



How We Are Funded & 2015–16 Financial/Budget Overview

Important Terms

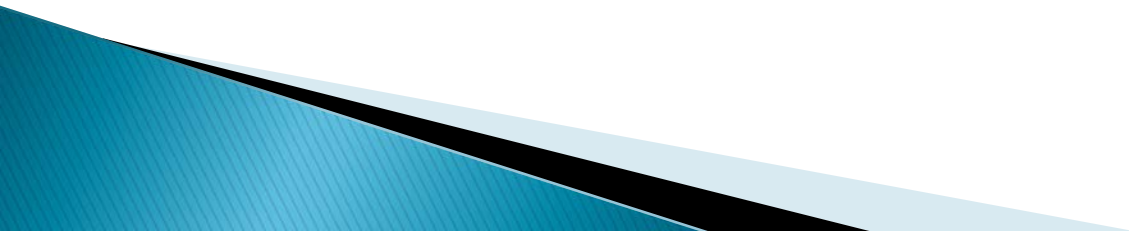
- ▶ **FTES = Full-time Equivalent Student**
 - A Full-time student attends 15 hours/wk (not 12)
 - We are funded per FTES (\$4943 / FTES)
 - We budget to an FTES Target/Cap (Base + Growth)
 - Large college cap set by the Chancellor's Office (19,880 FTES for 2015-16)
- ▶ **Student Headcount**
 - Actual number of students taking classes
 - Higher than FTES

Example

- ▶ Student 1 takes 9 hrs/wk
- ▶ Student 1 takes 4 hrs/wk
- ▶ Student 1 takes 5 hrs/wk
- ▶ Student 1 takes 18 hrs/wk

How many FTES?

What is the Student Headcount?

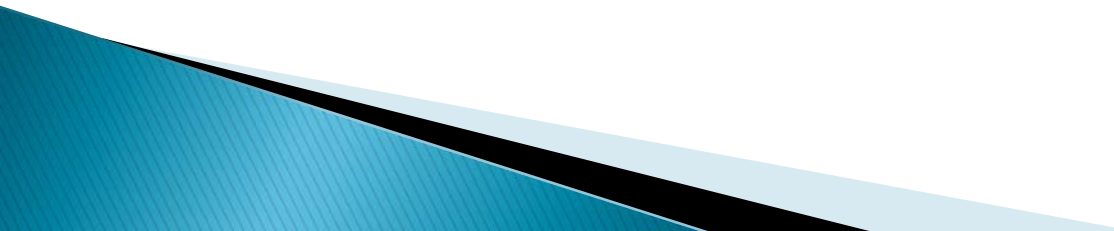


Example

- ▶ Student 1 takes 9 hrs/wk
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How many FTES? $(36/15) = 2.4$ FTES

What is the Student Headcount? 4.0



Important Terms

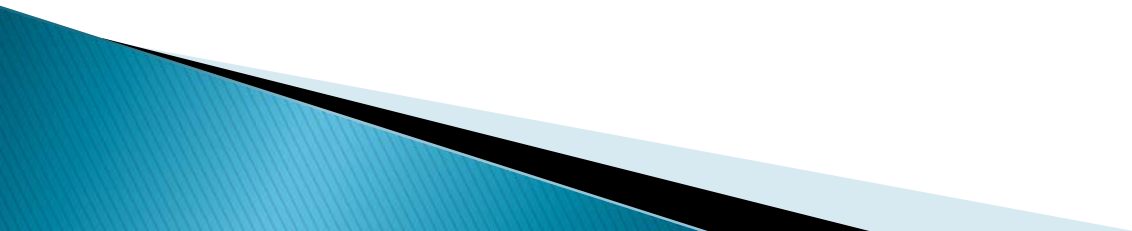
- ▶ **FTEF = Full Time Equivalent Faculty**
 - Most faculty loads are 15 instructional hours/week
 - A 3 hour class = $3/15 = 0.2$ FTEF
- ▶ **Faculty Headcount**
 - Actual number of faculty members
 - Larger than FTEF

Example

- ▶ Instructor 1 teaches 8 hrs/wk
- ▶ Instructor 2 teaches 9 hrs/wk
- ▶ Instructor 3 teaches 10 hrs/wk
- ▶ Instructor 4 teaches 6 hrs/wk

How many FTEF?

What is the Faculty Headcount?

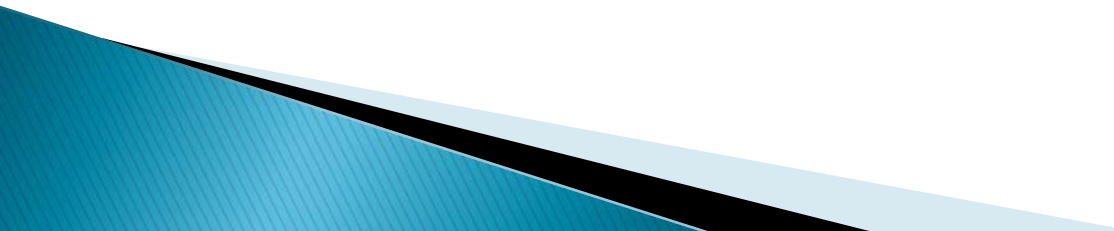


Example

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- ▶ Instructor 4 teaches 6 hrs/wk

How many FTEF? $(33/15) = 2.2$ FTEF

What is the Faculty Headcount? 4.0



Important Terms

- ▶ **WFCH = Weekly Faculty Contact Hours**
 - Tells us how many hours the class meets each week (not to be confused with units)
 - Example -Biology 201 is a five unit class that meets on Mondays and Wednesdays. The lecture meets 8–9:20 and the laboratory meets 9:30–12:20 =

Important Terms

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 - Tells us how many hours the class meets each week (not to be confused with units)
 - Example -Biology 201 is a five unit class that meets on Mondays and Wednesdays. The lecture meets 8–9:20 and the laboratory meets 9:30–12:20 = **9 WFCH**

Important Terms

- ▶ **WSCH = Weekly Student Contact Hours**
 - Hours class meets per week (WFCH) x enrollment
 - Example: Sociology class of 3 WFCH with 35 students enrolled: $3 \times 35 =$

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 - Example: Sociology class of 3 WFCH with 35 students enrolled: $3 \times 35 = 105 \text{ WSCH}$

Important Terms

▶ **WSCH/FTEF—Efficiency value**

- 525 WSCH/FTEF is considered the funding baseline for CC's
- $WSCH/FTEF = (WFCH \times enrollment) / load$

Example 1: Sociology 100 (3 WFCH) 35 students enrolled

- $3 \text{ WFCH} \times 35 \text{ enrolled students} = 105 \text{ WSCH}$
- $105 \text{ WSCH} / .2 \text{ load} =$

Example 2: Biology 101 (3 WFCH) 60 students enrolled

- $3 \text{ WFCH} \times 60 \text{ enrolled students} = 180 \text{ WSCH}$
- $180 \text{ WSCH} / .2 \text{ load} =$

Example 2: English 100 (3 WFCH) 25 students enrolled

- $3 \text{ WFCH} \times 25 \text{ enrolled students} = 75 \text{ WSCH}$
- $75 \text{ WSCH} / .2 \text{ load} =$

Important Terms

▶ WSCH/FTEF—Productivity value

- 525 WSCH/FTEF is considered the funding baseline for CC's
- $\text{WSCH/FTEF} = (\text{WFCH} \times \text{enrollment}) / \text{load}$

Example 1: Sociology 100 (3 WFCH) 35 students enrolled

- $3 \text{ WFCH} \times 35 \text{ enrolled students} = 105 \text{ WSCH}$
- $105 \text{ WSCH} / .2 \text{ load} = 525 \text{ WSCH/FTEF}$

Example 2: Biology 101 (3 WFCH) 60 students enrolled

- $3 \text{ WFCH} \times 60 \text{ enrolled students} = 180 \text{ WSCH}$
- $180 \text{ WSCH} / .2 \text{ load} = 900 \text{ WSCH/FTEF}$

Example 2: English 100 (3 WFCH) 25 students enrolled

- $3 \text{ WFCH} \times 25 \text{ enrolled students} = 75 \text{ WSCH}$
- $75 \text{ WSCH} / .2 \text{ load} = 375 \text{ WSCH/FTEF}$

Important Terms

- ▶ **WSCH/FTEF—Why a baseline of 525?**
 - Typical load = 15 hours = Five three-unit classes
 - The state expects there to be at least 35 students per class x five classes = **175 students per week**
 - 175 students per week, meeting 3 hours per week = **525 WSCH (175 x 3)**
 - A hold-over from the days of K-14

FTES Calculation

- ▶ $FTES = WFCH \times enrollment \times 17.5 / 525$
- ▶ $FTES = WSCH \times 17.5 / 525$
- ▶ $FTES = WSCH / 30$

FTES Calculation Examples

Example 1: Sociology 100 (3 WFCH) 35 students enrolled

- $3 \text{ WFCH} \times 35 \text{ enrolled students} = 105 \text{ WSCH}$
- $105 \times 17.5/525 = 105/30 = 3.5 \text{ FTES}$

Example 2: Biology 101 (3 WFCH) 60 students enrolled

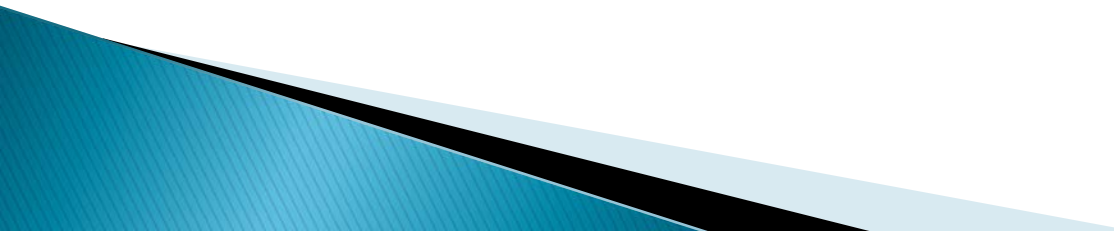
- $3 \text{ WFCH} \times 60 \text{ enrolled students} = 180 \text{ WSCH}$
- $180 \times 17.5/525 = 180/30 = 6 \text{ FTES}$

Example 2: English 100 (3 WFCH) 25 students enrolled

- $3 \text{ WFCH} \times 25 \text{ enrolled students} = 75 \text{ WSCH}$
- $75 \text{ WSCH} \times 17.5/525 = 75/30 = 2.5 \text{ FTES}$

Enrollment Management Defined

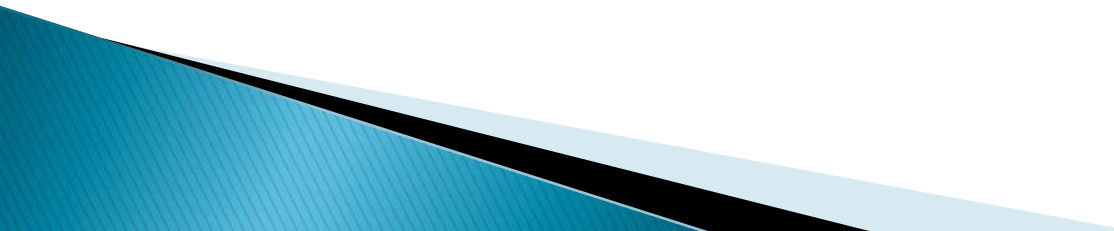
An ongoing plan to effectively schedule in support of student achievement while honoring a district's community, academic, and fiscal responsibilities.

- Involves a management team
 - Consider past, present, and future
 - Requires DATA
 - Involves the entire campus community
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- Term Length Multiplier
- Issues with data: accuracy (factor); x-listed courses/stacked courses; access to reports
- Fill rates
- Wait lists (problems)
- # of classes below 35
- WSCH/FTEF
- FTES/FTEF
- FTES Cap
- FTES Target
- FTES generated/semester
- Did you borrow FTES?
- Contract issues
- Compliance issues
- Class caps; what and who makes them
- Bottlenecks

- Classroom issues
- Who creates target-when and how
- College issues/hotspots (eg in-service courses)
- Audit issues
- 320 who ? And When?
- Local manner in which FTEF/
- FTES are allocated and tracked
- Is there an annual plan developed? By whom and when? Who monitors it? When are changes made?
- Do departments have 2-year plans?
- Is calendar developed and followed?
- How is student success measured and rewarded for departments?

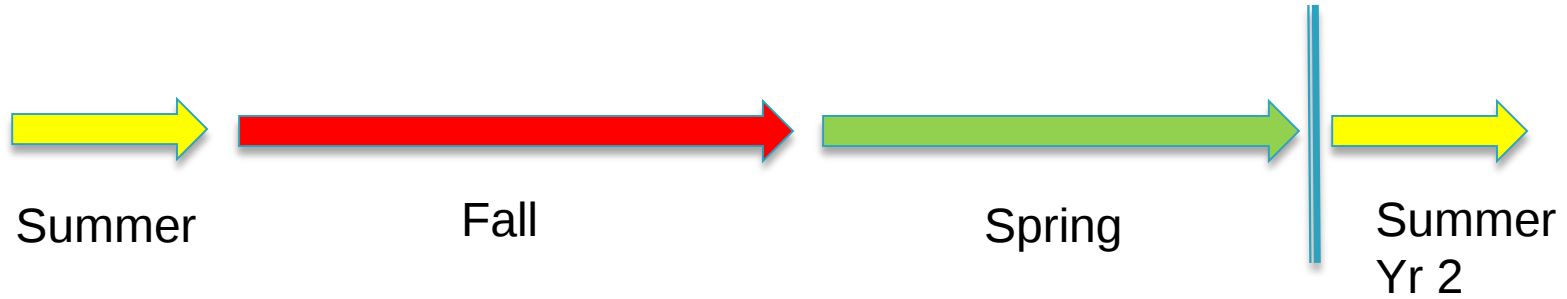
Practical Enrollment Management

- ▶ Establish an Instructional budget
 - ▶ Determine WFCH that will support that budget
 - ▶ Schedule within the limitations of the WFCH cap
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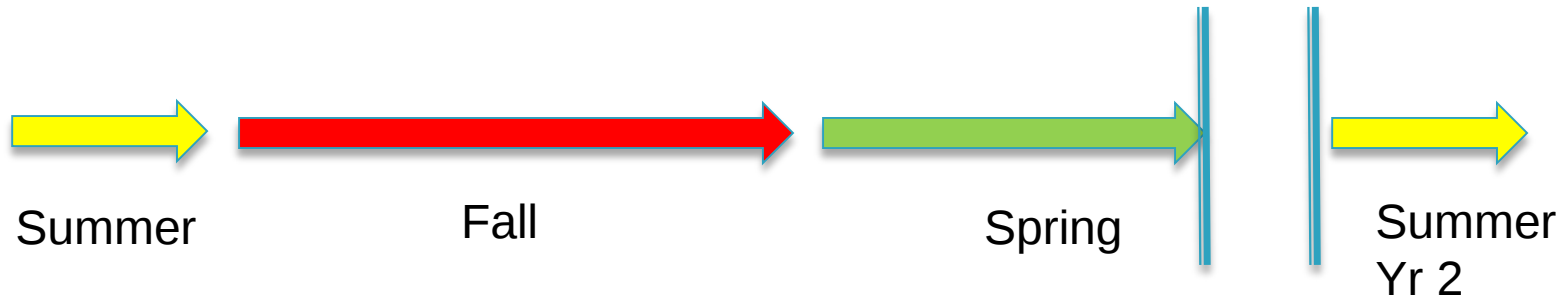
Reaching the Target

- ▶ Traditionally PC has budgeted as a Large College, a target set by the Chancellor's Office
- ▶ Large colleges get a \$1M Bonus in addition to apportionment (funding from enrollment)
- ▶ This year the large college cap is 19,880 FTES
- ▶ Cap reached through Summer, Fall, and Spring enrollments plus Intersessions
- Most of summer enrollment is flexible so if a shortfall, summer can be applied to the previous year ("Borrowing")--330 FTES ('12-13), 540 FTES ('13-14), 1200 FTES ('14-15)

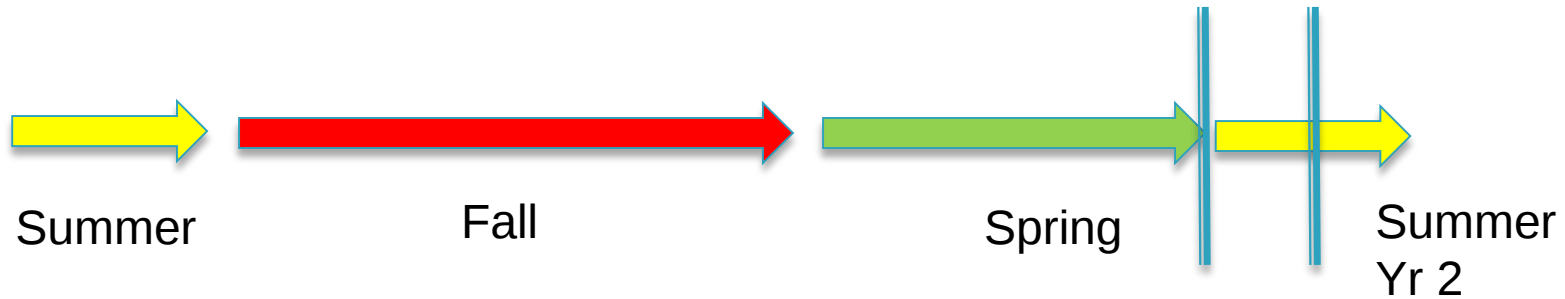
Reaching the Target



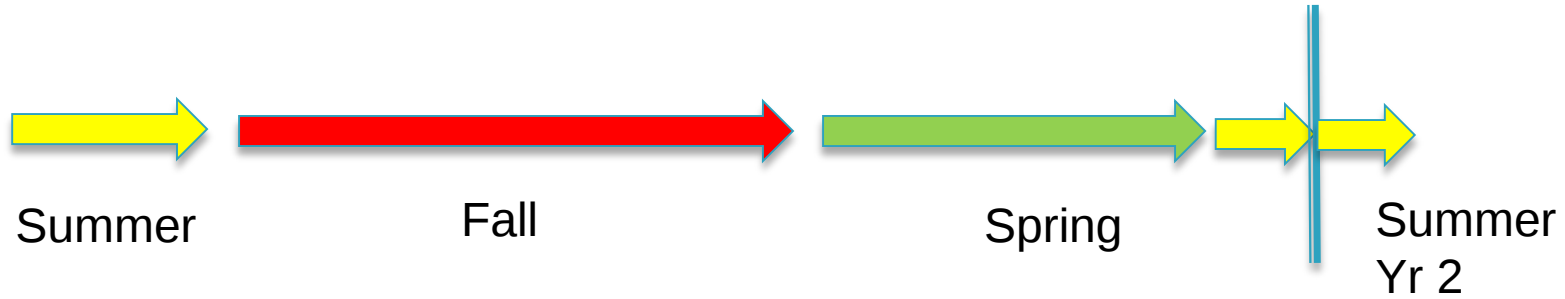
Reaching the Target



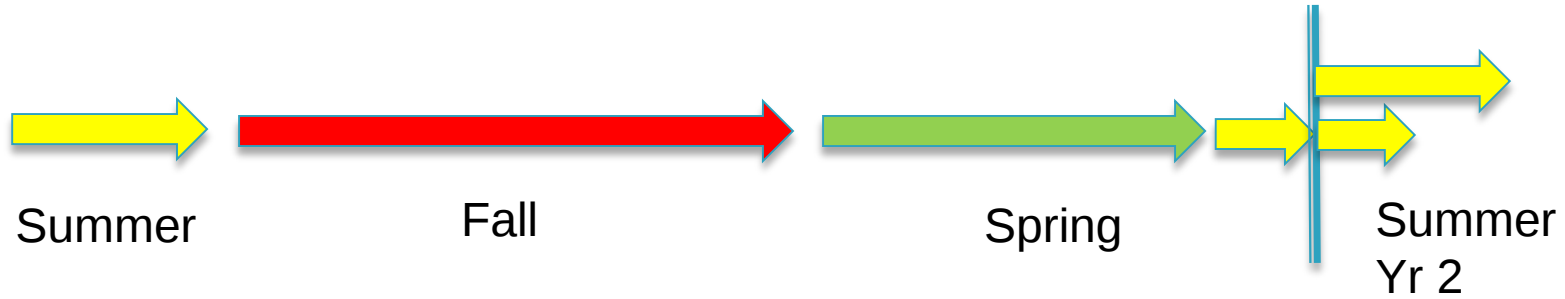
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Reaching the Target



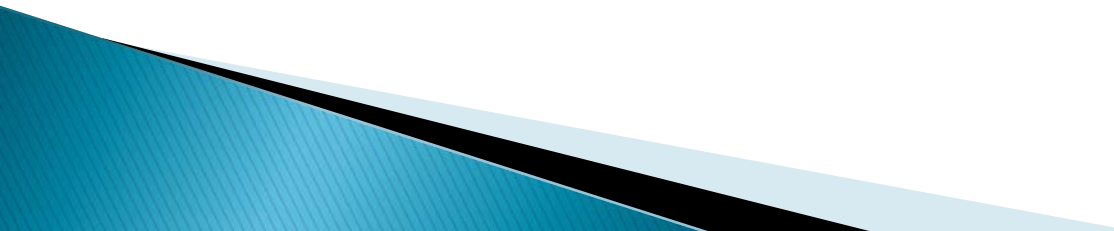
Reaching the Target



Are We a Large College?

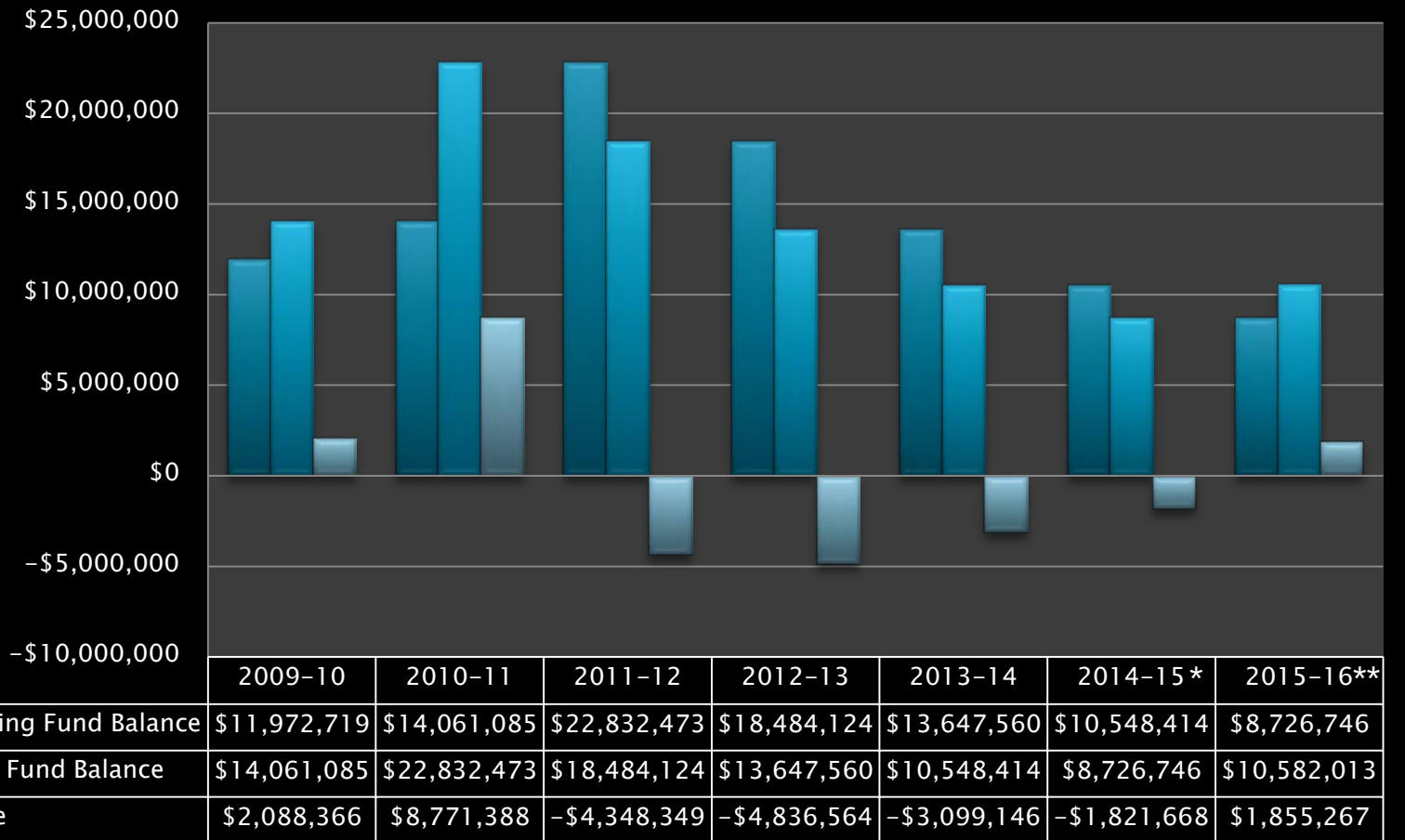
- ▶ For 2015–16, to remain a large college, we must meet the 19,880 FTES target, and make up the 1217 FTES we applied to the 2014–15 cap, i.e. generate 21,097 FTES ($19,880 + 1,217$)
- ▶ The 2014–15 schedule produced 18,643 FTES, and did so very inefficiently at 435 WSCH/FTEF
- ▶ Fall 2015 enrollment is currently down over 3% compared to Fall 2014 enrollment meaning our schedule will generate 18,084 FTES ($18,643 \times 0.97$)

Are We a Large College?

- ▶ Fall 2015 enrollment is currently down over 3% compared to Fall 2014 enrollment meaning our schedule will generate 18,084 FTES ($18,643 \times 0.97$)
 - ▶ We will need to borrow 3,013 FTES from Summer 2016 to reach the large college cap ($21,097 - 18,084$)
 - ▶ Summer enrollment does not produce 3,013 FTES
 - ▶ We are not a large college
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FY 2015–2016 FINANCIAL / BUDGET OVERVIEW

FUND BALANCE HISTORY



* estimated

** projected
with SRP
Savings of
\$3.3M

TWO YEAR SUMMARY

FY 2014–15

▪ Beginning Balance	\$ 10,548,414
▪ Expenses in Excess of Revenue	<u>(1,821,668)</u>
▪ Ending Balance	\$ 8,726,746

FY 2015–16

▪ Beginning Balance	\$ 8,726,746
▪ Expenses in Excess of Revenue	<u>1,855,267</u>
▪ Ending Balance	\$ 10,582,013*

DISTRICT-WIDE CONCERNS

- Balance Budget
 - Continuous expenditures with continuous revenue
- Accreditation
 - Enhanced fiscal monitoring
 - ACCJC Recommendations
- Retiree Health – Fund 69
 - \$72M Unfunded Liability
- STRS/PERS Increases
 - Gradual Increase to double in 2021

DISTRICT-WIDE CONCERNS

- Prop 30 Tax Expiration
 - ¼ % Sales Tax
 - 4 years, 2013 through 2016
 - Increased income tax – \$250,000
 - 7 years, 2012 through 2018
 - 15.0% of Apportionment Revenue
- Declining Enrollment
 - Large College Designation
 - Stability Funding/Right Sizing

2015-2016 FTES PROJECTION

FY 2014 – 2015	FUNDED FTES
CREDIT FTES	18,537.93
NON-CREDIT FTES	281.37
ENHANCED NON-CREDIT FTES (CDCP)	501.11
TOTAL	19,320.41

Following are *estimated FTES* based on the 3% Growth. PCCD able to earn 1.81% of the 3% statewide growth based upon new growth formula.

FY 2015 – 2016	FTES GROWTH	REVISED FTES TARGET	AVAILABLE APPORTIONMENT INCREASE
CREDIT FTES	339.628	18,877.558	
NON-CREDIT FTES	4.988	286.358	
ENHANCED NON-CREDIT FTES (CDCP)	6.290	507.400	
TOTAL	350.906	19,671.316	\$1,596,185

* Large College 19,880 FTES

2015-2016 SIMULATION

FY 2015 - 2016 GROWTH	FTES	NEEDED FTES	POTENTIAL APPORTIONMENT INCREASE / DECREASE
BASE FTES (PY)	19,320	N/A	N/A
POTENTIAL GROWTH (1.81%)	19,671	351	\$1,596,185
CLASSES (2.5 FTES)		140	
COST / CLASS (\$3,500)		3,500	<u>(\$491,400)</u>
		Net Potential Growth	\$1,104,785

FY 2015 - 2016 LARGE COLLEGE	FTES	NEEDED FTES	COST TO RESERVES
LARGE COLLEGE	19,880	N/A	N/A
FTES WITH GROWTH (1.81%)	19,671	211	N/A
CLASSES NEEDED / COST		84 CLASSES x 3,500	<u>(\$295,400)</u>
		TOTAL POTENTIAL INCREASE	\$809,385

Stability Funding

- ▶ 3-year Process
- ▶ Occurs when a district does not attain its base FTES in any given year
- ▶ 1st year – funded as though the district reached its base
- ▶ 2nd and 3rd years apportionment will be based upon actual FTES
- ▶ After the 3rd year, the district will be re-benched to its actual FTES

Large College Designation/Funding

- ▶ Occurs when a district does not attain the large college CAP in any given year
- ▶ Difference between large and medium designation
 - Approx. \$1M
- ▶ The District will keep large college funding for a total of 3 years
- ▶ After the 3rd year, district will be funded for their actual size (large, medium, small)

Simulation Purposes Only

	FY 15-16		FY 16-17		FY 17-18		FY 18-19	
Large College	\$1M		\$1M		\$1M		\$0	
	19,320 19,880		Actual TBD		Actual TBD		New Designation	
Stability	19,320		Actual FTES		Actual FTES		Re-bench New FTES Goal	
	\$102M							

Next Steps

- ▶ Get the information out
- ▶ Strategize, plan, implement
- ▶ FTES drives Apportionment