

2021-2022 Tentative Budget Presentation Regular Board of Trustees Meeting

June 14, 2021

Sarah Miller, Executive Director, Financial and Fiscal Services

Topics

- Timeline
- Student Centered Funding Formula
- 2020-2021 Estimated Actuals
- Higher Education Emergency Relief Funds
- Governor's May Revision Highlights
- Budget Assumptions
- 2021-2022 Tentative Budget



Timeline

Standard Financial Reporting Deadlines in Place for 2021-22

- Submit tentative budget to county officer - July 1, 2021
- Make available for public inspection a statement of prior year receipts and expenditures and current year expenses - September 15, 2021
- Hold a public hearing on the proposed budget and adopt a final budget - September 15, 2021
- Complete the adopted annual financial and budget report and make public - September 30, 2021
- Submit an annual financial and budget report to Chancellor's Office - October 10, 2021
- Submit an audit report to the Chancellor's Office - December 31, 2021

Source: Update on May Revision Joint Analysis, May 19, 2021



Student Centered Funding Formula (SCFF)

70% - Base (Enrollment) 3-year average FTES

20% - Supplemental Grant using headcount of Pell recipients, College Promise Grant recipients and AB540 Students

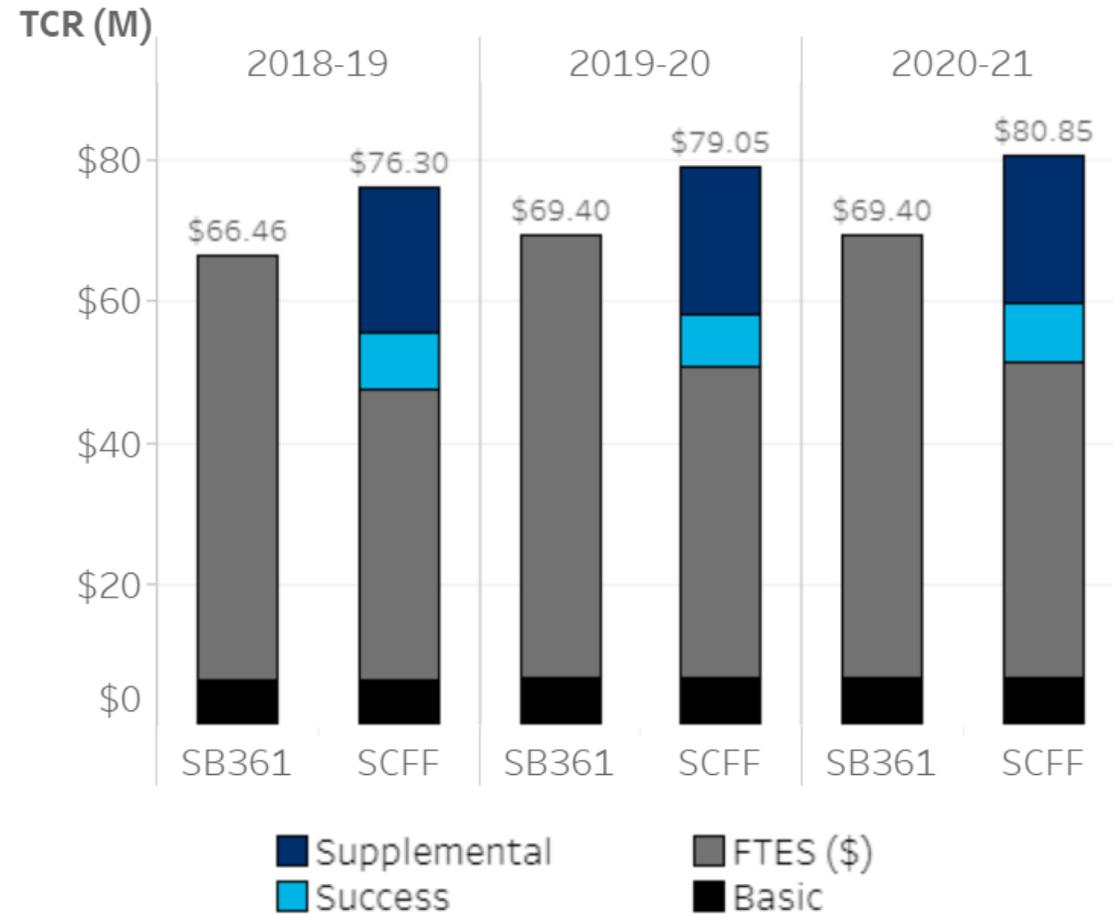
10% - Student Success Initiative Grant based on outcomes of progression and living wage with an additional separate allocation for those outcomes that are Pell recipients or College Promise Grant recipients.



Student Centered Funding Formula (SCFF)

- Current split is set in statute. No plans to change.
- SCFF Oversight Committee will make recommendations but not on split.
- Rates will be adjusted annually by any enacted COLA.
- COVID-19 Emergency Conditions Allowance extended through 2021-22.
- SCFF hold harmless protection is active through 2023-24.

Student Centered Funding Formula (SCFF)



Source: <https://www.cccco.edu/About-Us/Chancellors-Office/Divisions/College-Finance-and-Facilities-Planning/scff-dashboard>



Higher Education Emergency Relief Funds (HEERF)

- HEERF I - The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)
 - Antelope Valley College Allocation: \$10,887,536
 - Institutional Aid: \$5,122,845
 - Minority Serving Institution: \$641,845
 - Student Aid: \$5,122,846
- HEERF II - Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA)
 - Antelope Valley College Allocation: \$22,729,960
 - Institutional Aid: \$16,457,850
 - Minority Serving Institution: \$1,149,264
 - Student Aid: \$5,122,846
- HEERF III - American Rescue Plan Act (ARP)
 - Antelope Valley College Allocation: \$37,959,098
 - Institutional Aid: \$18,840,730
 - Student Aid: \$19,118,368



2020-21 Unrestricted Estimated Actuals

2020-21 Estimated Actuals

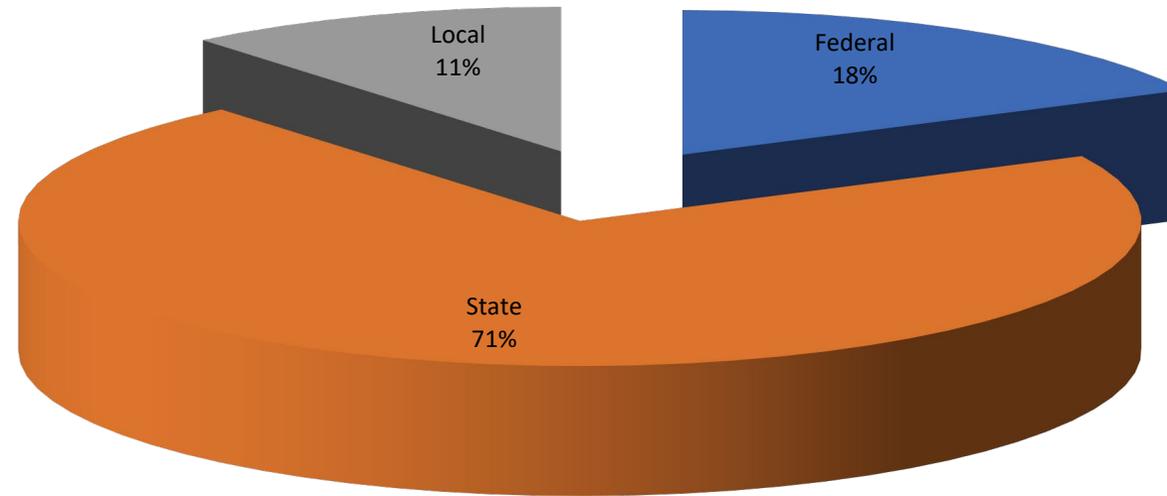
BEGINNING FUND BALANCE	23,745,859
Total Revenue	83,695,358
Total Expenditures & Other Outgo	73,269,134
Total Ending Fund Balance	34,172,083
Surplus/(Deficit)	10,426,224
Assigned Aside for Categorical Salaries + Benefits	(500,000)
Capital Projects Protection	(5,000,000)
DEI Initiatives & Training	(500,000)
Reserve for Emergencies (AP 6305)	(500,000)
Reserve for OPEB Trust Fund	(6,000,000)
Reserve for Pension Stabilization (BP 6250)	(7,300,000)
Resource Allocation - One-Time	(877,100)
Unassigned Ending Fund Balance	13,494,983

Reserve % (Per BP 6200) 12% min/15% goal

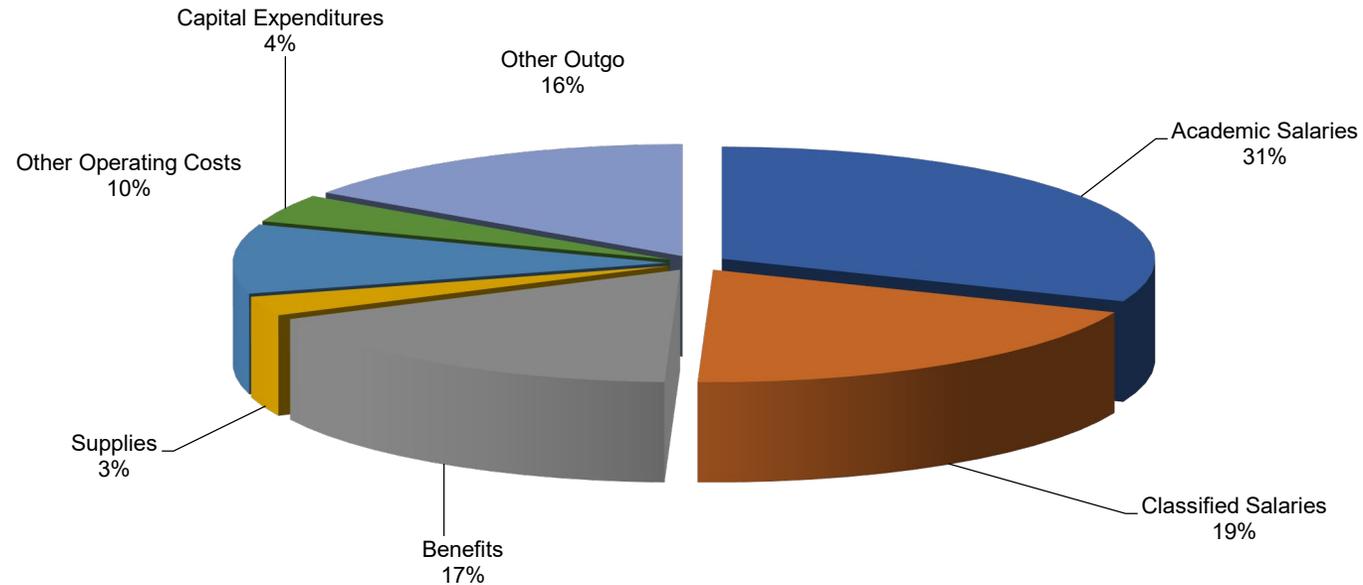
18.4%



General Fund 2020-21 Estimated Revenue



General Fund 2020-21 Estimated Expenditures



Antelope Valley College 2020-21 Estimated Actuals

2020-2021 Estimated Actuals										
Fund	Name	Beginning Balance	Revenue	Expenditures	Ending Balance	Committed/ Assigned Reserves	Surplus/Deficit	Unrestricted Balance	Reserve	% of Overall Budget
	<i>General Fund</i>									
10	Unrestricted	23,745,859	83,695,358	73,269,134	34,172,083	(20,677,100)	10,426,224	13,494,983	18.4%	35.22%
13 & 14	Restricted	1,321,038	33,980,624	33,980,624	1,321,038		-			16.34%
21	Bond Interest & Redemption	22,956,288	11,467,846	19,919,201	14,504,933		(8,451,355)			9.58%
41	Capital Outlay Fund	1,643,276	2,593,413	2,910,015	1,326,674		(316,602)			1.40%
42	Revenue Bond Construction	150,144,259	1,030,876	47,971,625	103,203,510		(46,940,749)			23.06%
51	Enterprise Operations/Auxiliary Services	541,293	296,952	89,725	748,520		207,227			0.04%
33	Child Development Center	284,889	686,024	686,024	284,888		(1)			0.33%
72	Student Rep	369,853	68,392	390	437,855		68,002			0.00%
74	Financial Aid	1,082,419	28,847,812	28,821,611	1,108,620		26,201			13.86%
75	Scholarships & Loan	32,210	373,202	373,197	32,215		5			0.18%
Antelope Valley College Budget			163,040,498	208,021,546			(44,981,049)			100.00%

Governor's May Revise Highlights

- \$75.7B Surplus - State's Primary Revenue Sources of personal income tax, sales tax, and corporate tax, are coming in ahead of projections.
- SCFF COLA – 4.05%
- GANN Limit – Estimated to be exceeded by \$16B
- Deferrals Eliminated
- Actionable Plans to Close Equity Gaps are required for Student Equity and Achievement Funding.
- Online Education Requirement – 10% higher than 2018-19
- Capital Outlay – Antelope Valley College included on Continuing Projects - \$20.3M
- CalPERS – Up from 20.7% in 2020-21 to 22.91% in 2021-22
- CalSTRS – Up from 16.15% in 2020-21 to 16.92% in 2021-22

Source: Update on May Revision Joint Analysis, May 19, 2021



California Community Colleges Funding by Program (In Millions)

Program	2020-21 Revised	2021-22 Proposed	Change (Amount)	Change (Percent)	Explanation of Change
Student Centered Funding Formula	\$7,491.20	\$7,853.60	362.4	4.8%	COLA, growth, and base adjustments
Deferrals--Student Centered Funding Formula	-1,453.0	1,453.0	1,453.0	100.0%	Pay off the 2020-21 deferral
Emergency Financial Assistance Funding for Students	0.0	250.0	250.0	-	Add one-time funding
Student Equity and Achievement Program	475.0	498.8	23.8	5.0%	Base adjustment
Strong Workforce Program	248.0	260.4	12.4	5.0%	Base adjustment
Student Success Completion Grant	159.0	162.5	3.5	2.2%	Adjust for revised estimates of recipients
Disabled Students Programs and Services (DSPS)	124.3	126.4	2.1	1.7%	1.7% COLA
COVID-19 Response Block Grant (one-time)	120.0	50.0	-70.0	-58%	Reduced amount of one-time funding
Extended Opportunity Programs and Services (EOPS)	115.9	117.9	2.0	1.7%	1.7% COLA
California College Promise (AB 19)	81.0	74.7	-6.3	-7.8%	Adjust for revised estimates of first-time, full-time students
Financial aid administration	75.6	74.3	-1.3	-1.7%	Adjust for revised estimates of fee waivers
Adult Education Program – community college districts	62.0	63.0	1.0	1.6%	
CalWORKs student services	46.9	47.7	0.8	1.7%	1.7% COLA
Apprenticeship (community college districts)	44.0	45.0	1.0	2.3%	Adjust for revised estimate of related supplemental instruction hours
Integrated technology	42.0	61.0	19.0	45.2%	Augmentation for Online Education Infrastructure and CENIC
Mandates Block Grant and reimbursements	33.4	33.7	0.3	0.9%	Revised enrollment estimates; funded at \$30.61.
Cooperative Agencies	16.8	17.1	0.3	1.7%	1.7% COLA
Resources for Education (CARE)					
Dreamer Resource Liaisons	5.8	11.6	5.8	100.0%	Add ongoing funding
Equal Employment Opportunity Program	4.2	2.8	-1.4	-33.3%	Adjust for available EEO fund resources
Childcare tax bailout	4.0	4.1	0.1	1.7%	1.7% COLA
Deferred maint. and instructional equip. (one-time)	0.0	314.1	314.1		Adds one-time funding
Student Technological Access and Mental Health Resources (ongoing)	-	30.0	30.0		Adds ongoing funding
Basic Needs Centers (ongoing)	-	30.0	30.0		Adds ongoing funding
Basic Needs for Food and Housing Insecurity (one-time)	-	100.0	100.0		Adds one-time funding
Retention and Enrollment Strategies (one-time)	-	120.0	120.0		Adds one-time funding

Source: Update on May Revision Joint Analysis, May 19, 2021



**ANTELOPE
VALLEY
COLLEGE**



Budget Assumptions

- 1% TCR Deficit in 2021-2022
- SCFF COLA – 4.05%
- Continued opt-in for COVID-19 ECA
- Decrease in allocation headcount
- Step & Column Increases
- Pension Rate Increases
- Workers' Comp Increase
- Resource allocation funding proposed

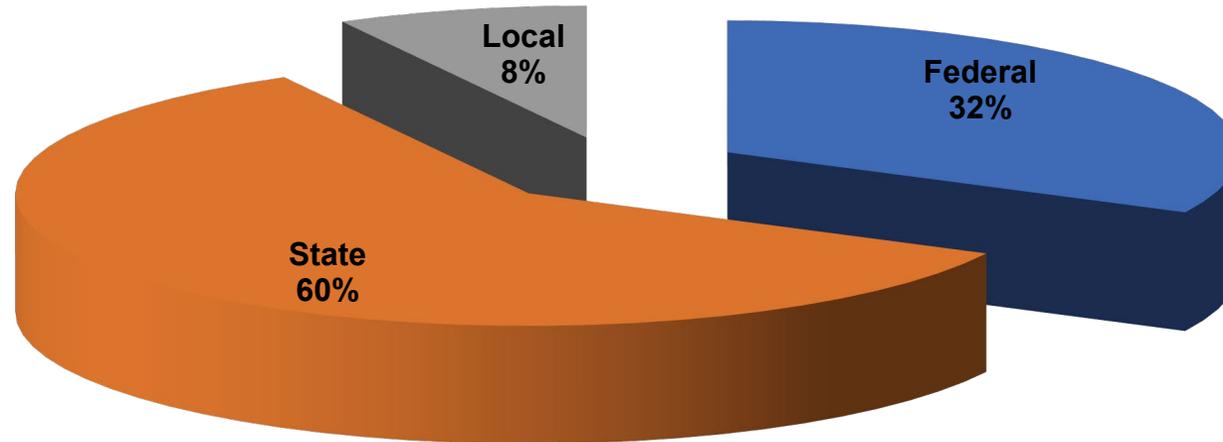


2021-22 Unrestricted Fund Tentative Budget

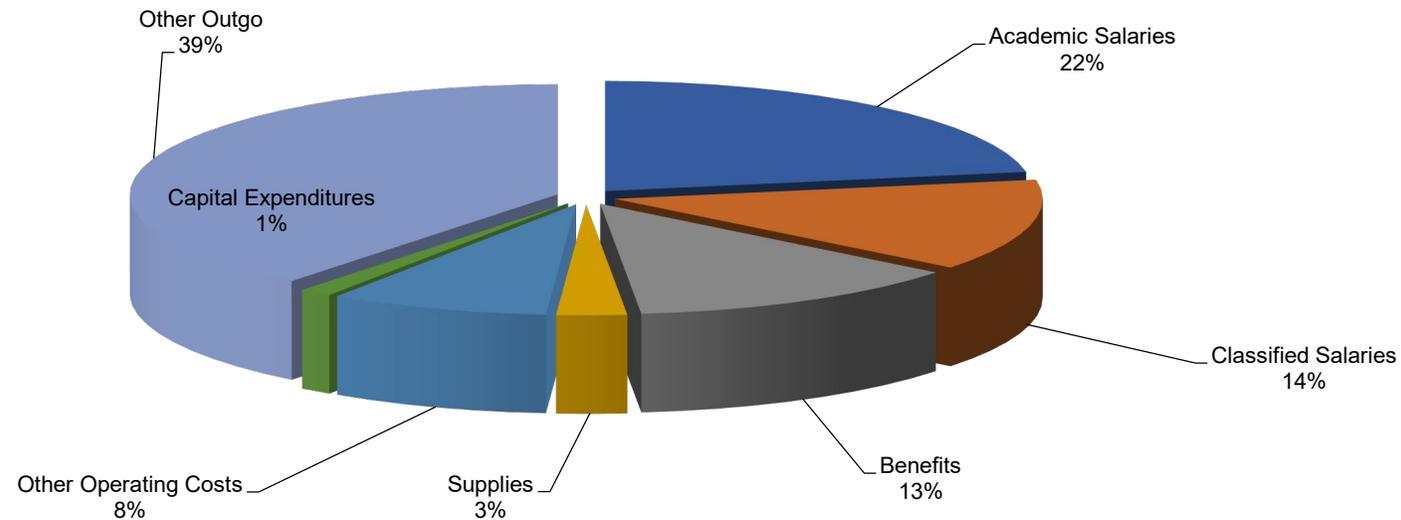
2021-22 Tentative Budget

BEGINNING FUND BALANCE	13,494,983
Total Revenue	84,493,259
Total Expenditures & Other Outgo	84,318,374
Total Ending Fund Balance	13,669,867
Surplus/(Deficit)	174,885
Assigned Aside for Categorical Salaries + Benefits	(500,000)
Reserve for Emergencies (AP 6305)	(500,000)
Unassigned Ending Fund Balance	12,669,867
Reserve % (Per BP 6200) 12% min/15% goal	15.0%

General Fund 2021-2022 Tentative Budget Revenue



General Fund 2021-22 Tentative Budget Expenditures



Antelope Valley College 2021-22 Tentative Budget

2021-2022 Tentative Budget										
Fund	Name	Beginning Balance	Revenue	Expenditures	Ending Balance	Committed/Assigned Reserves	Surplus/Deficit	Unrestricted Balance	Reserve	% of Overall Budget
<i>General Fund</i>										
10	Unrestricted	13,494,983	84,493,259	84,318,374	13,669,867	(1,000,000)	174,885	12,669,867	15.0%	29.45%
13 & 14	Restricted	1,321,038	81,794,539	81,816,062	1,299,516		(21,522)			28.58%
21	Bond Interest & Redemption	14,504,933	12,041,238	17,927,281	8,618,890		(5,886,043)			6.26%
41	Capital Outlay Fund	1,326,674	1,901,527	1,960,090	1,268,111		(58,562)			0.68%
42	Revenue Bond Construction	103,203,510	1,306,495	61,279,592	43,230,412		(59,973,097)			21.40%
51	Enterprise Operations/Auxiliary Services	748,520	-	-	-		-			0.00%
33	Child Development Center	284,888	823,158	823,158	284,888		-			0.29%
72	Student Rep	437,855	25,000	25,000	437,855		-			0.01%
74	Financial Aid	1,108,620	37,720,026	37,710,576	1,118,069		9,450			13.17%
75	Scholarships & Loan	32,215	455,868	455,853	32,230		15			0.16%
Antelope Valley College Budget			220,561,110	286,315,985			(65,754,876)			100.00%



Thank You!

