



# FACULTY FLEX: FINANCIAL & ADMINISTRATIVE UPDATE

Nathaniel Jones III, Ph.D., MBA  
Vice President, Business Services  
August 23, 2018

# Financial & Administrative Update

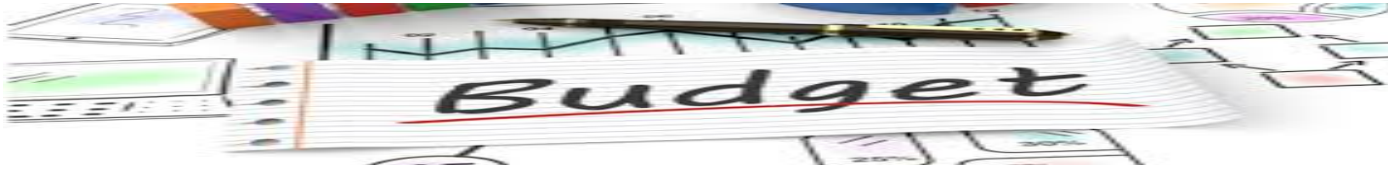
- ▶ Welcome
- ▶ Every human has four endowments - self awareness, conscience, independent will and creative imagination. These give us the ultimate human freedom... The power to choose, to respond, to change. Stephen Covey

# FY18 BUDGET & FINANCIAL REVIEW

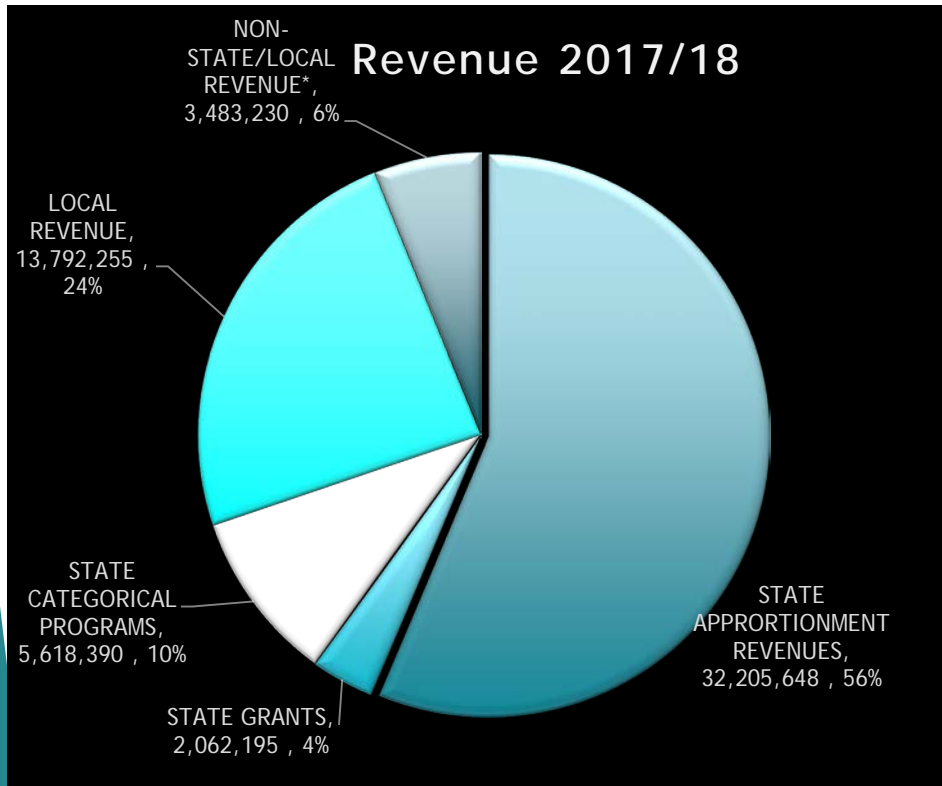
- ▶ FY18 Revenues/Funding - \$57.37M
- ▶ FY18 Expenses - \$51.96M
- ▶ General Fund net ending balance - \$1.2M



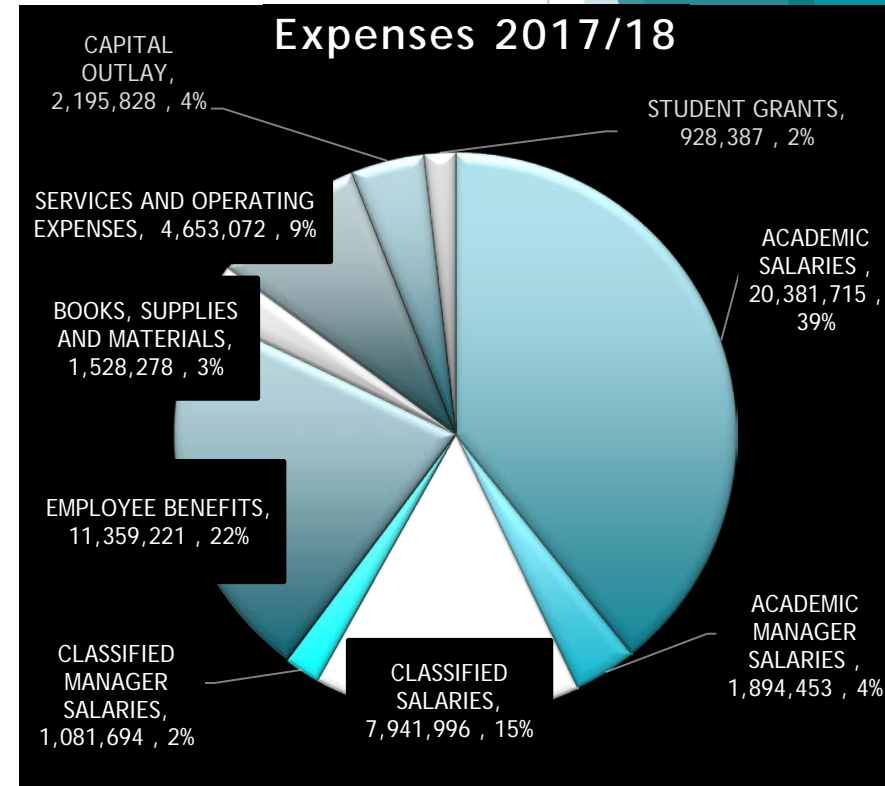
# FY18 BUDGET & FINANCIAL REVIEW



## Revenues



## Expenses



# FY19 Budget Highlights

- New State Funding Formula (Student Centered Funding Formula - SCFF) - Three Components: 1) Base Allocation (Enrollment driven, measured by FTES); 2) Supplemental Allocation (Access driven, measured by Pell grant, AB 540 & Promise grant students); and 3) Student Success Incentive Allocation (Student Success driven, measured by AD, ADT, Credit Cert., CTE units of 9+, Transfer to 4-year Institutions, Completion of Transfer Level Math & Eng. w/i 1<sup>st</sup> year and Living Wage Attainment w/i 1 year of CC completion)
- Integration of SSSP, Equity & Basic Skills (RCCD - \$11.2 M)
- Other Cat.: Fin. Aid (\$677K), AB 19 (\$226.69K)
- Approximately the same amount of GF resources as FY18 adjusted for required compensation related cost increases (~\$41.3M) *based on the current District Budget Allocation Model (BAM)*
- MVC FTES - 7,369 (includes FY18 shortfall of 348) no more proportional sharing of shortfalls



# FY19 Administrative Update

- ▶ Continuing to improve the campus via scheduled maintenance and energy efficiency improvement projects
- ▶ Enhance safety and security measures and plans
- ▶ Update lab computers, outfitted a new Apple lab, enhanced campus wireless bandwidth
- ▶ New Bookstore Vendor -- Follett
- ▶ Altura Credit Union ATM
- ▶ Campus Master Plan Update
- ▶ Welcome Center Project Design
- ▶ BCTC Center Building Land Use Agreement
- ▶ Grant Proposal Plan
- ▶ New Food Options



# STUDENT CENTERED FUNDING FORMULA & MVC FY19 BUDGET OVERVIEW

Nathaniel Jones III, Ph.D., MBA  
Vice President, Business Services  
August 23, 2018

# Student Centered Funding Formula

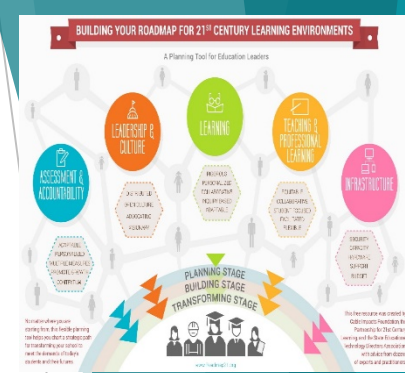
- ▶ **Principles for Reform:** In reforming funding for community college districts, the aim was to do the following:
  - ▶ Encourage progress toward the *Vision for Success* adopted by the Board of Governors.
  - ▶ Provide groups of students that have faced barriers to success with additional support to meet their education goals.
  - ▶ Make resources most useful to community college districts by making them stable, predictable, and flexible.
- ▶ Want community college financing to further the activities the Chancellor's Office is undertaking through the Guided Pathways framework.





# Student Centered Funding Formula

- ▶ The new formula calculates apportionments generally using three allocations:
  - ▶ *Base Allocation*—Current factors (primarily credit FTES).
  - ▶ *Supplemental Allocation*—Counts of low-income students.
  - ▶ *Student Success Allocation*—Counts of outcomes related to the *Vision for Success*, with “premiums” for outcomes of low-income students.
- ▶ Noncredit FTES (and some other FTES) would be funded at current rates.
- ▶ The rates are calculated to provide a three-year transition.

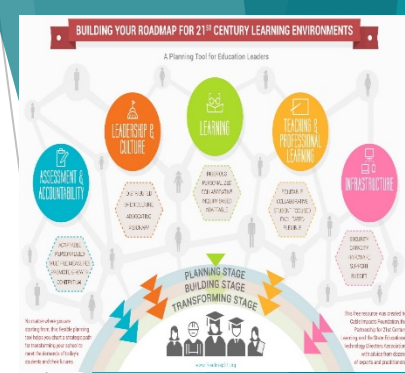


# Student Centered Funding Formula

## ► SUPPLEMENTAL ALLOCATION

For the supplemental allocation, a district would receive one “point” based on the counts of all of the following in the prior year:

- Pell Grant recipients.
- California College Promise Grant recipients.
- AB 540 students.



# Student Centered Funding Formula

## Student Success Allocation

Student Success Allocation—Measures	All Students	Promise Grant Premium	Pell Grant Premium
Associate degrees for transfer granted	4	4	6
Associate degrees granted (excluding ADTs)	3	3	4.5
Baccalaureate degree granted	3	3	4.5
Credit certificates (16 units or more) granted	2	2	3
Completion of transfer-level mathematics and English courses within first academic year of enrollment	2	2	3
Successful transfer to four-year university	1.5	1.5	2.25
Completion of nine or more CTE units	1	1	1.5
Attainment of regional living wage	1	1	1.5

# Student Centered Funding Formula

## Funding Rates

Formula Components	2018-19	2019-20 <sup>1/</sup>	2020-21 <sup>1/</sup>
Base Allocation	Rates	Rates	Rates
Dollars per Credit FTES	\$3,727 (70%)	\$3,387 (65%)	\$3,046 (60%)
Basic Allocation	<i>See Note</i>	<i>See Note</i>	<i>See Note</i>
Supplemental Allocation—Dollars per Point	\$919 (20%)	\$919 (20%)	\$919 (20%)
Student Success Allocation—Dollars per Point	\$111 (10%)	\$167 (15%)	\$222 (20%)

<sup>1/</sup> These totals will also be adjusted by the changes in the cost-of-living in those years.

Note: These amounts will be calculated based on the numbers of colleges and comprehensive centers consistent with the current formula.

# Student Centered Funding Formula

## Implementation

- ▶ In 2018-19, 2019-20, and 2020-21, a district would receive the greater of the formula total or the amount the district received in 2017-18, adjusted by the changes in the cost-of-living.
- ▶ The formula includes a “stability” provision that delays any decreases in revenues by one year.
- ▶ Further, the bill would require the following of districts:
  - ▶ *Goals*—Adoption, by January 1, 2019, of goals that are aligned with the Vision for Success.
  - ▶ *Comprehensive Plans*—Alignment of comprehensive plans with those goals and alignment of annual budgets with the comprehensive plans.
  - ▶ *Capacity*—If directed by the chancellor (with approval by the Board of Governors), use of funds for technical assistance or professional development.



# Student Centered Funding Formula

- ▶ To receive responses to questions or to provide comments on implementation, please email [SCFF@cccco.edu](mailto:SCFF@cccco.edu).
- ▶ To Chancellor's Office will post updates, including responses to frequently asked questions, at <http://extranet.cccco.edu/Divisions/FinanceFacilities/StudentCenteredFundingFormula.aspx>



# Student Centered Funding Formula: Implications for MVC

- ▶ Heighten the need for careful monitoring of critical variables/outcomes and managing the programs and processes that influence them (e.g., FTES, completion and access metrics).
- ▶ Requires greater levels of collaboration and communication across the college, within the District, and with our community partners.
- ▶ College priorities and resources allocations need to align with Vision for Success Goals.
- ▶ Pursue enhanced revenue diversification.
- ▶ Maximize the benefits and opportunities created by the thoughtful and comprehensive implementation of the Guided Pathways Framework.
- ▶ Foster an institutional culture of continuous improvement.
- ▶ Places emphasis on student success and equity through the use of financial incentives.



# MVC FY19 BUDGET & RESOURCES ALLOCATION DECISIONS



## ► FY19 Budget Build Submission

<b>MVC FY19 GENERAL FUND OPERATING BUDGET (Excluding Compensation)</b>						
<b>Cabinet Summary</b>		<b>FY2014-2015</b>	<b>FY2015-2016</b>	<b>FY2016-2017</b>	<b>FY2017-2018</b>	<b>Cabinet Budget 2018/19</b>
	<b>Department</b>	<b>Net Expenditures</b>	<b>Net Expenditures</b>	<b>Net Expenditures</b>	<b>Adopted Budget</b>	
<b>PRESIDENT</b>						
FMA	PRESIDENT	47,388	81,444	61,734	195,103	225,087
<b>ACADEMIC AFFAIRS</b>						
FJA	ACADEMIC AFFAIRS	69,572	103,077	81,436	156,876	153,459
FMB	DEAN OF INSTRUCTION	117,461	21,249	18,837	43,975	43,975
FAG	ACADEMIC SENATE	4,471	4,589	9,240	9,534	9,534
FCD	INSTITUTIONAL EFFECTIVENESS	33,297	57,912	21,086	25,587	25,587
FHE	HEALTH, HUMAN & PUBLIC SERVICES	107,080	123,266	102,302	158,937	151,000
FJC	CAREER AND TECHNICAL ED - MORENO VALLEY	16,283	59,222	15,035	17,983	25,000
FJJ	EDUCATION PROGRAMS	-	829	56,518	9,560	10,097
FOA	HUMANITIES & SOCIAL SCIENCES	36,508	3,324	8,014	8,759	8,759
FQE	MATHEMATICS, SCIENCE & KINESIOLOGY	43,840	38,089	36,706	43,604	47,404
FTA	ACADEMY/CRIMINAL SERVICES	825,284	741,612	1,213,144	1,054,114	1,054,114
FYA	LIBRARY	2,800	44,714	41,941	47,482	47,482
	<b>Total Academic Affairs</b>	<b>1,256,595</b>	<b>1,197,882</b>	<b>1,604,259</b>	<b>1,576,411</b>	<b>1,576,411</b>
<b>STUDENT SERVICES</b>						
FZA	STUDENT SERVICES	41,182	34,904	88,501	45,278	63,180
FZB	ADMISSIONS & RECORDS	116,670	102,190	154,099	112,168	107,046
FZC	COUNSELING	30,773	29,017	22,762	19,693	19,502
FZE	STUDENT FINANCIAL SERVICES	76,506	25,336	57,736	34,250	29,818
FZG	STUDENT SERVICES	11,743	9,025	18,118	14,682	5,700
FZJ	COMMUNITY OUTREACH	2,007	5,674	758	1,275	2,500
FZQ	STUDENT SERVICES GRANTS AND EQUITY	-	-	5,809	-	-
FZP	DISABLED STUDENT SERVICES	38,450	534	631	1,200	800
	<b>Total Student Services</b>	<b>317,332</b>	<b>206,681</b>	<b>348,413</b>	<b>228,546</b>	<b>228,546</b>
<b>BUSINESS SERVICES</b>						
FDB	BUSINESS OPERATIONS	102,883	61,412	155,192	3,068,619	3,004,335
FDD	FACILITIES	400,252	429,890	361,680	347,585	382,085
FMC	AUXILIARY BUSINESS SERVICES	33,905	24,840	37,311	48,407	48,407
FMD	TECHNICAL SUPPORT SERVICES	30,604	100,353	54,977	41,478	41,478
FZR	RCCD SAFETY & POLICE	17,410	15,245	11,278	11,440	11,440
FAK	COMMUNICATIONS CENTER	48,114	14,245	16,061	48,114	48,114
	<b>Total Business Services</b>	<b>585,054</b>	<b>631,740</b>	<b>620,438</b>	<b>3,565,643</b>	<b>3,535,859</b>
<b>Grand Total</b>		<b>2,206,368</b>	<b>2,117,747</b>	<b>2,634,845</b>	<b>5,565,703</b>	<b>5,565,903</b>



# MVC FY19 BUDGET & RESOURCES ALLOCATION DECISIONS

- ▶ Resources/Budgeting Decisions:
  - ▶ SM/IE (\$170K, 60%/40%)
  - ▶ Non-faculty Staffing Requests & Funding (\$1M requested, RCCD \$800K Allowance)
  - ▶ College Promise (\$400K)
  - ▶ MVC Events (\$200K)
    - ▶ Commencement, Diversity Summit, Scholarship Breakfasts, Employee recognition etc.



# THANK YOU!

