

Yosemite Community College District Budget Allocation Model Summary Sheet

Budget assumptions begin with the Chancellor's Cabinet and work through District Council and College Councils once State Budget information becomes available. FTES growth targets are set by the Colleges within the State growth parameters. Budget priorities are discussed and established using budget assumptions at the Chancellor's Cabinet and at the College Councils. Once funds are allocated to the Central Services and Colleges, it is the Colleges' responsibility to manage their resources and be accountable.

New unrestricted funds are allocated as follows:

■ **BASE ALLOCATIONS – PRIOR YEAR**

■ **COLLEGE ONLY ALLOCATIONS**

The District serves about 16,600 full-time students:

MJC FTES.....	87%
CC FTES.....	13%

State allocations not driven by State Formula, but earmarked only for college operations such as instructional equipment, are allocated as follows:

MJC FTES.....	85%
CC FTES.....	15%

The 15% Columbia College allocation recognizes and addresses economies of scale for a small college.

■ **GROWTH ALLOCATIONS**

FTES growth CAP is set by State Formula. Colleges set their own growth rates, not to exceed the State CAP. [See District formula Attachment 1.]

■ **DISTRICTWIDE ALLOCATIONS (DOES NOT INCLUDE GROWTH ALLOCATIONS.)**

State funding not driven by state formula and not restricted directly to college instructional expenditures is allocated as follows:

MJC.....	58%
CC.....	15%
Central Services.....	27%

Central Services pays for accounting, purchasing, payroll, accounts payable, information technology, utilities and energy costs, facilities operations, grant management, risk management, insurance, retiree benefits, post retirement liability, human resources, recruitment, transportation, trustee benefits, security, external affairs, negotiations, annual audits, and legal for the entire District as well as any increased benefit costs at the Colleges.

■ **COST-OF-LIVING-ADJUSTMENT (COLA) ALLOCATIONS**

COLA is determined by State Formula and allocated through the State budgeting process.

- ✱ Operating COLA is allocated throughout the District using various approaches depending on the financial circumstances and priorities in a given budget year.
 - Districtwide priorities.
 - MJC 58%, CC 15%, Central Services 27%.
 - Through negotiations.

■ **FULL-TIME OBLIGATION (FTO) ALLOCATIONS**

FTO is set by State Formula. The FTO increases and decreases based on credit FTES growth or decline. Colleges establish FTO not to exceed the State Formula.

- ✱ Augmentation for new faculty hires current calculated 2007-08 rate is \$47,300. The source of funding is from growth revenue. The formula assumes transferring some part-time overload budget to full-time faculty budgets. FTO has not increased since 2005-2006. The formula is reviewed annually when growth occurs. [See District formula Attachment 2.]

■ **RESTRICTED PROGRAMS ALLOCATIONS (REFER TO ALLOCATION MODEL DETAIL.)**

Yosemite Community College District Enrollment Growth Formula Revised 2007-2008 SB 361

ASSUMPTION: Formula is based on traditional state-defined 17.5-week terms. YCCD Operates on 16-week terms. Total instruction hours are the same.

1. Enrollment growth calculations based on Full-Time Equivalent Students (FTES) (525 hours of instruction equals one FTES).
2. A traditional section is defined as 3 hours per week, 17.5 weeks with 30 students.
3. A traditional section meets 52.5 hours per term (17.5 weeks x 3 hours per week).
4. SB 361 rate per credit FTES \$4,367, of which \$2,500 (58%) is allocated to Colleges per each growth FTES.
 - a. The SB 361 noncredit rate is \$2,626 for 2007-2008. Noncredit FTES growth allocations to the Colleges are at 95% of revenue earned. The District generates approximately 5% FTES in noncredit sections. The formula will need to be revised if the percent of noncredit to total FTES increases above 5%.
5. Growth FTES funding per section under assumptions 2, 3, and 4 above – \$7,500. Growth funding shall cover instructor(s) salary, supplies, and support costs.
6. FTES generation per traditional section:
 - a. One section earns 3 FTES: $(3 \times 17.5 \times 30) \div 525 = 3$ (FTES) or $(52.5 \times 30) \div 525 = 3$ (FTES).
7. Funding allocation to generate 1 growth FTES equals \$2,500 ($\$7,500 \div 3$ FTES).
8. Average hourly instructor rate \$67 (\$60 average hourly rate plus 12.2%).
9. Average instructional cost per section \$3,520 ($\67×52.5).
10. Average instructional cost to earn one growth FTES \$1,173 ($\$3,520 \div 3$).
11. Average discretionary allocation per one growth FTES \$1,327 ($\$2,500 - \$1,173$).

Yosemite Community College District Full-Time Faculty Replacement Cost

2007-2008

Estimated Average Full-Time Faculty New

Salary	\$63,800	
Medical Benefits	15,000	
Rate Benefits	8,000	
	<u>\$86,800</u>	\$86,800

2007-2008

Estimated Average Adjunct Cost

Hours per Week	Weeks Worked	Hourly Rate
15	35	\$67

	35,175
12.2%	<u>4,291</u>
	<u><u>\$39,466</u></u>

Less YCCD Average Adjunct Cost (rounded)

39,500

Additional Cost to Hire Full-Time Faculty – Budget Augmentation

\$47,300

Note: Augment for each new faculty position \$47,300