



Oxnard College Budget Forums

February 23rd and 24th, 2010

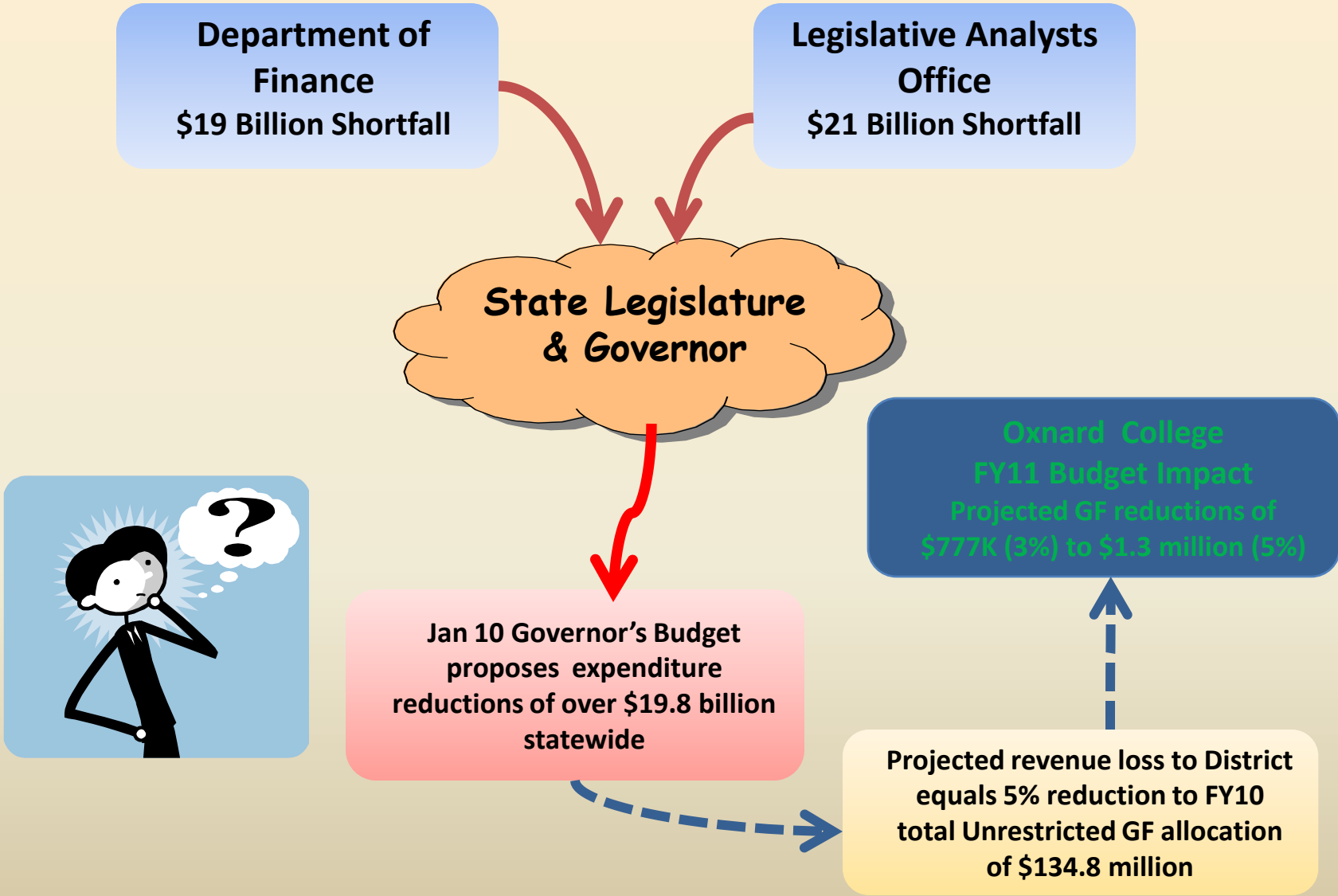
Dr. Richard Durán, President

Dr. John al-Amin, Vice President-Business Services

Mr. Robert Cabral, Academic Senate President



\$21 Billion State Budget Shortfall





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Legislative Analyst's Office Projection

(In Millions)	FY09	FY10	FY11*	FY11**
Prior-year fund balance	4,071	(4,086)	(5,246)	(5,246)
Revenues and transfers	83,601	88,090	87,793	87,793
Total resources available	87,672	84,004	82,547	82,547
Expenditures	91,758	89,251	102,196	89,251
Ending fund balance	(4,086)	(5,247)	(19,649)	(6,704)
Encumbrances	(1,079)	(1,079)	(1,079)	(1,079)
Fund Balance	(5,165)	(6,326)	(20,728)	(7,783)
Fund Balance % of Expenditures	-5.6%	-7.1%	-20.3%	-8.7%

* if no corrective actions are taken

** assumes FY10 Expenditures



VCCCD Revenue Adjustments

Ventura Community College District	FY10	FY11	FY12
Prior Year General Fund (in millions)	\$138.7	\$134.7	\$128.1
New Revenues (current estimates)			
COLA (-0.38% in FY11)		\$(0.487)	
Growth (2.2% in FY11)			\$2.600
PT Faculty Compensation		\$(0.223)	
EOPS		\$(0.226)	
Proposition 98 Min Guarantee			\$(5.000)
Loss of ARRA Federal Funds		\$(0.600)	
State General Fund		\$(3.064)	
Total, New Resources to VCCCD		\$(4.600)	\$(2.400)
Subtotal, General Fund Revenues	\$138.7	\$130.1	\$125.7



VCCCD Expenditure Adjustments

Ventura Community College District	FY10	FY11	FY12
Prior Year GF Revenue (in millions)	\$138.7	\$130.1	\$125.7
Expenditure/Fixed Cost Increases			
Health & Welfare		(\$0.524)	(\$0.626)
Step & Column Adjustments		(\$0.747)	(\$0.747)
PERS/STRS/Unemployment		(\$0.524)	(\$0.796)
Utilities		(\$0.178)	(\$0.178)
Total, Expenditure Increases		(\$1.973)	(\$2.347)
Prior Year Adjustments	\$(3.946)	-	-
Adjusted General Fund Budget	\$134.7	\$128.1	\$123.4
Percent Adjustment		-4.89%	-3.67%



VCCCD Reserve Balances

(dollars in millions)

District Unrestricted General Fund Allocation FY10	\$134.765
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State Required Minimum (5% of FY10 GF Allocation)	\$6.791
Revenue Shortfall Contingency Fund	\$4.956
Unallocated Reserve	\$8.809
Total Reserves	\$20.556

Reserve Balance Less 5% Minimum Requirement	\$(6.791)	\$13.817
FY10 Projected Tax Shortfall (CY Adjustment)	\$(3.000)	\$10.817
FY11 General Fund Reductions Mitigation	\$(3.500)	\$7.317
FY11 Projected Property Tax Shortfall	\$(2.000)	\$5.317
FY11 Projected Growth Allocation*	\$ 2.600	\$7.917
FY12 General Fund Reductions Mitigation	\$(3.500)	\$4.417
FY12 Projected Tax Shortfall	\$(1.817)	\$2.617
FY13 General Fund Reductions Mitigation	\$(2.000)	\$0.617

*Contingent upon remaining in Governor's Budget after May revise.



FY11 Budget Assumptions

- The State budget deficit is approximately \$21 billion. If the State addresses this issue in a staged plan, we anticipate that there could be some relief by 2013-14. We will update the college as more information is provided from the State.
- Growth funding projected for 2010-11 will not be included in budget as growth funds are not budgeted until the year after they are earned. If growth is provided, it will be placed in the Unallocated Reserve Account in 2010-11 and budgeted in 2011-12. We note that no growth was provided by the State for the 2009-10 fiscal year.
- Colleges will integrate Student Services units to maintain mandated and core services, using 'best practices' methodology.
- The class schedule and programs will be gradually reduced and focused towards the college's core mission, with emphasis on enrollment management and in serving the number of students for which we are funded.



FY11 Budget Assumptions

- Expenditure budgets will be developed within the limits of state revenue. No deficit spending, with the exception of site carryovers, is permitted.
- As costs of personnel salaries and benefits continue to increase, the college will need to review and eliminate vacant and redundant positions, and create consolidations, where possible, to reduce costs and generate efficiencies.
- Reserves will be used to assist with District-wide reductions after the implementation of the projected 5% reduction to the unrestricted college General Fund budget.
- All budgeted expenditures will reflect compliance with state and federal law, financial accounting standards, and our collective bargaining agreements.



FY11 Budget Assumptions

- The college will receive an allocation of resources which is in accordance with the Budget Allocation Model approved by the VCCCD Governing Board in May 2007, and modified on March 10, 2009.
- The tentative Budget will be presented to the VCCCD Governing Board in June 2010 with the Adoption Budget planned for presentation to the Board in September 2010.
- The college will fill faculty positions as necessary to meet the District Full-Time Obligation (FTO) requirement.
- Given the timing of the FY11 budget development process at the State, the college must develop its Summer 10 and Fall 10 class schedules using the current fiscal information in order to mitigate the potential impact to the class schedule and degree and certificate completion for our students.



FY11 Budget Development Guidelines - Proposed

- **Vacant General Fund positions should not be filled unless they are critical to the college.**
- **The college should reduce hourly classified staffing, unless this staffing is critical to ensure that programs are compliant with State or Federal mandates.**
- **The college should reduce its schedule to meet the funding limit provided by the State. Courses offered that are taught by hourly faculty should be based upon the definition of core courses, as determined by the college.**



FY11 Budget Development Guidelines -Proposed

- **Equipment, computers, or other program service needs such as consultants, should be delayed until funding is available.**
- **The college Publications and Marketing budgets should be reduced, as the college is now relying more on web/internet based technologies. The college should also print fewer class schedules and catalogs.**
- **The college will need to reduce full/part time positions as needed to reach the 5% reduction level, but only as a last resort. (Note: 91.7% of the FY10 college allocation supports salaries and benefits)**
- **All Divisions are to participate in college budget reductions.**



FY11 Budget Development Principles-Proposed

- The Planning & Budget Council will again need to utilize program review processes from the respective divisions to make budget recommendations to the college President.
- Division budget recommendations will need to be criterion based and related to health and safety, state or federal mandate requirements, college mission priorities, in addition to strategic and educational master plan recommendations, while recognizing the reduced level of funding that will be available.
- Federal ARRA funds provided on a one-time basis to the State will not be available next year. The college may need to absorb some categorical program personnel and costs into the General Fund budget.



FY11 Budget Development Principles-Proposed

- As college grants expire, tenured personnel funded by those grants will need to be absorbed into the General Fund. The Planning & Budget Council will need to provide a recommendation to the President regarding integration of these positions into the General Fund budget.
- The college will continue to consolidate services where feasible, and utilize all funding sources as appropriate, to meet campus budget needs.
- Any reductions proposed for 2010-11 must be ongoing, and sustainable. The PBC will again be tasked to review, affirm, and update the budget guidelines developed in the past to assist with reductions in this year's process.



FY11 College Budget Outlook

Given the current information from the State, we have been asked to develop budget reduction plans totaling 3% and 5% of our total Unrestricted General Fund allocation, which is \$25,711,702. Of this amount, 67% of our allocation supports the Office of Instruction, 20% supports the President's Office and Administrative Services, and 13% of this funding supports a portion of Student Services operations.

We expect to implement a college-wide budget reduction of as much as 5%, or approximately \$1.3 million of our current Unrestricted General Fund appropriation for FY10.

Proposed reductions will be based upon General Fund allocation percentages, which will result in budget reductions of approximately \$900,000 for the Office of Instruction, \$262,000 for the President's and Administrative Services Offices, and \$175,000 for the Student Services Division.

In April 2010 the PBC will review reduction plans and make a recommendation to the college President in May 2010 regarding those reductions.



Questions?

