

# Features of MSJC Budgeting

Administrative Associates Retreat



# MSJC Budgeted Funds

12	General Restricted	\$69,029,207
32	Cafeteria	\$1,984,625
33	Child Development	\$1,379,592
41	Capital Outlay Projects	\$69,604,895
43	Bond Projects	\$97,989,742
51	Bookstore	\$2,099,405
61	Self-Insurance	\$1,354,646
71	Student Government Association	\$479,758
72	Student Representation Fee	\$141,508
74	Student Financial Aid	\$22,327,310
79	Foundation	\$5,321,707
	TOTAL	\$425,319,514

Three components reflecting access, equity, and success.

Basic Allocation:

for AB540, Pell Grant, & Promise Grant students

for all students, Pell Grant recipients, and Promise Grant recipients who  
complete/acquire:  
degrees, certificates, or transfer-level math/English courses  
transfer to 4-year university  
9 or more CTE units  
regional living wage

# Achieving a Structurally Balanced Budget

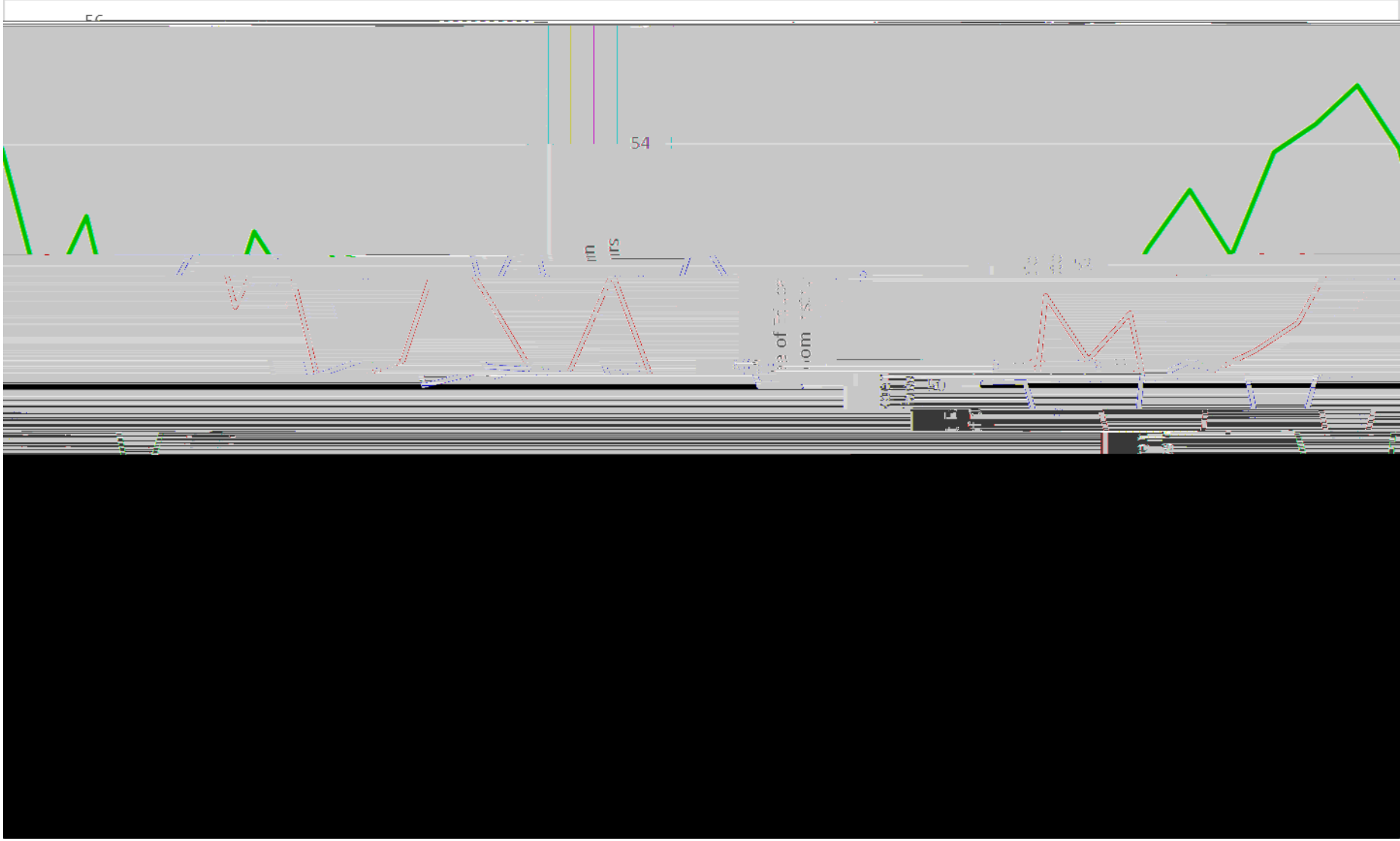
Revenues	Conservative estimates of portion of revenue that can be relied on for an extended period: Property Taxes Local Fees State General Apportionment Other Federal/State Allocations	HEERF & Other Stimulus Revenue COVID-19 Emergency rty T0I0(er)4EMC071

# 50% Law: EDC §84362(d); 5 CCR §59204

"There shall be expended during each fiscal year for payment of community college district, 50 percent of the district's \_\_\_\_\_ by a \_\_\_\_\_." (EDC §84362(d); Emphasis Added to Terms Defined in 5 CCR §59204)

Salaries & Benefits of those who are not Classroom Instructors or IAs Supplies, Materials & Printing Consultants Conferences, Travel Membership & Dues Insurance Utilities Rents, Leases, & Maintenance Legal, Election, & Audit Other Operating Expenses & Services	Salaries & Benefits of FT/PT Classroom Instructors & IAs
---	--

# MSJC 50% Law Performance



# Failure to Comply with 50% Law





# Faculty Obligation Number (FON)

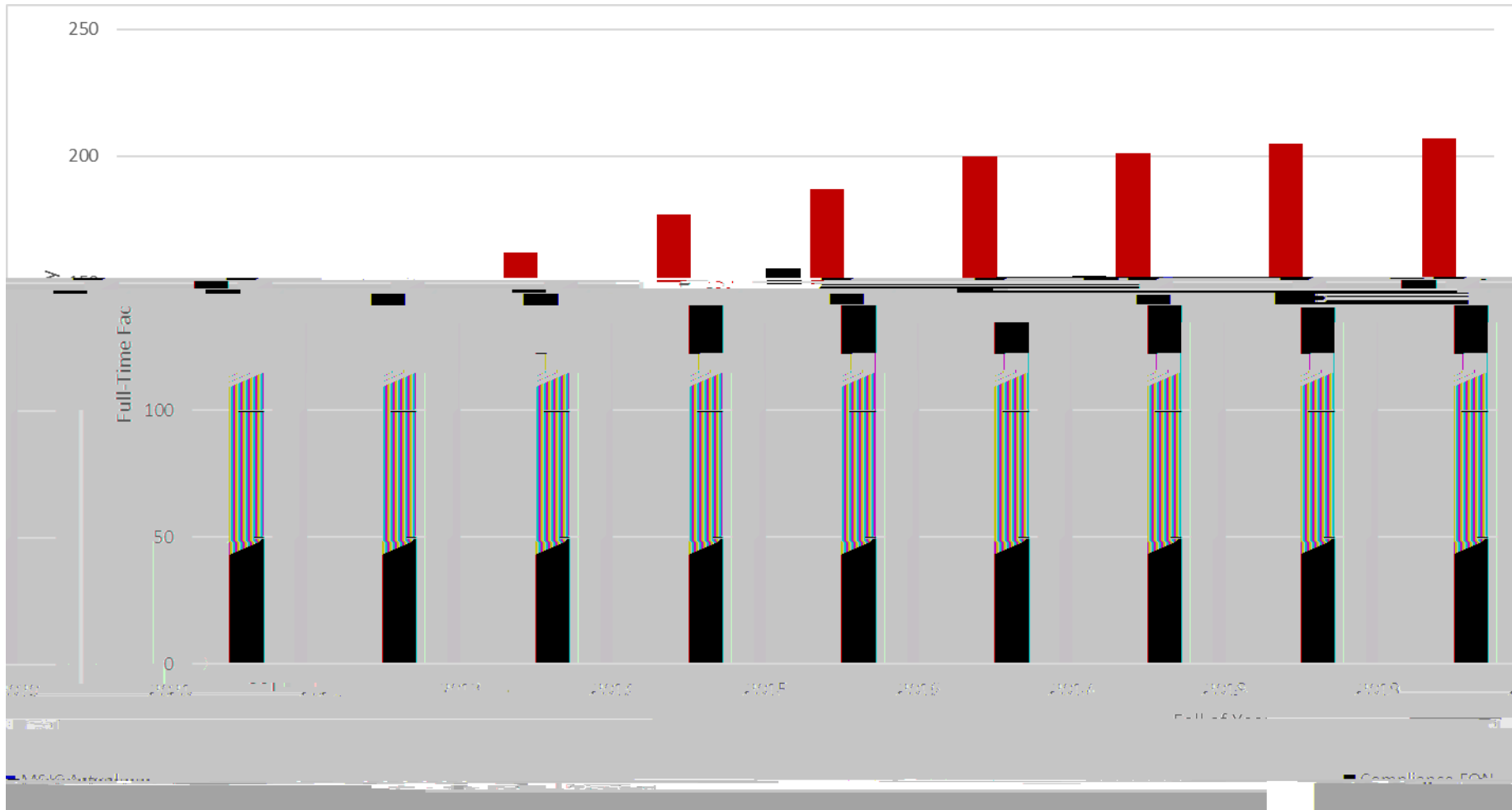
Board of Governors adopted 5 CCR §§51025; 53301; 53302; 53308-53312; 53314 to administer attainment of 75% goal.

If Board of Governors has determined adequate funding exists, a district's base full-time FON is increased by the percent change in funded credit FTES.

If a District fails to meet FON in a year when Board of Governors determines adequate funding exists, the maximum penalty is "the Chancellor shall reduce the district's revenue for the current fiscal year by an amount equal to the average replacement cost for the prior fiscal year times the deficiency in the number or percentage equivalent of full-time faculty." (5 CCR §51025(e))

\$86,771 is the statewide average replacement cost for 2021-22.

# MSJC FON Performance



# AB 1505: Proposed Adjustment to FON

Proposes adding the following section to EDC:

"87482.65. The board of governors shall adopt regulations that require the fall of 2023 full-time faculty obligation for each community college district to be set to the \_\_\_\_\_ full-time faculty number reported for the fall of 2022 and annually adjusted pursuant to Section 51025 of Title 5 of the California Code of Regulations." (Emphasis added)

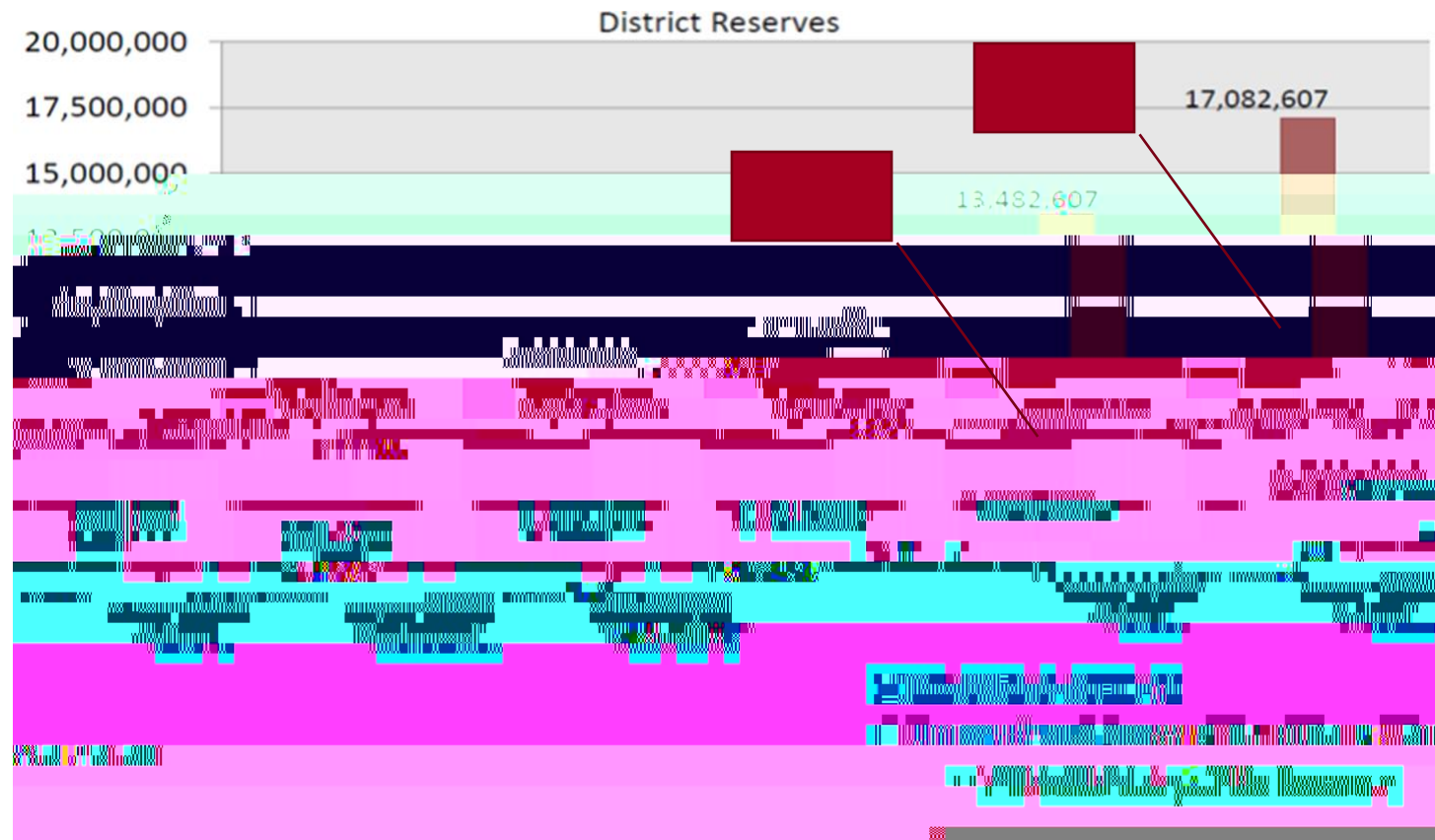
# 50% Law & FON



# District Reserves

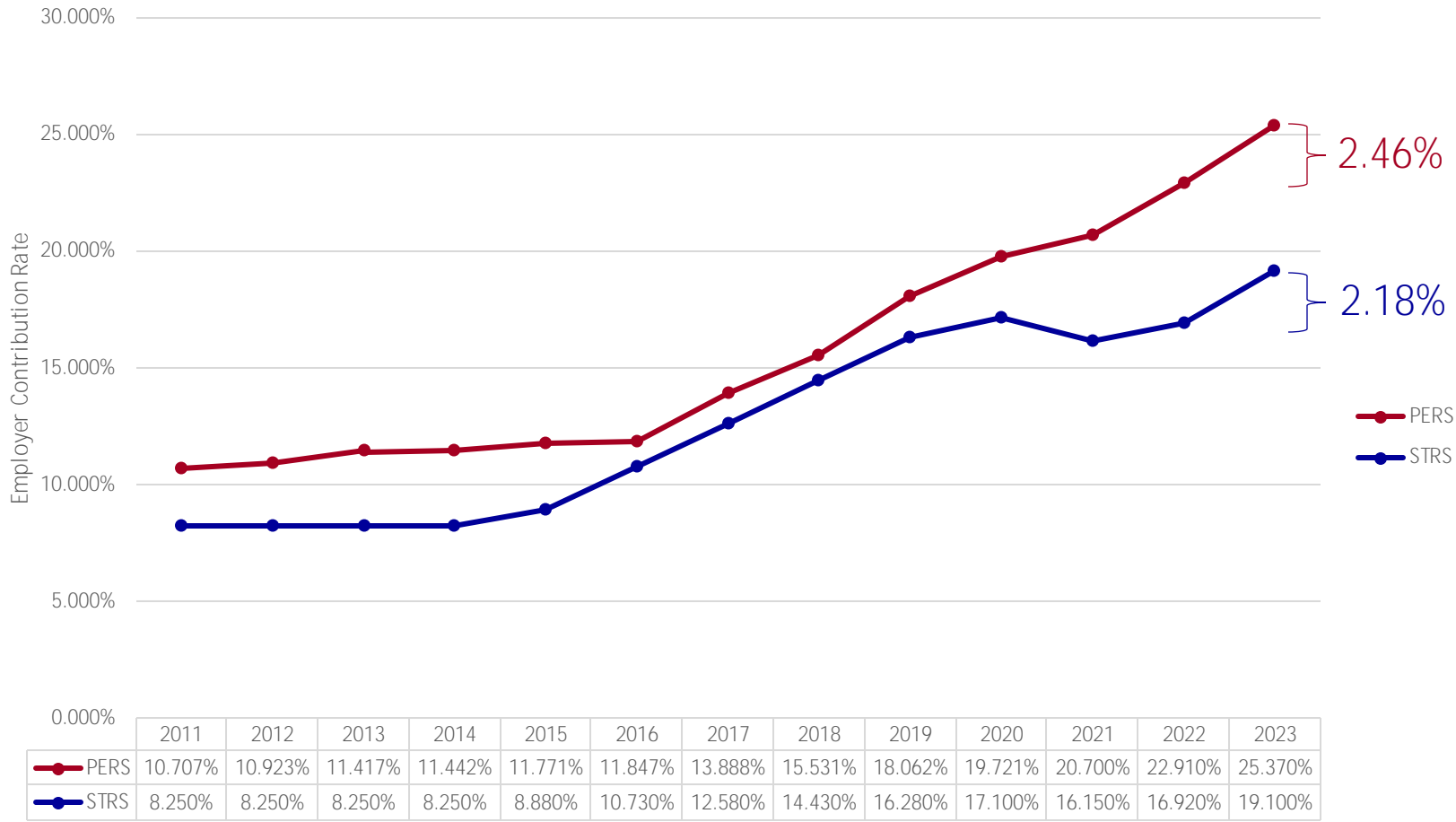
The Chancellor's Office recommends districts adopt policies to maintain Best Practices published by the Government Finance Officers Association.

consistent with Budgeting



# MSJC Ongoing Employer Cost Increases

Evolution of PERS/STRS Employer Contribution Rates



Fiscal Year Ending

# MSJC Ongoing Employer Cost Increases

PERS/STRS Contributions	\$1,200,000
Step/Column Raises	\$862,000
Benefits Contributions	\$128,765

