



# PCCD 2022 Tentative Budget

Board of Trustees Meeting  
June 22, 2021



# 2021/22 GOVERNOR'S MAY REVISE

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The May Revise falls into six general categories:

**Restoring College Resources**

**Post Pandemic Recovery**

**Diversity, Equity, and Inclusion**

**Affordability and Basic Needs**

**Workforce**



# 2021/22 TENTATIVE BUDGET ASSUMPTIONS

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The following assumptions shall be utilized in developing the 2021/22 District and College's Tentative Budgets. These assumptions are estimates and are based, on the Governor's May 14, 2021 Revised Budget, and current year-to-date actuals. As more detailed information is received in the coming months from the Governor's Office and the State Chancellor's Office, i.e., the June Enacted Budget Summary, these assumptions may/will be adjusted accordingly.

## **General Assumptions**

1. The 2021/22 General Fund Unrestricted Beginning Fund Balance is projected at approximately \$31.5 million with a reserve of 22.36%, meeting the Board's policy of maintaining at least a 10% reserve level
2. The 2020/21 Tentative Budget will have an Ending Balance of no less than 10%
3. The district will use plans, planning documents, and planning as a basis for the development of expenditure budgets through the participatory governance process
4. Recommendations from the Budget Allocation Model Task Force will be presented to the Chancellor during the fiscal year with an expectation of adopting a model that incorporates the needs of the district and the colleges to serve students

## **Revenue Assumptions**

1. Enrollment: 3 Year Average (FTES) of 15,249 based on a hold harmless mechanism
2. Enrollment growth funds of \$23.6 million
3. 0% growth budgeted for PCCD in 2021/22



# 2021/22 TENTATIVE BUDGET ASSUMPTIONS (CONTINUED)

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4. 4.05% Statutory Cost of Living Adjustment (COLA) – The breakdown is 2.31% for FY 2020-221 and 1.74% for fiscal year 2021-22, approximately \$4.9 million
5. Unrestricted lottery estimated at \$199.00 per FTES, from the State May Revised Budget and projected calculation, approximately \$2.6 million for PCCD
6. First Year of Parcel Tax - Measure E is estimated to be \$8,000,000
7. Mandated Block Grants Programs which amount to \$0.4 million for PCCD
8. Increase of one-time funding support for the CCC Strong workforce program by \$870 million approximately \$12.3 million to PCCD
9. Elimination of Budget Deferrals \$1.45 billion approximately \$20.5 million to PCCD
10. College Affordability Zero Cost Textbook Pathways increase by \$115 million approximately \$1.6 million to PCCD
11. One Time Additional \$ 100 million for Retention and Enrollment Efforts approximately \$1.4 million to PCCD
12. Increase of \$75 million for Dual Enrollment approximately \$1.0 million to PCCD
13. COVID 19 –Block Grants- May Revise include one-time \$50 million approximately \$0.7 to PCCD
14. Technology Focused Investments-May Revise proposes \$10 million ongoing for pathways technology approximately \$0.1 million



# 2021/22 TENTATIVE BUDGET ASSUMPTIONS (CONTINUED)

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15. \$100 million one-time in emergency student financial assistance grants approximately \$1.4 million to PCCD, and \$30 million ongoing for technology and mental health approximately \$0.4 million to PCCD
16. \$3.1 million for outreach and application assistance to support students applying for Cal Fresh approximately \$0.04 million to PCCD
17. \$18 million for effort to bolster student retention rates and enrollment approximately \$0.3 to PCCD
18. \$10 million in one-time funding to support the development and implementation of common course numbering across the system approximately \$0.1 million to PCCD
19. \$10 million one-time to support a workgroup focusing on the planning and implementation of competency-based education (CBE), including the development of a funding model to support it, approximately \$0.1 million to PCCD
20. \$10 million one-time for targeted work-based learning in cloud computing, zero emission technology, and supply chain fuels, approximately \$0.1 million to PCCD

## **Expenditure Assumptions**

1. Step and column salary increases are included: estimated at \$0.9 Million
2. Public Employee Retirement System employer contribution increase from 20.70% to 22.91%, an increase estimated at \$694,193 to PCCD
3. State Teachers Retirement System employer contribution decreased from 16.15% to 16.92% an estimated at \$290,747 to PCCD



# 2021/22 TENTATIVE BUDGET ASSUMPTIONS (CONTINUED)

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4. Maintain District contribution to DSPS program of approximately \$1.2 million
5. OPEB Debt Service Payment of approximately \$2.3 million due to bond program restructuring
6. Contribute to the new Irrevocable Trust for \$250,000 as per OPEB long term funding plan
7. Contribute \$400,000 to Self-Insurance Fund to cover costs of Property and Liability insurance
8. Any restricted funding cuts or cost increases must be borne by the respective program
9. Medical premiums at \$18.9 million
10. OPEB payroll charge 7.50%
11. Contribute \$120,000 for Faculty Professional Development
12. Utilities to be budgeted at the campus level based on prior year actuals plus 5% increase
13. Expenditure costs are reduced by \$4.4 million of frozen vacancy positions
14. The total budgeted amount for bond debt service, fees, and interest rate swaps is \$15.2 million (\$6.5 million, fund reserve 69; \$2.3 million, fund 01; and \$6.4million, fund 94)



# 2021/22 TENTATIVE BUDGET ASSUMPTIONS (CONTINUED)

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## **Facilities**

### CAPITAL OUTLAY

Bond Funding for Continuing and New Projects. In the May Revision, the Governor provides \$577.9 million in capital outlay funding from Proposition 51, approved by voters in 2016. The funding is to support the construction phase for 32 continuing projects (\$573.2 million) and the preliminary plans and working drawings phase for five new projects (\$4.7 million). The Governor provides \$3.5 million in capital outlay funding from Proposition 55, approved by voters in 2004.

However, there are re-appropriations for delayed projects at:

- Merritt College – Child Development Center
- Merritt College – Horticulture Building Replacement
- Laney College – Learning Resource Center
- Laney College for modernizing the Theater Building
- College of Alameda – Replacement of Buildings B and E (Auto and Diesel Technologies)



# CARES ACT 1932

## ALLOWABLE COSTS

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Some examples of allowable expenditures and activities include, but are not limited to, costs associated with the following:

Under the ARP, similar to the CRRSAA, allowable uses under the HEERF III (a)(1) Institutional Portion awards include: defraying expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll); and making additional emergency financial aid grants to students.

### **Testing:**

- Establishing a diagnostic or screening testing strategy, such as setting up a testing site, purchasing tests, or hiring additional personnel to administer tests.
- Hiring personnel to support contact tracing efforts in collaboration with local public health authorities.

### **Prevention:**

- Setting up vaccination sites on or off campus to bring the vaccine to students, faculty, and staff, including costs of bringing sites to rural and satellite locations and costs associated with building awareness and confidence of the vaccine among students.
- Providing masks and other Personal Protective Equipment (PPE) to students, faculty, and staff.
- Supporting clean and sanitary campus environments, including purchasing hand sanitizer and handwashing stations that can be placed throughout the campus.
- Cleaning and disinfection.
- Enhancing ventilation in classrooms or common areas.
- Using mask campaigns to increase mask compliance on campus.





# CARES ACT 1932

## ALLOWABLE COSTS (Continued)

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### **Prevention (Continued):**

- Implementing physical distancing guidelines, such as modified layouts.
- Costs associated with vaccination efforts.
- Redesigning food service facilities.
- Developing training and communication systems to communicate with students. Cost associated with campus and local outreach on the benefits of vaccination as a virus-mitigation strategy.

### **Reducing Barriers to Vaccination:**

- Paying for time off for staff to get the vaccine.
- Providing sick leave to employees to get vaccinated.
- Spreading awareness and building confidence in getting vaccinated, including setting up clinics for students to receive vaccinations or other confidence and awareness building efforts.

### **Supporting Students:**

- Procuring additional space both on or off campus to house students and supporting other costs associated with meeting the basic needs of students in isolation and quarantine.
- Providing academic support services and mental health services for students in isolation or quarantine.
- Supporting coping and resilience for students



# CARES Act – HEERF PROJECT 1932

## 2020 THRU 2021 ACTUALS BY LOCATION

As of 6/11/21	District	Berkeley City College	College of Alameda	Laney College	Merritt College	Grand Total	% of Revenues Expended
<b>Revenues</b>							
CARES Act <b>Round 1</b> - Project 1932 <sup>1</sup>	637,057	1,690,701	962,498	3,040,888	1,373,302	7,704,446	
CARES Act <b>Round 2</b> - Project 1932	0	4,706,915	3,172,271	8,854,083	3,485,082	20,218,351	
CARES Act <b>Round 3</b> - Project 1932 Student Aid Portion <sup>6</sup>	0	4,066,369	2,942,770	7,793,550	3,902,466	18,705,155	
CARES Act <b>Round 3</b> - Project 1932 Institutional Portion <sup>6</sup>	0	3,902,441	2,622,312	7,519,837	3,646,066	17,690,656	
<b>Total Revenue</b>	<b>637,057</b>	<b>14,366,426</b>	<b>9,699,851</b>	<b>27,208,358</b>	<b>12,406,916</b>	<b>64,318,608</b>	
<b>Expenses</b>							
Salaries (Counselors, Librarians and Instructional Aides)	66,998	304,364	248,846	308,663	133,018	1,061,889	
Benefits	9,844	21,830	27,715	9,298	9,077	77,764	
<b>Total Salaries &amp; Benefits</b>	<b>76,842</b>	<b>326,194</b>	<b>276,561</b>	<b>317,961</b>	<b>142,095</b>	<b>1,139,653</b>	<b>1.77%</b>
<b>Other Operating Expense</b>							
Books, Supplies, Services <sup>2</sup>	220,481	57,044	117,012	214,578	150,285	759,400	
Equipment Cap Outlay <sup>3</sup>	0	290,804	44,719	79,560	39,941	455,024	
<b>Total Other Operating Expense</b>	<b>220,481</b>	<b>347,848</b>	<b>161,731</b>	<b>294,138</b>	<b>190,226</b>	<b>1,214,424</b>	<b>1.89%</b>
<b>Other Outgo</b>							
Student Financial Aid <sup>4</sup>	0	1,828,525	809,125	1,504,700	693,808	4,836,158	
<b>Total Other Outgo</b>	<b>0</b>	<b>1,828,525</b>	<b>809,125</b>	<b>1,504,700</b>	<b>693,808</b>	<b>4,836,158</b>	<b>7.52%</b>
<b>Total Expenses as of June 11, 2021 <sup>5</sup></b>	<b>297,323</b>	<b>2,502,567</b>	<b>1,247,417</b>	<b>2,116,799</b>	<b>1,026,129</b>	<b>7,190,235</b>	<b>11.18%</b>
<b>Available Balances per Location</b>	<b>339,734</b>	<b>11,863,859</b>	<b>8,452,434</b>	<b>25,091,559</b>	<b>11,380,787</b>	<b>57,128,373</b>	
<b>Overall Expense % by College</b>	<b>46.67%</b>	<b>17.42%</b>	<b>12.86%</b>	<b>7.78%</b>	<b>8.27%</b>	<b>11.18%</b>	
<b>Round 1 Expense % by College</b>	<b>46.67%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>69.61%</b>	<b>74.72%</b>		
<b>Round 2 Expense % by College</b>	<b>0.00%</b>	<b>17.25%</b>	<b>8.98%</b>	<b>0.00%</b>	<b>0.00%</b>		
<b>Round 3 Expense % by College</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>		

Notes:

<sup>1</sup> CARES Act Round 1 Institutional Allocation was \$3.8m. The District retained \$600K and remaining balance of \$3.2m was allocated to the colleges by Executive Cabinet.

This amount was added on top of the student aid portion of \$3.8m already allocated to the campuses for a total of \$7.7m.

<sup>2</sup> Expenditures primarily consist of PPE supplies.

<sup>3</sup> Capital Outlay expenses consist of library databases, laptops, and computer peripherals.

<sup>4</sup> Student Financial Aid - emergency grants to students.

<sup>5</sup> The total expensed by each college represents the amounts applied only to Round 1 and 2 of CARES Act funding.

<sup>6</sup> CARES Act Round 3 allocated \$36,395,811 for Peralta Community College District.



# SCFF Calculation

## (Student Centered Funding Formula)

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The new Student-Centered Funding Formula (SCFF) consists of three allocations:

- ❑ **Part 1. Base** - Enrollment (FTES). (70% System wide)
- ❑ **Part 2. Supplemental** - Counts of low-income Students. (20%)
- ❑ **Part 3. Student Success** - Count of success outcomes, with “premium” for outcomes of low income students. (10% system wide.)



# Student Centered Funding Formula Continued

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The **Student-Centered Funding Formula** is about ensuring community colleges are **funded**, at least in part, by how well their **students** are fairing.

Following consultation with the Department of Finance and legislative staff, the highest priority has been by the department of finance is to apportion all districts at least their 2017-18 revenues, adjusted by COLA, maintaining that commitment of minimum revenues.



# SCFF Calculation (Student Centered Funding Formula)

2022 Tentative Budget

May Revise Cola for FY 2021-2022

1.74%

May Revise Cola for FY 2020-2021

2.31%

Total Cola

4.05%

2021-22

		FTES	Rate	Total
Base Allocation	Basic Allocation			16,837,379
	Credit FTES: 3-Year Average Credit	15,040.33	4,171	62,738,713
	Special Admit	458	5,850	2,678,311
	CDCP	42	5,850	243,988
	Non Credit	60	3,518	210,033
	<b>Subtotal</b>	<b>15,599.61</b>		<b>82,708,423</b>
Non-Credit				
<b>Total</b>		<b>16,950.00</b>		<b>82,708,423</b>
		Headcount	Rate	
Supplemental Allocation	Pell Grant Recipients	5,923.00	986	5,842,412
	AB540 Students	1,013.00	986	999,217
	California Promise Grant Recipients	12,198.00	986	12,032,034
	<b>Total</b>	<b>24,767.22</b>		<b>18,873,663</b>
		Outcomes	Rate	
Student Success Allocation	All Students: Associate Degrees	862.33	1,745	1,504,696
	Associate Degrees for Transfer	565.00	2,327	1,314,505
	Credit Certificates	361.67	1,163	420,723
	Nine or More CTE Units	2,675.00	582	1,555,886
	Transfer	1,100.00	872	959,705
	Transfer Level Math and English	492.33	1,163	572,717
	Achieved Regional Living Wage	2,841.00	582	1,652,438
<b>Subtotal</b>		<b>8,897.33</b>		<b>7,980,670</b>



# SCFF Calculation (Student Centered Funding Formula)

## 2022 Tentative Budget (2 of 3)

### Student Success Allocation (continued)

#### Pell Grant Recipients Bonus:

Associate Degrees	514.00	660	339,341
Associate Degrees for Transfer	327.67	880	288,436
Credit Certificates	172.00	440	75,703
Nine or More CTE Units	1,185.67	220	260,925
Transfer	523.00	330	172,642
Transfer Level Math and English	199.00	440	87,586
Achieved Regional Living Wage	630.67	220	138,789
<b>Subtotal</b>	<b>3,552.01</b>		<b>1,363,422</b>

#### California Promise Grant Recipients Bonus:

Associate Degrees	654.33	440	287,991
Associate Degrees for Transfer	430.33	587	252,536
Credit Certificates	243.00	293	71,301
Nine or More CTE Units	1,727.33	147	253,417
Transfer	705.00	220	155,146
Transfer Level Math and English	283.00	293	83,038
Achieved Regional Living Wage	1,240.67	147	182,019
<b>Subtotal</b>	<b>5,283.66</b>		<b>1,285,450</b>

<b>Total Student Success Allocation</b>	<b>17,733.00</b>		<b>10,629,541</b>
<b>Total SCFF before Hold Harmless</b>			<b>112,211,627</b>
Hold Harmless Funding			<b>7,682,547</b>
Stability Protection Adjustment			<b>6,652,536</b>
Total TCR 2021-2022			<b>126,546,710</b>
<b>Total SCFF FY 2021-2022(Total Computation Revenue)</b>			<b>126,546,710</b>



# SCFF Calculation (Student Centered Funding Formula)

## 2022 Tentative Budget (3 of 3)

### State Chancellor Guaranteed Revenue Amount based on 2017-18 TCR

Total Computation Revenue (TCR) 2017-2018		114,674,531
Cola 2018-2019	2.71%	3,107,680
<b>Total Computation Revenue (TCR) 2018-2019</b>		<b>117,782,211</b>
Cola 2019-2020	3.26%	3,839,700
<b>Total Computation Revenue (TCR) 2019-2020</b>		<b>121,621,911</b>
Cola 2020-2021	2.31%	2,809,466
<b>Total Computation Revenue (TCR) 2020-2021</b>		<b>124,431,377</b>
Cola 2021-2022	1.70%	2,115,333
<b>Total Computation Revenue (TCR) 2021-2022</b>		<b>126,546,710</b>



## Tentative Budget 2022 Unrestricted General Fund 5 Year Projection

	Adopted Budget F/Y 2020/21	Tenatative Budget F/Y 2021/22	Projections F/Y 2022/23	Projections F/Y 2023/24	Projections F/Y 2024/25 With Hold Harmless	Projections F/Y 2024/252 With Out Hold Harmless
<b>Revenues:</b>						
Federal Revenue	-	-	-	-	-	-
State Revenue *	69,689,847	75,219,476	75,971,672	76,731,388	79,033,430	71,350,883
Local Revenue	75,127,953	72,205,810	72,927,868	73,657,147	74,393,718	74,393,718
Interfund Transfer In	-	-	-	-	-	-
International Shortfall	-	-	-	-	-	-
Student Refund	-	-	-	-	-	-
<b>Total Revenues:</b>	<b>144,817,800</b>	<b>147,425,286</b>	<b>148,899,540</b>	<b>150,388,535</b>	<b>153,427,148</b>	<b>145,744,601</b>
<b>Expenditures: **</b>						
Full Time Academic	25,400,106	23,240,803	23,705,619	24,179,731	24,663,326	24,663,326
Full Time Academic Vacancies		1,237,705	1,262,459	1,287,708	1,313,462	1,313,462
Academic Administration	6,126,601	5,737,893	5,852,651	5,969,704	6,089,098	6,089,098
Academic Administration Vacancies	-	-	-	-	-	-
Other Faculty	5,640,185	6,506,110	6,636,232	6,768,957	6,904,336	6,904,336
Other Faculty Vacancies	-	-	-	-	-	-
Part Time Academic***	9,042,082	5,011,257	5,111,482	5,213,712	5,317,986	5,317,986
Classified Salary	29,827,717	26,193,898	26,717,776	27,252,131	27,797,174	27,797,174
Classified Salary Vacancies	-	4,688,906	4,782,684	4,878,338	4,975,905	4,975,905
Fringe Benefits	39,892,236	36,231,510	36,956,140	37,695,263	38,449,168	38,449,168
Benefits for Associated Vacancies	-	4,480,782	4,570,398	4,661,806	4,755,042	4,755,042
Bad Debts	670,830	850,000	867,000	884,340	902,027	920,067
Books Supplies, SVcs	23,023,008	22,354,667	22,578,214	22,685,576	23,139,287	23,602,073
Equipment Outlay	261,743	212,703	214,830	221,296	225,722	230,237
Debt Services-Bonds	2,046,604	2,334,000	2,380,680	3,380,680	4,380,680	4,380,680
Other Outgo	1,878,885	1,850,000	2,314,174	2,360,457	2,407,667	2,455,820
Staff COLA Increase = 0	-	-	-	-	-	-
Contingency Reserve	1,007,803	-	-	-	-	-
<b>Total Expenses:</b>	<b>144,817,800</b>	<b>140,930,234</b>	<b>143,950,339</b>	<b>147,439,699</b>	<b>151,320,880</b>	<b>151,854,374</b>
<b>Beginning Fund Balance:</b>	<b>23,195,266</b>	<b>23,195,266</b>	<b>29,690,318</b>	<b>34,639,519</b>	<b>37,588,355</b>	<b>39,694,623</b>
Net Increase (Decrease)	-	6,495,052	4,949,201	2,948,836	2,106,268	(6,109,773)
Audit Adjustment	-	-	-	-	-	-
<b>Ending Fund Balance:</b>	<b>23,195,266</b>	<b>29,690,318</b>	<b>34,639,519</b>	<b>37,588,355</b>	<b>39,694,623</b>	<b>33,584,851</b>
<b>Fund Balance %</b>	<b>16.02%</b>	<b>21.07%</b>	<b>24.06%</b>	<b>25.49%</b>	<b>26.23%</b>	<b>22.12%</b>

\* 4.05% COLA included in budgeted revenues

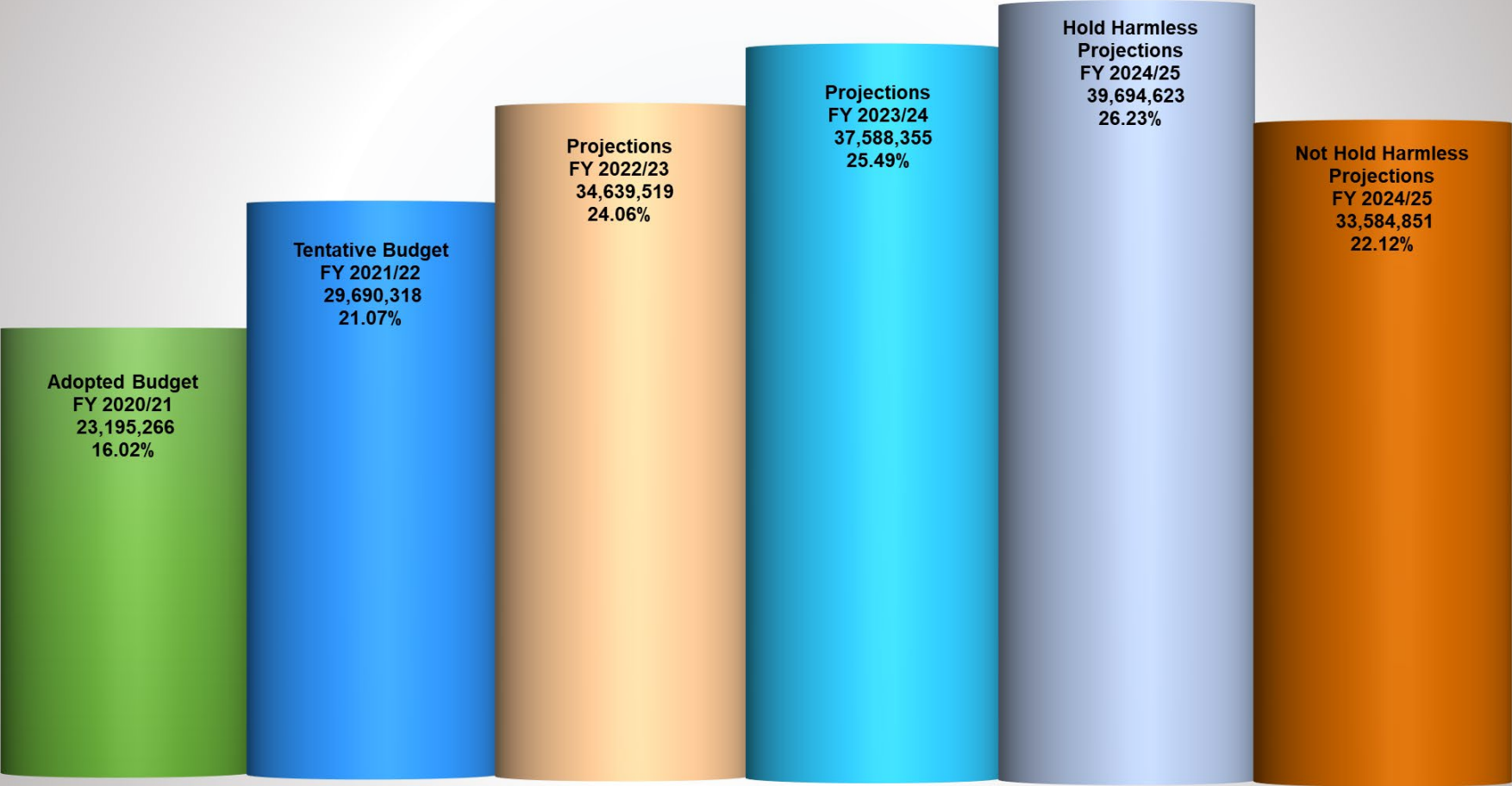
\*\* \$4.4 million frozen vacant positions are not included in the budgtd expenditures. The italic amounts are vacant positions to be hired

\*\*\* Part time Academic Salaries are reflective of the shift of the FON (Faculty Obligation Number) and allocating the expenses in each of the appropriate fund sources.



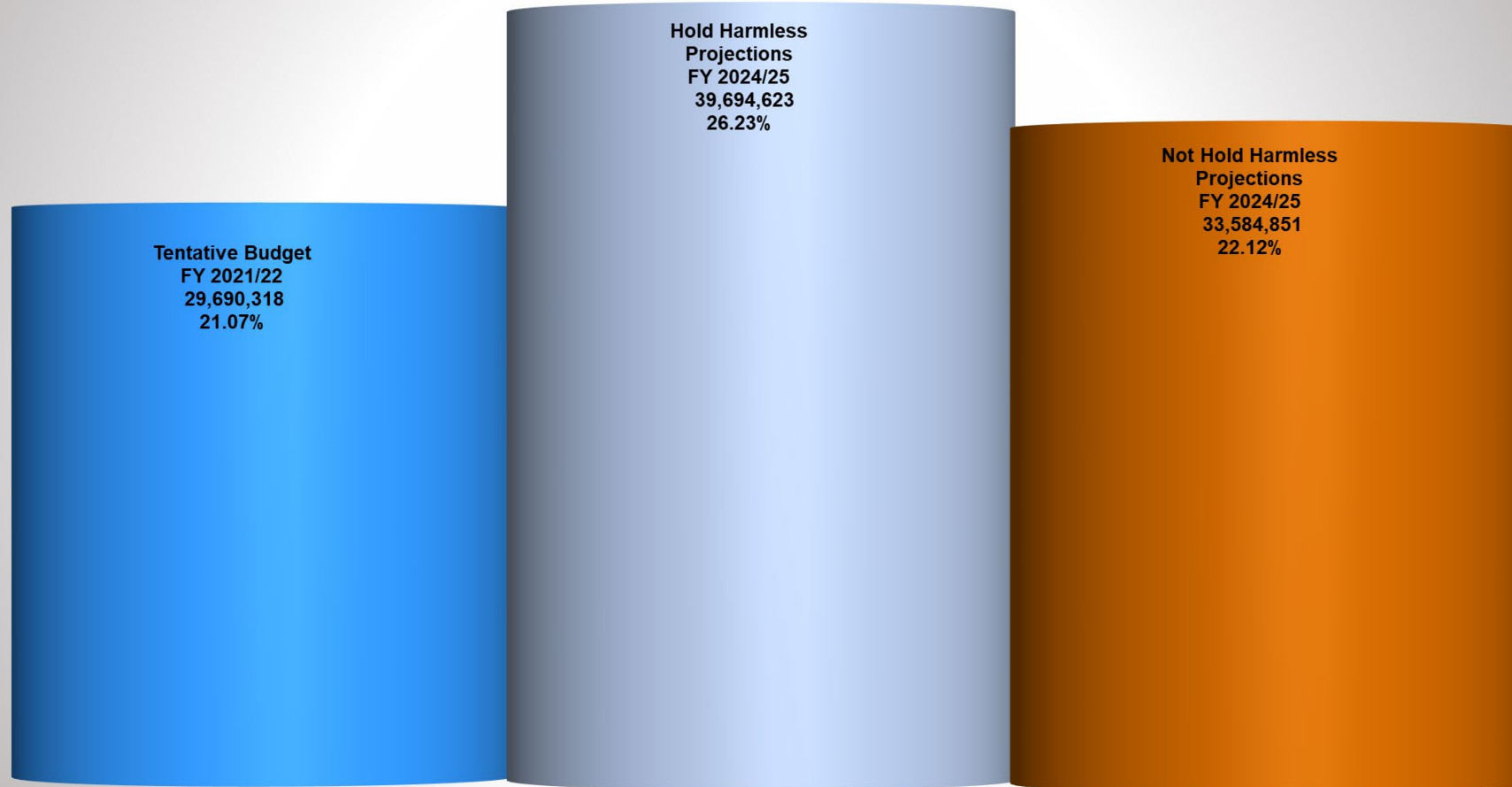


**2022 Tentative Budget  
Five Year Projection Ending Fund Balance**





## 2022 Tentative Budget Tentative, Hold Harmless, and Not Hold Harmless





**All Funds - (Excluding General Obligation Bonds) - Revenues \$273.3 million**

Unrestricted General Funds (includes funds: 01, 03, 07, 10, 30, and 59)	<b>148,450,385</b>
Restricted General Funds	67,179,403
Parcel Tax Funds	8,256,869
Child Development Funds	1,603,784
Other Post Employment Benefits Reserve Fund	6,612,128
Trust Funds	41,188,599
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	<b>273,291,167</b>

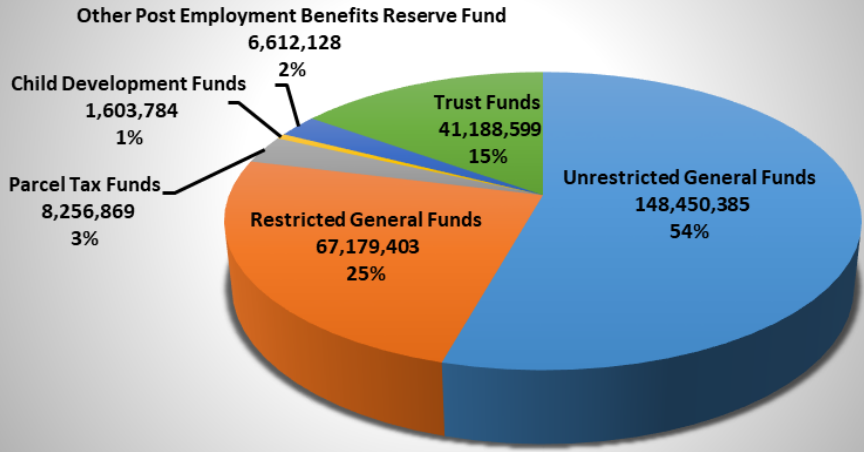
**All Funds - (Excluding General Obligation Bonds) - Expenditures \$269.2 million**

Unrestricted General Funds (includes funds: 01, 03, 07, 10, 30, and 59)	<b>142,120,231</b>
Restricted General Funds	68,347,491
Parcel Tax Funds	9,072,508
Child Development Funds	1,819,012
Other Post Employment Benefits Reserve Fund	6,612,128
Trust Funds	41,188,599
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	<b>269,159,968</b>

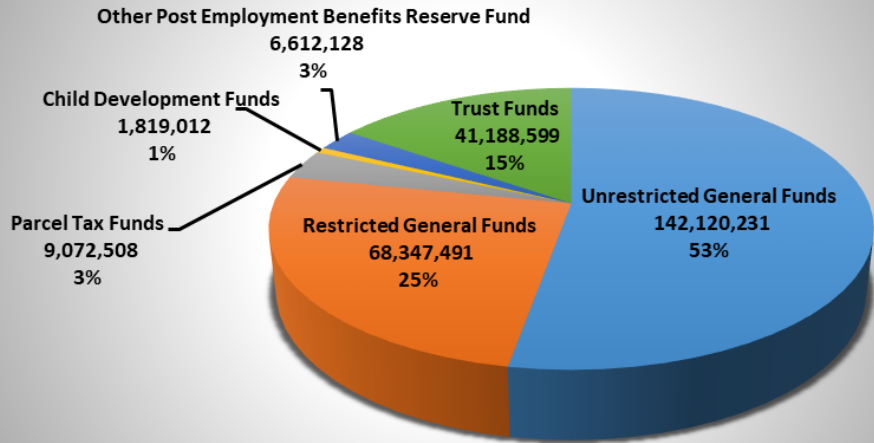
**Capital Outlay Funds - Revenue & Expenditures**

Revenue	1,025,000
Expenditures	37,438,880

**All Funds - Revenues \$273.3 million  
(excluding Capital Outlay)**

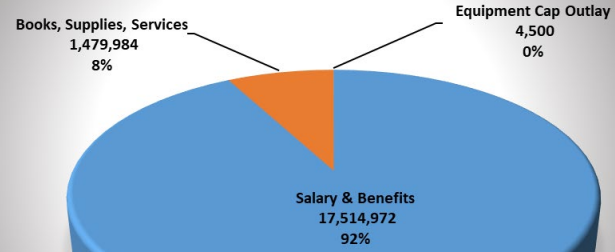


**All Funds - Expenditures \$269.2 million  
(excluding Capital Outlay)**

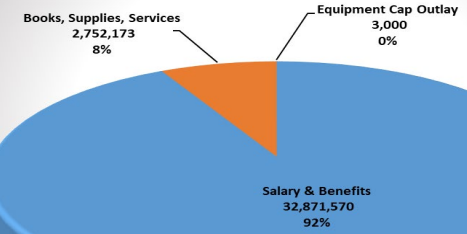




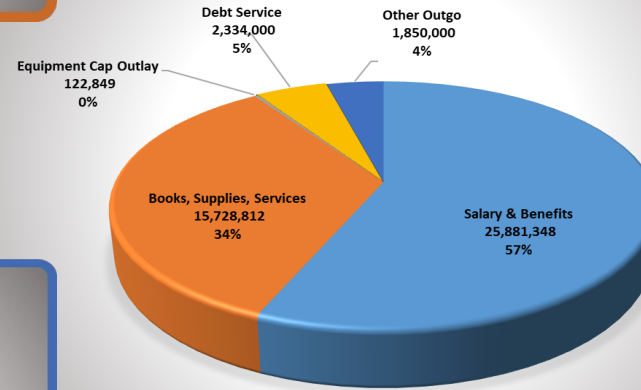
### 2021/22 Unrestricted General Fund Expenditure Budget College of Alameda



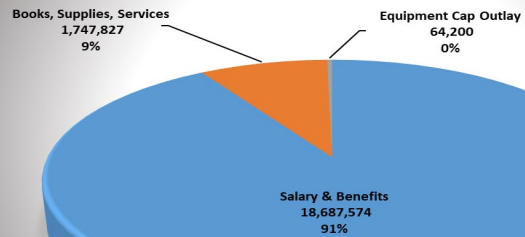
### 2021/22 Unrestricted General Fund Expenditure Budget Laney College



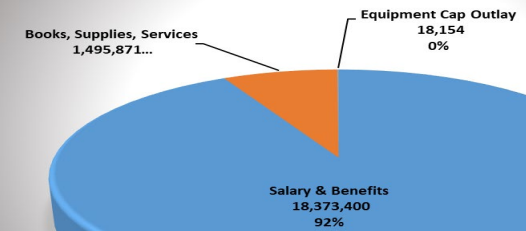
### 2021/22 Unrestricted General Fund Expenditure Budget District Administration Center



### 2021/22 Unrestricted General Fund Expenditure Budget Merritt College

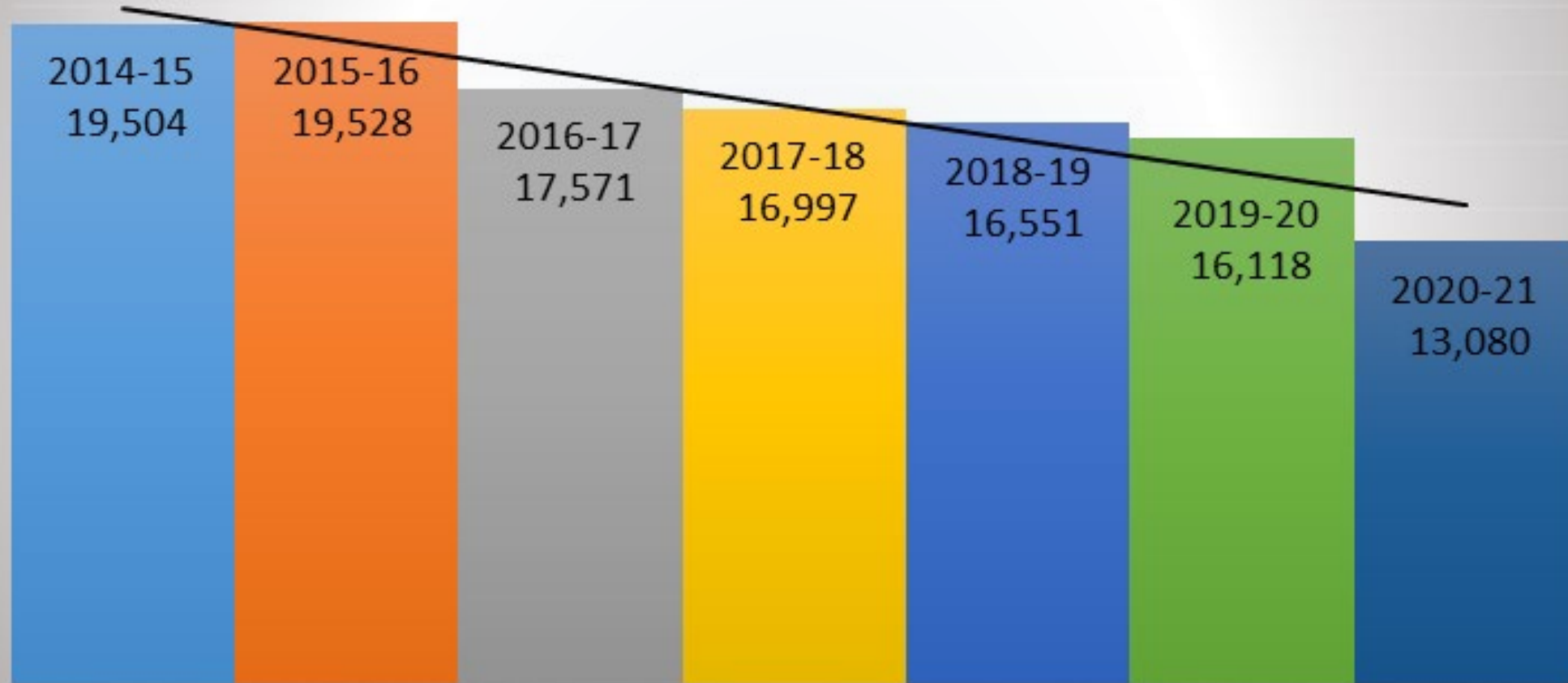


### 2021/22 Unrestricted General Fund Expenditure Budget Berkeley City College





# 7 Years FTES 320 Attendance Report





# Questions?



# Thank You!

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Reach out to us at [info@Peralta.edu](mailto:info@Peralta.edu)



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