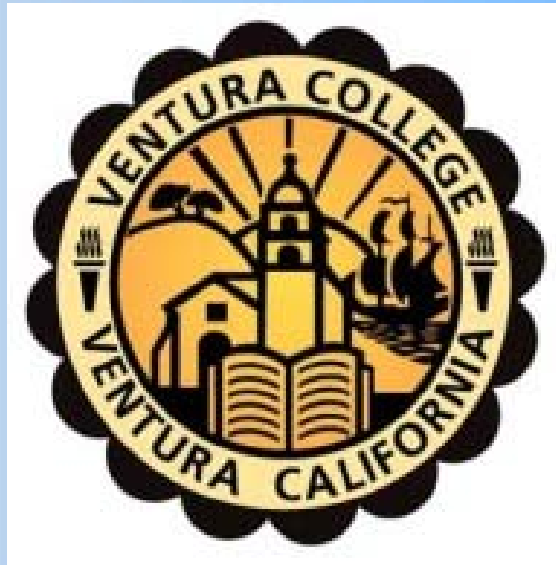


College Forum



Budget Status Report
November 19, 2008



Good News First!

- **Facilities and Remodel**
 - New Student Services Building
 - Financial Aid
 - Sports Complex
 - Ground Breaking on the new building project



Good News First!

- **Increased Enrollments and Changing Demographics**
 - Providing exemplary services to students
 - Restoration of lost FTES - VC generated over 10,000 FTES last year and became a mid-sized college in the state funding model.
 - Latino students became the largest group of students in Fall, 2008.
 - Ventura is an extremely efficient college with resources and achieved 102% of the student/faculty productivity 525 benchmark.



Good News First!

- Awarding of grants, contract education and continuing education
 - Outstanding service to our community
 - \$5,580,000 in grants and contracts for this year
 - Title V - Developing Hispanic-Serving Institutions Program
 - CCRAA - Strengthening STEM Pathways
 - County of Ventura
 - Continuing Education



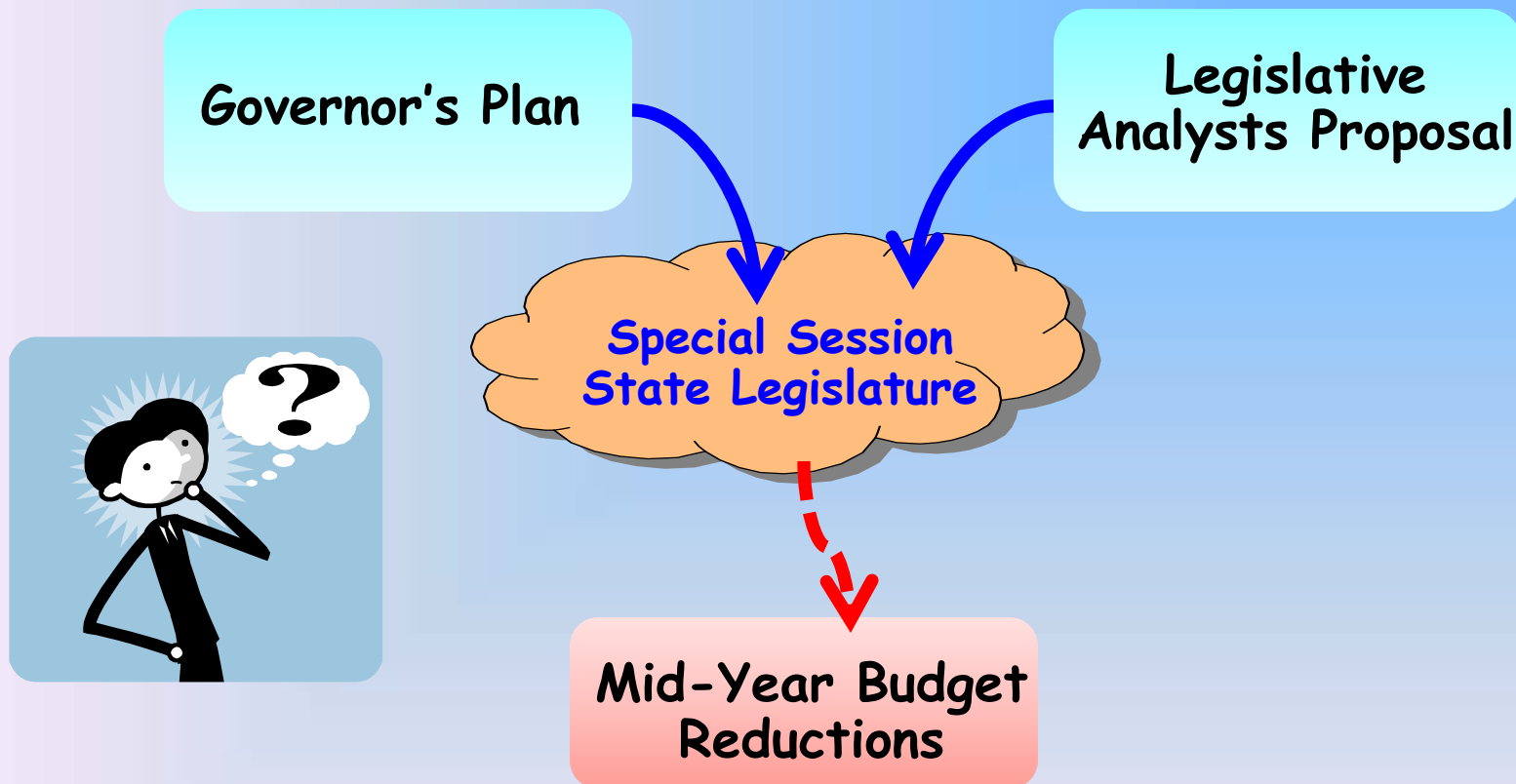
Good News First!

- **Expanded Use of Technology**
 - Use of Blackboard for distance education classes
 - New Director of Technology and the reorganization of IT support staff.
 - Luminis Portal
 - Curricunet
 - Omni Update
 - Campus Security



What's Happening!

Mid-Year State Budget Reductions





Introduction

- The purpose of this forum is to present the status of the of the State, District and College budgets.
 - There are three different “budget horizons” to understand and deal with.
 - Immediate: Make mid-year reductions using one-time (non-recurring) dollars. No positions are being cut in the mid-year budget reduction.
 - Next Year: Make additional reductions using recurring dollars.
 - Longer Term: Develop a sustainable budget by identifying college priorities and levels-of-service.
-



State Budget - Governor's Plan

- State Budget Enacted - September 23, 2008
 - \$103.3 billion in General Fund
 - Bridged a \$15.2 billion shortfall through a combination of cuts and borrowing
 - \$9.7 billion in cuts to numerous programs
 - Governor declared, "This is not a budget to be proud of."

Community Colleges
did not receive the
5.6% COLA
adjustment



State Budget - Governor's Plan

➤ Governor Declared a Fiscal Emergency - November 6, 2008

- \$24.2 billion budget shortfall problem (the \$15.2 billion gap increased)

\$11.2 billion is already unrealized

- Driven largely by the loss of personal income tax revenues

- Governor's proposal:
 - \$4.7 billion in additional taxes; and,
 - \$4.5 billion in program cuts;
 - \$2.0 billion other adjustments.

This deals with the "immediate budget horizon".

If any of these new taxes are not implemented the budget reductions will increase!

This is about 40%, 40% and 20% in taxes, cuts and other.



State Budget -Governor's Plan

➤ Additional Taxes

- Sales tax increase by 1.5%
- Expansion of sales and use tax (tax more items and services)
- Increase oil, alcohol and excise taxes
- Increase vehicle license fees

With the expectation to maintain course offerings

➤ \$332.2 Million Mid-Year Community College Budget Cuts

- Eliminate the 0.68 percent COLA (\$39.8 million)
- Reduce the apportionment (\$292.4 million)
- Flexibility for districts to redirect categorical funds



Proposal - Legislative Analysts

- Eliminate the 0.68 percent COLA
 - \$39.8 million

- Increase student fees to \$26/unit on January 1, 2009
 - \$40 million

- Increase student fees to \$30/unit on July 1, 2009
 - \$120 million

Will be very
difficult to
implement



Proposal - Legislative Analysts

- Lower physical education credit courses to the noncredit apportionment rate
 - \$60 Million
- Lower funding for "enrichment" credit courses to the noncredit rate
 - \$200 Million

Reduces the State FTES apportionment rate from \$4,565 to \$2,745

A larger issue is: **Who defines the programs at the colleges?**
External agencies or the internal stakeholders?

Examples were given:
photography, drawing, dance, ceramics, etc.



Budget - Operating Parameters

- 50% of general fund costs are in instruction
- 50% Full-Time Obligation (district totals)
 - 812 total allowable FTEF in Fall 2008
 - 418 Full-time FTEF = 51.5% FTO
- **Proposition 98 (K-14)**
 - Education spending should keep pace with the growth in the California economy and increases in student enrollment.
 - Creates restoration and growth factors.
 - The Legislature may suspend the Proposition 98 funding requirement with a two-thirds vote.

Ventura College already has 728 unfunded FTES this year!



District Budget

Governor's Mid-year Reductions

1	0.68% COLA	(886,000)
2	5.32% General Apportionment	(6,926,000)
3	Total Reductions	(7,812,000)

District Budgeted Allocated Resources

4	0.68% COLA	886,000
5	Revenue Contingency	2,000,000
6	Subtotal Resources	2,886,000

7	Subtotal Reductions - Resources	(4,926,000)
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District Budget

7	Subtotal Reductions - Resources	(4,926,000)
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2% Resources by Site		
8	Ventura College	860,000
9	Oxnard College	528,000
10	Moorpark College	1,020,000
11	District Administrative Center	179,000
12	Subtotal Site Resources	2,587,000

13	Subtotal Reductions - Resources	(2,339,000)
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Ventura College's general fund
adopted budget is
\$43,016,061.



District Budget

13	Subtotal Reductions - Resources	(2,339,000)
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Budgeted Unallocated Resources		
14	Adopted Budget	5,408,000
15	<i>FY08 Property Tax Backfill</i>	<i>1,527,000</i>
16	<i>FY09 Projected Growth</i>	<i>2,000,000</i>
17	<i>Funding Obligation Settlement</i>	<i>216,000</i>
18	Mid-Year Reduction	(2,339,000)
19	Subtotal Unallocated Resources	6,812,000

Expected but not
yet available



District Budget

19	Subtotal Unallocated Resources	6,812,000
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FY10 Budgeted and Unbudgeted Reserves		
20	Restore Budgeted Reserve	(2,000,000)
21	Projected FY10 1% Deficit	(1,399,000)
22	Subtotal Budgeted Reserves	3,413,000
23	Unbudgeted 5% Mandatory Reserve	7,000,000
24	Total Projected FY10 Reserves	10,413,000



College Mid-Year Budget Reductions

Includes vacancy dollars.

Ventura College Budget Reduction		
1	Positions Holding Variance	(254,367)
2	4 Week Summer Session	(200,000)
3	Advertising Community Relations	(10,000)
4	Positions Benefits	(21,683)
5	1% Carry-forward Reserves	(375,803)
6	Total Reductions	(861,853)

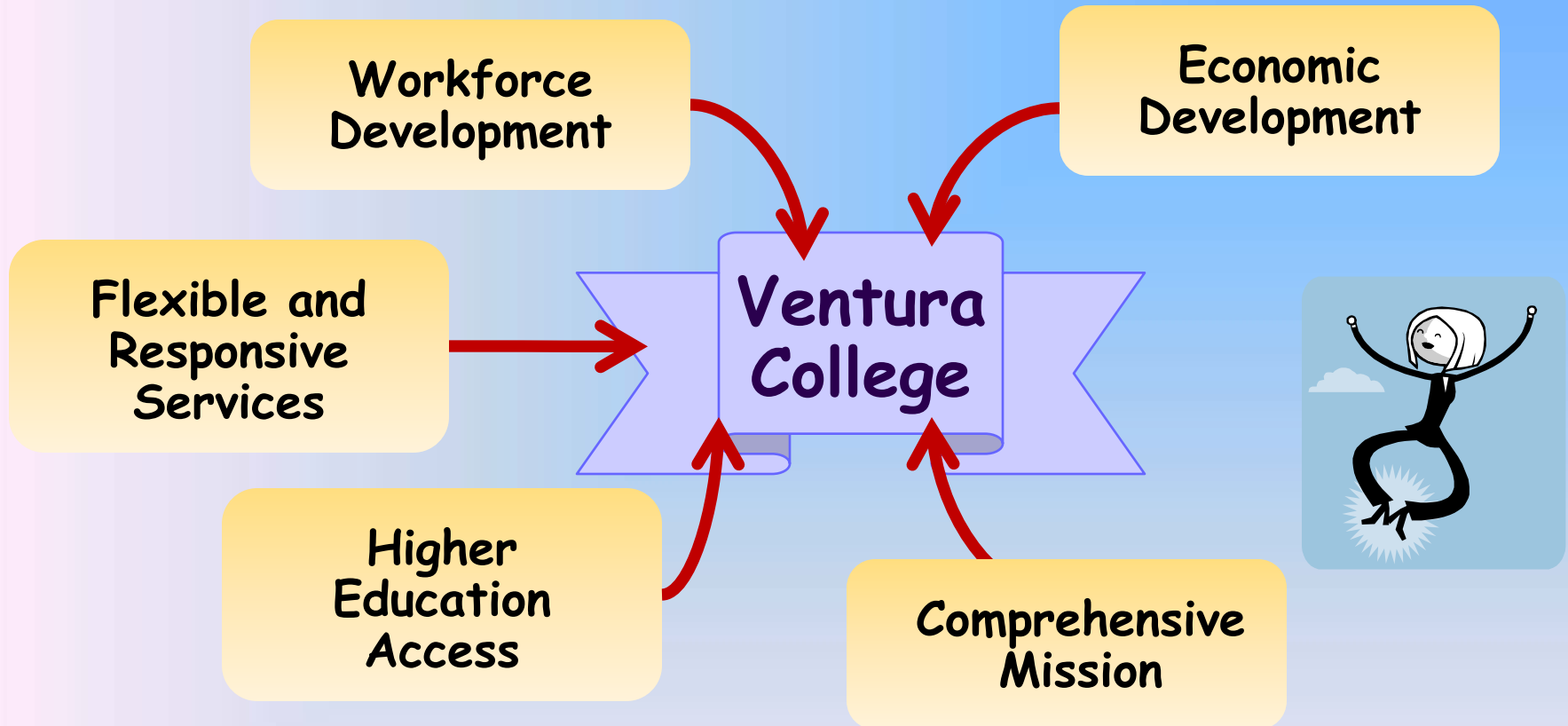
The four week summer session budget will be reduced from \$375,000 to \$175,000

These are one-time funds and might not be available next year



Advocacy!

Community Colleges are part of the solution!





Conclusion

- This presentation of Ventura College's mid-term reductions dealt with the easiest of the three budget horizons.
 - ✓ Immediate: Make mid-year reductions using one-time dollars.
 - Next Year: Make additional reductions using recurring dollars.
 - Longer Term: Develop a sustainable budget by identifying college priorities and levels-of-service.
 - We need to start planning for the next two "budget horizons".
-

College Forum



Thank You