)</b>
<b>STRUCTURAL ONGOING DEFICIT</b>	<b>\$ (6,431,677)</b>	<b>\$ (5,507,236)</b>	<b>\$ (9,444,890)</b>	<b>\$ (3,081,166)</b>	<b>\$ (10,651,336)</b>	<b>\$ (13,151,336)</b>

Increase of (\$1,206,446)

**REVENUES:**

2012-13 Growth/Restoration	\$ 347,614
2013-14 Growth/Restoration	1,813,906
2013-14 Over Cap Growth/Restoration	1,262,599
2013-14 COLA	5,458
2014-15 COLA	1,114,919
Lottery	204,250
Interest	50,000
Nonresident Tuition	600,000
Other Miscellaneous Revenue	(251,339)
	<b>\$ 5,147,407</b>

For Additional Details Refer to Page 19 of the 2014-15 Adopted Budget

**EXPENDITURES:**

2013-14 Salary and Benefit Increase	378,967
2014-15 Salary Schedule Progression	1,246,880
2014-15 Adjunct Salary Schedule Progression	128,000
2014-15 Noncredit Adjunct Step/Column	105,000
2013-14 Medical Coverage Opt-out	(81,773)
Misc. Personnel and Benefit Changes	(845,589)
New and Reinstated Positions	199,331
2014-15 Salary and Benefit Increase, Collective Bargaining Contracts	1,804,661
PERS Employer Rate Increase	106,328
STRS Employer Rate Increase	382,861
Retiree Health Premiums	(190,495)
Contribution to OPEB Trust	508,071
Worker's Compensation Increase	82,327
Eliminated Vacant Positions	(375,902)
Backfill for Eliminated FT Vacant Faculty Positions	127,320
Positions Transferred to the Restricted General Fund	(127,288)
Class Schedule Increase	2,601,790
Budget Increases	131,364
Conference and Travel, Management Department Funds	172,000
	<b>\$ 6,353,853</b>

For Additional Details Refer to Page 19 of the 2014-15 Adopted Budget

**Net Change of between 2014-15 Adopted Budget and 2013-14 Adopted Budget**

**\$ (1,206,446)**



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
BUDGET AND ACTUALS COMPARISON HISTORY  
Unrestricted General Fund**

	2011-12 Actuals	2012-13 Actuals	2013-14 Adopted Budget	2013-14 Actuals	2014-15 Adopted Budget	Est. 2015-16 Preliminary Budget
<b>ONE-TIME REVENUE - INCREASES/(DECREASES):</b>						
2012-13 Growth/Restoration	\$ -	\$ 1,379,317	\$ -	\$ -	\$ -	\$ -
2012-13 Over Cap Growth/Restoration *	-	-	-	347,614 (1)	-	-
2013-14 Growth/Restoration	-	-	1,842,576	1,813,906 (3)	-	-
2013-14 Over Cap Growth/Restoration	-	-	-	1,262,599 (4)	-	-
2014-15 Growth/Restoration	-	-	-	-	-	-
Prior Year Apportionment Adjustment *	260,976	511,417	-	-	-	-
2012-13 Apportionment Statewide Structural Deficit/Enrollment Fee/Property Tax Deficit *	(2,922,320)	(1,308,709)	-	1,065,158 (5)	-	-
2012-13 Redevelopment Revenues Backfill Deficit in Dispute *	-	(3,395,599)	1,383,392	3,395,599 (6)	-	-
2013-14 Apportionment Deficit-Enrollment Fee/Property Tax - Estimated	-	-	(1,295,780)	(2,253,660) (7)	900,000 (15)	900,000
2014-15 Apportionment Deficit-Enrollment Fee/Property Tax - Estimated	-	-	-	-	(992,114) (16)	(992,114)
City of Industry Legal Settlement and Tax Anticipation Notes	5,000,000	284,941	96,086	90,542	-	-
Mandated Cost Block Grant	-	780,684	790,520	790,520 (8)	812,089 (8)	812,089
<b>TOTAL ONE-TIME REVENUE</b>	<b>\$ 2,338,656</b>	<b>\$ (1,747,949)</b>	<b>\$ 2,816,794</b>	<b>\$ 6,512,278</b>	<b>\$ 719,975</b>	<b>\$ 719,975</b>
<b>ONE-TIME EXPENDITURES - INCREASES/(DECREASES):</b>						
One-Time Expenditures	\$ (2,348,626)	\$ (2,563,967)	\$ (4,529,822)	\$ (5,640,650) (9)	\$ (3,467,417)	\$ (3,741,417) (21)
One-Time Expenditures Course Offerings	-	(607,507)	(1,105,014)	(2,654,280) (10)	(2,408,703) (17)	(2,408,703)
One-Time Expenditure Savings - OPEB Contribution & Retiree Health Premiums	1,604,006	6,219,847	6,585,543	6,482,208	4,403,119 (18)	-
One-Time Expenditure Savings - Savings from Vacant Positions	1,224,567	475,012	363,124	363,124	784,504	784,504
<b>TOTAL ONE-TIME EXPENDITURES</b>	<b>\$ 479,947</b>	<b>\$ 3,523,385</b>	<b>\$ 1,313,831</b>	<b>\$ (1,449,598)</b>	<b>\$ (688,497)</b>	<b>\$ (5,365,616)</b>
<b>TOTAL ONE-TIME REVENES AND EXPENDITURES</b>	<b>\$ 2,818,603</b>	<b>\$ 1,775,436</b>	<b>\$ 4,130,625</b>	<b>\$ 5,062,680</b>	<b>\$ 31,478</b>	<b>\$ (4,645,641)</b>

Decrease of (\$4,099,047)

**REVENUES:**

	2013-14 Adopted	2014-15 Adopted	Difference
2013-14 Growth/Restoration	1,842,576	-	\$ (1,842,576)
RDA Backfill Deficit in Dispute	1,383,392	-	(1,383,392)
2013-14 Apportionment Statewide Structural Deficit/Enrollment Fee/Property Tax	(1,295,780)	900,000	2,195,780
2014-15 Apportionment Deficit	-	(992,114)	(992,114)
Tax Revenue Anticipation Notes	96,086	-	(96,086)
Mandated Cost Block Grant	790,520	812,089	21,569
	<b>\$ 2,816,794</b>	<b>\$ 719,975</b>	<b>\$ (2,096,819)</b>

**EXPENDITURES:**

	2013-14 Adopted	2014-15 Adopted	Difference
Purchases In Progress	\$ 601,802	\$ 637,501	\$ (35,699)
Various Carryover Budgets	816,356	1,695,078	(878,722)
One-Time Support	145,268	116,957	28,311
Tax Revenue Anticipation Notes	201,404	-	201,404
Salary & Benefit Increase - 1% Salary & \$1,500 H&W	2,090,992	-	2,090,992
Positions Funded with One-Time Anticipated 2014-15 Growth	-	382,083	(382,083)
Operating Expenses Funded with One-Time Anticipated 2014-15 Growth	-	106,170	(106,170)
Computer Replacement Program	-	250,000	(250,000)
Class Schedule Increase	1,105,014	2,408,703	(1,303,689)
Immediate Needs Requests - One-Time	400,000	279,628	120,372
Election Cost	274,000	-	274,000
Contribution to OPEB Trust	(2,513,069)	(521,140)	(1,991,929)
Retiree Benefit Premiums	(4,072,474)	(3,881,979)	(190,495)
One-Time Savings from Vacant Positions	(363,124)	(784,504)	421,380
	<b>\$ (1,313,831)</b>	<b>\$ 688,497</b>	<b>\$ (2,002,328)</b>
<b>Net Change of between 2014-15 Adopted Budget and 2013-14 Adopted Budget</b>	<b>\$ (4,130,625)</b>	<b>\$ 31,478</b>	<b>\$ (4,099,147)</b>



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
BUDGET AND ACTUALS COMPARISON HISTORY  
Unrestricted General Fund**

	<u>2011-12 Actuals</u>	<u>2012-13 Actuals</u>	<u>2013-14 Adopted Budget</u>	<u>2013-14 Actuals</u>	<u>2014-15 Adopted Budget</u>
<b><u>UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS</u></b>					
TOTAL REVENUES	\$ 2,004,977	\$ 3,855,619	\$ 1,585,602	\$ 3,291,992	\$ 2,149,212
TOTAL EXPENDITURES	(1,871,340)	(2,727,495)	(4,306,306)	(2,767,279)	(5,394,629)
TOTAL REVENUE GENERATED INCREASES/DECREASES	<u>\$ 133,637</u>	<u>\$ 1,128,124</u>	<u>\$ (2,720,704)</u>	<u>\$ 524,713</u>	<u>\$ (3,245,417)</u>







**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT  
BUDGET AND ACTUALS COMPARISON HISTORY  
Unrestricted General Fund**

	2011-12 Actuals	2012-13 Actuals	2013-14 Adopted Budget	2013-14 Actuals	2014-15 Adopted Budget	Est. 2015-16 Preliminary Budget
<b>UNRESTRICTED GENERAL FUND 11 AND 12</b>						
<b>ONGOING REVENUE SOURCE:</b>						
Base Apportionment	\$ 134,239,283	\$ 124,383,618	\$ 125,762,935	\$ 125,762,935	\$ 128,090,485	\$ 128,090,485
Apportionment Workload Reduction/Tier 2 "Trigger Cut"	(9,855,665)	-	-	-	-	-
2012-13 Over Cap Growth/Restoration *	-	-	-	347,614 (1)	-	-
COLA	-	-	1,974,478	1,979,936 (2)	1,114,919 (12)	1,114,919
2013-14 Growth/Restoration	-	-	-	-	1,813,906 (3)	1,813,906
2013-14 Over Cap Growth/Restoration	-	-	-	-	1,262,599 (13)	1,262,599
<b>Total Apportionment</b>	<b>\$ 124,383,618</b>	<b>\$ 124,383,618</b>	<b>\$ 127,737,413</b>	<b>\$ 128,090,485</b>	<b>\$ 132,281,909</b>	<b>\$ 132,281,909</b>
Miscellaneous	\$ 6,523,243	\$ 6,470,466	\$ 5,972,370	\$ 7,426,412	\$ 6,371,031	\$ 6,371,031
Lottery - Current Year	3,830,160	3,533,040	3,698,982	3,669,625	3,903,232 (14)	3,903,232
<b>TOTAL ONGOING REVENUES</b>	<b>\$ 134,737,021</b>	<b>\$ 134,387,124</b>	<b>\$ 137,408,765</b>	<b>\$ 139,186,522</b>	<b>\$ 142,556,172</b>	<b>\$ 142,556,172</b>
Salaries, Benefits, and Operating Expenditures	(135,205,913)	(133,674,513)	(140,268,112)	(135,785,480)	(146,304,389)	(148,804,389) (20)
OPEB Contribution and Retirees Premiums	(5,962,785)	(6,219,847)	(6,585,543)	(6,482,208)	(6,903,119)	(6,903,119)
<b>TOTAL ONGOING EXPENDITURES</b>	<b>\$ (141,168,698)</b>	<b>\$ (139,894,360)</b>	<b>\$ (146,853,655)</b>	<b>\$ (142,267,688)</b>	<b>\$ (153,207,508)</b>	<b>\$ (155,707,508)</b>
<b>STRUCTURAL ONGOING DEFICIT</b>	<b>\$ (6,431,677)</b>	<b>\$ (5,507,236)</b>	<b>\$ (9,444,890)</b>	<b>\$ (3,081,166)</b>	<b>\$ (10,651,336)</b>	<b>\$ (13,151,336)</b>
<b>ONE-TIME REVENUE - INCREASES/(DECREASES):</b>						
2012-13 Growth/Restoration	\$ -	\$ 1,379,317	\$ -	\$ -	\$ -	\$ -
2012-13 Over Cap Growth/Restoration *	-	-	-	347,614 (1)	-	-
2013-14 Growth/Restoration	-	-	1,842,576	1,813,906 (3)	-	-
2013-14 Over Cap Growth/Restoration	-	-	-	1,262,599 (4)	-	-
2014-15 Growth/Restoration	-	-	-	-	-	-
Prior Year Apportionment Adjustment *	260,976	511,417	-	-	-	-
2012-13 Apportionment Statewide Structural Deficit/Enrollment Fee/Property Tax Deficit *	(2,922,320)	(1,308,709)	-	1,065,158 (5)	-	-
2012-13 Redevelopment Revenues Backfill Deficit in Dispute *	-	(3,395,599)	1,383,392	3,395,599 (6)	-	-
2013-14 Apportionment Deficit-Enrollment Fee/Property Tax - Estimated	-	-	(1,295,780)	(2,253,660) (7)	900,000 (15)	900,000
2014-15 Apportionment Deficit-Enrollment Fee/Property Tax - Estimated	-	-	-	-	(992,114) (16)	(992,114)
City of Industry Legal Settlement and Tax Anticipation Notes	5,000,000	284,941	96,086	90,542	-	-
Mandated Cost Block Grant	-	780,684	790,520	790,520 (8)	812,089 (8)	812,089
<b>TOTAL ONE-TIME REVENUE</b>	<b>\$ 2,338,656</b>	<b>\$ (1,747,949)</b>	<b>\$ 2,816,794</b>	<b>\$ 6,512,278</b>	<b>\$ 719,975</b>	<b>\$ 719,975</b>
<b>ONE-TIME EXPENDITURES - INCREASES/(DECREASES):</b>						
One-Time Expenditures	\$ (2,348,626)	\$ (2,563,967)	\$ (4,529,822)	\$ (5,640,650) (9)	\$ (3,467,417)	\$ (3,741,417) (21)
One-Time Expenditures Course Offerings	-	(607,507)	(1,105,014)	(2,654,280) (10)	(2,408,703) (17)	(2,408,703)
One-Time Expenditure Savings - OPEB Contribution & Retiree Health Premiums	1,604,006	6,219,847	6,585,543	6,482,208	4,403,119 (18)	-
One-Time Expenditure Savings - Savings from Vacant Positions	1,224,567	475,012	363,124	363,124	784,504	784,504
<b>TOTAL ONE-TIME EXPENDITURES</b>	<b>\$ 479,947</b>	<b>\$ 3,523,385</b>	<b>\$ 1,313,831</b>	<b>\$ (1,449,598)</b>	<b>\$ (688,497)</b>	<b>\$ (5,365,616)</b>
<b>TOTAL ONE-TIME REVENES AND EXPENDITURES</b>	<b>\$ 2,818,603</b>	<b>\$ 1,775,436</b>	<b>\$ 4,130,625</b>	<b>\$ 5,062,680</b>	<b>\$ 31,478</b>	<b>\$ (4,645,641)</b>
<b>UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS</b>						
TOTAL REVENUES	\$ 2,004,977	\$ 3,855,619	\$ 1,585,602	\$ 3,291,992	\$ 2,149,212	\$ 2,149,213
TOTAL EXPENDITURES	(1,871,340)	(2,727,495)	(4,306,306)	(2,767,279)	(5,394,629)	(5,394,630)
<b>TOTAL REVENUE GENERATED INCREASES/DECREASES</b>	<b>\$ 133,637</b>	<b>\$ 1,128,124</b>	<b>\$ (2,720,704)</b>	<b>\$ 524,713</b>	<b>\$ (3,245,417)</b>	<b>\$ (3,245,417)</b>
<b>SUMMARY OF FUND BALANCE:</b>						
<b>UNRESTRICTED GENERAL FUND 11 AND 12</b>						
<b>Assigned Fund Balance:</b>						
City of Industry - Legal Settlement	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
15% 2013-14 Over Cap Growth/Restoration for Health & Welfare	-	-	-	-	407,197 (19)	407,197
Assigned Fund Balance - New Resources Allocation Requests	-	1,238,791	1,238,791	-	-	-
Assigned Fund Balance - Carryovers and Purchases in Progress	-	-	-	2,332,579 (11)	-	-
<b>Total Assigned Fund Balance</b>	<b>\$ 5,000,000</b>	<b>\$ 1,238,791</b>	<b>\$ 1,238,791</b>	<b>\$ 2,332,579</b>	<b>\$ 407,197</b>	<b>\$ 407,197</b>
<b>Unassigned Fund Balance:</b>						
10% - Board Policy	\$ 14,256,009	\$ 13,909,847	\$ 14,984,613	\$ 14,648,457	\$ 15,929,063	\$ 16,646,775
Unassigned Fund Balance	9,485,045	9,860,616	3,471,585	10,009,732	34,650	(7,860,181)
<b>Total Unassigned Fund Balance</b>	<b>\$ 23,741,054</b>	<b>\$ 23,770,463</b>	<b>\$ 18,456,198</b>	<b>\$ 24,658,189</b>	<b>\$ 15,963,713</b>	<b>\$ 8,786,594</b>
<b>Total Fund Balance</b>	<b>\$ 28,741,054</b>	<b>\$ 25,009,254</b>	<b>\$ 19,694,989</b>	<b>\$ 26,990,768</b>	<b>\$ 15,963,713</b>	<b>\$ 8,786,594</b>
<b>Total Fund Balance Percentage</b>	<b>20.43%</b>	<b>18.34%</b>	<b>13.53%</b>	<b>18.78%</b>	<b>10.37%</b>	<b>5.46%</b>
<b>UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS</b>						
Assigned Fund Balance:						
Revenue-Generated Accounts	\$ 1,592,580	\$ 2,720,704	\$ -	\$ 3,245,417	\$ -	\$ -
<b>Total Fund Balance Unrestricted General Fund (Funds 11, 12, and 13)</b>	<b>\$ 30,333,634</b>	<b>\$ 27,729,958</b>	<b>\$ 19,694,989</b>	<b>\$ 30,236,185</b>	<b>\$ 16,370,910</b>	<b>\$ 9,193,791</b>
<b>Total Fund Balance Percentage Unrestricted General Fund (Funds 11, 12 and 13)</b>	<b>21.28%</b>	<b>19.94%</b>	<b>13.14%</b>	<b>20.64%</b>	<b>10.28%</b>	<b>5.52%</b>

Please see Footnotes next page.



**MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT**  
**BUDGET AND ACTUALS COMPARISON – FOOTNOTES**

**Unrestricted General Fund**

- (1) Additional 2012-13 Growth/Restoration received with the June 2014 Recalculation.
- (2) Funded COLA at 1.57%.
- (3) Estimated 2013-14 Growth/Restoration at 1.63%.
- (4) Estimated 2013-14 Over Cap Growth/Restoration. The District increased 1,037 FTES in the fiscal year 2013-14.
- (5) 2012-13 Statewide Structural Deficit Recovery. The June 2014 recalculation shows that the apportionment deficit was reduced from 3.7% to 0.19%.
- (6) 2012-13 Redevelopment revenues deficit fully recovered.
- (7) Increase in One-time 2013-14 Apportionment Deficit from 1% to 1.7% at P2.
- (8) District elected to participate in the Mandated Costs Block Grant for 2013-14 and 2014-15.
- (9) Includes \$274,000 Board election expenses for 2013-14. Includes 1% salary increase and \$1,500 annually for health and welfare for Faculty, CSEA 262, CSEA 651, Managers, Supervisors, and Confidential. Includes additional one-time expenses and immediate needs approved after the 2013-14 Adopted Budget.
- (10) Cost of course offerings of 1,037 FTES for summer 2013, fall 2013, winter 2014, and spring 2014 to earn the 2013-14 Growth.
- (11) 2013-14 Various Carryovers for \$1,695,078 and Purchases in Progress for \$637,501.
- (12) Funded COLA at 0.85%
- (13) 2013-14 Over Cap Growth/Restoration. Will be recalculated in February 2015.
- (14) Increase in FTES from 29,357 to 30,494 and increase in rate from \$126 to \$128.
- (15) Per P2 estimated at 1.7%. Chancellor's Office estimates the deficit to over 1% at the February 2015 Recalculation.
- (16) 2014-15 Apportionment Deficit estimated at .75% of total apportionment.
- (17) Estimated increase for the costs of course offerings to earn the 2014-15 Growth.
- (18) Includes savings in Retirees' Health Premiums of \$3,881,979 and savings in OPEB contribution of \$521,140. The OPEB Contribution of \$2,500,000 is included in the Adopted Budget.
- (19) The College received preliminary 2013-14 Over Cap Growth funds with P2 on June 2014. Approximately 33% of these funds have been assigned from the fund balance to fund the 15% proportional health and welfare contribution of up to a maximum of \$1,100 per fiscal year, retroactive to July 1, 2014, for the Faculty, CSEA 262, CSEA 651, Managers, Supervisors, and Confidential employees.
- (20) Assumes a conservative ongoing expenditure increase of \$2,500,000.
- (21) Increased by \$274,000 for Board election expenses in 2015-16.

\* Apportionment Prior Year Adjustments.

