

Program Development Funds

January 13, 2016

Program Development Funds

District Budgeting Principles (in a nutshell)

- Commit funds only when known or reasonably reliable
- Ensure matching of resources to the nature of commitment (on-going or one-time)
- Use formulas for many allocations to allow local (college) process to determine the best use of funds

Program Development Funds

- District's primary formula is the designation of new funds* to staffing costs (compensation) and operational costs (PDF)
 - For every new \$1 received, 80 cents to compensation (the bucket) and 20 cents to program development –
 - 80¢ designated to compensation is used for new positions (except administrative) and salary and benefit increases.
 - 20¢ designated to PDF supports operational costs such as utility increases and maintenance, as well as program development such as professional development or new positions.

** This allocation applies to almost all unrestricted revenue sources such as COLA, Growth, and Lottery.*

Program Development Funds

- The PDF allocation also includes some categorical or special revenues such as State Instructional Equipment and Scheduled Maintenance Funds and Restricted Lottery
- Other sources for PDF are non-resident tuition and interest income above established base amounts
- Recycled amounts from prior years' allocations

Program Development Funds

- PDF Process

- Step 1: Determine resources, which are a combination of current and prior years' revenues.
- Step 2: Allocate based upon established formulas, mandated activities, required uses (categorical), contractual obligations or other needs or directives aligned with the District's strategic goals.

Note: Much of the allocation is to mandated or required purposes or items previously established as a strategic priority (such as Staff Development)

Program Development Funds

- Examples of restricted allocations
 - SIEF&LM and SMSR \$6.8M
 - Restricted Lottery \$1.9M
- Example of a mandate
 - Retirement Contribution increase (Continuing) \$2.3M
 - Retirement Contribution increase (One-Time) \$5.0M
- Example of a prior commitment/required support
 - IT Operational \$1.7M

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Formulas used in the allocation:

- State Instructional Equipment and Library Materials and Restricted Lottery – Full-time equivalent students
- Professional Development – Full-time equivalent students and staffing
- College Discretionary funds – Student Contact hours, square footage, staffing, base
- Non-instructional equipment - staffing

Program Development Funds

2015-16 Program Development Funds

Resources	<i>Total Funds</i>	<i>Continuing</i>	<i>One-time</i>
General Purpose Revenue	\$ 25,410,797	\$ 4,936,877	\$ 20,473,920
Categorical/Special Revenue	8,989,158	-	8,989,158
Grand Total	\$ 34,399,955	\$ 4,936,877	\$ 29,463,078

Summary of Proposed Allocation by Strategic Goal

A. Student Success	\$ 904,178	\$ 25,000	\$ 879,178
B. Teaching and Learning Effectiveness	5,374,526	117,909	5,256,617
C. Access and Growth	10,313,747	1,397,612	8,916,135
D. Community, Economic and Workforce Development	16,956	-	16,956
E. Organizational Effectiveness	17,790,548	3,396,356	14,394,192
Grand Total	\$ 34,399,955	\$ 4,936,877	\$ 29,463,078