

Ventura County Community College District

Budget Update



December 13, 2011

FY12 State Adopted Budget CCC System Budget Recap

- ▶ **Decrease \$290 million and Decrease FTES by 6.2%**
 - **Result: \$7.5 million revenue decrease and reduction of 1,643 FTES to VCCCD**
- ▶ **Mid-year triggers if revenue comes in below budget**
 - **Community colleges may be reduced by an additional \$102 million with a reduction to FTES (\$2.4 million and 376 FTES to VCCCD)**

Mid Year Analysis

▶ **Legislative Analyst's Office (LAO)**

- **Economic recovery even slower than expected**
- **Estimated 2012-13 budget shortfall of \$13 billion**

▶ **Department of Finance**

- **Estimated revenue to be \$2.2 billion below budget (compared to LAO of 3.7 billion)**
- **Implemented Tier 1 and Tier II of Triggers (loss of \$2.4million in revenue to VCCCD)**

FY13 Initial Plan

FY12 Budget deficit (use of reserves)	\$3 million
FY13 Estimated increased costs	\$3-\$4 million
FY13 Portion of state structural deficit	<u>\$5 million</u>
Total Projected FY13 VCCCD reduction	\$11-\$12 million

Estimated Distribution of Revenue Shortfall

- ▶ **Using the revenue/costs assumptions presented and the FY12 Allocation Model Elements:**

Moorpark	4,381,000
Oxnard	2,065,000
Ventura	3,823,000
DAC	731,000
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	\$ 11,000,000

Allocation Model Elements– Recognition of College Differences

- ▶ **Class schedule delivery allocation (61%)**

Recognizes differences in:

- **Program mix (Gen Ed/CTE/Basic Skills)**
- **Student preparedness (program mixture & class size)**
- **Full-time/Part-time faculty ratios**
- **Faculty seniority cost**
- **Facility constraints**

- ▶ **Base Allocation (15%)**

- **Recognizes that, irrespective of enrollments, each college is required to provide core services and staff certain positions to support the operation of a comprehensive college (small size advantage)**

- ▶ **FTES (Balance – 24%)**

District Historical FTES

▶ Declining Funded Cap (FTES)

FY09	FY10	FY11	FY12 (budgeted)*	FY13 (projected)*
26,847	25,841	26,496	24,477	22,752

***FY12 includes 6.2% workload reduction plus trigger cuts; FY13 projects 7% workload reduction based on revenue reduction of \$8 million.**

▶ Unfunded FTES

FY09	FY10	FY11	FY12 (projected)	FY13 (projected)**
2,501	3,377	1,170	2,000	4,120

****without class schedule reductions.**

Considerations in Budget Development

- ▶ **Reduction of unfunded FTES while:**
 - **Ensuring Ventura College maintains mid-size college for state funding**
 - **Ensuring Oxnard College does not spiral**
 - **Monitoring full-time/part-time faculty ratios**

- ▶ **Result of these considerations:**
 - **The distribution of reductions between instructional and non-instructional expenditures will differ at each college**

FTES

	<u>Moorpark</u>	<u>Oxnard</u>	<u>Ventura</u>
FY12 projected FTES served	43%	18%	39%
FY13 <u>proposed</u> reductions	65%	10%	25%

Allocation Model Funding per FTES– General Fund only

(does not consider categorical fund augmentation)

	FY09	FY10	FY11	<i>FY12 proj</i>
Moorpark	\$ 3,945	\$ 3,829	\$ 4,069	\$ 4,001
Oxnard	\$ 4,834	\$ 4,643	\$ 5,170	\$ 4,967
Ventura	\$ 3,824	\$ 3,825	\$ 3,921	\$ 3,971