

San Bernardino Community College District

Summary of Budget Allocation Model 2008-2009*

Budget assumptions begin with the Chancellor's Cabinet and work through the Colleges 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 Chancellor's Cabinet. Budget priorities, assumptions, general direction, goals, and objectives are submitted to and approved by the Board of Trustees. Upon approval, funds are allocated to each site. It is that site's responsibility to manage their resources and be accountable.

I. UNRESTRICTED ONGOING ALLOCATIONS

Revenues for District-wide expenses are used to fund salaries, benefits, and other operating expenses. The funds are allocated by the following process:

1. Revenues to fund permanent "contract" employees (not including adjunct, substitute, or short-term hourly employees) and benefits are allocated throughout the District, including District Office-Central Services, San Bernardino Valley College, Crafton Hills College, KVCR, and a portion of staffing for the Professional Development Center. "Remaining revenues" are then allocated as described below.
2. District Office-Central Services is allocated 33.89% of the "remaining revenues" to fund substitute and short-term hourly employees, and other operating expenses (supplies, services, capital outlay).

District Office-Central Services provides the following services for the San Bernardino Community College District: Accounting, purchasing, payroll, accounts payable, information technology, facilities development, risk management, insurance, retiree benefits, post-retirement liability, human resources, recruitment, trustee benefits, police, external affairs, marketing, negotiations, annual audits, and legal services.

3. The colleges are allocated 66.11% of the "remaining revenues" to fund adjunct, substitute, and short-term hourly employees and other operating expenses (supplies, services, etc.) based upon a three-year average proportion of FTES generated by each site. For 2008-09, the three-year average proportion of FTES generated by each site was:

- San Bernardino Valley College . 71.77%
- Crafton Hills College 28.23%

4. COLA and FTES Growth Cap are determined by State Formula and allocated through the State budgeting process. Operating COLA and Growth are allocated throughout the District using various approaches depending on the financial circumstances and priorities in a given budget

year. As the District works with the Board of Trustees in developing and determining priorities, goals, and objectives, COLA and Growth are allocated based upon:

- District-wide priorities
- District Office 33.89%, SBVC 47.45%, CHC 18.66%
- Negotiations

II. UNRESTRICTED ONE-TIME ALLOCATIONS

Funds are allocated based upon district-wide priorities.

III. RESTRICTED ONGOING ALLOCATIONS

Restricted Programs

Restricted program funding is allocated directly to the restricted program as set by State Formula or other revenue source restrictions.

State allocations not driven by State Formula, but earmarked only for college operations such as "Block Grant" (instructional equipment, scheduled maintenance, other allocations) are allocated as follows:

Instructional Equipment

Funds are allocated based upon a three-year average proportion of FTES generated by each site. For 2008-09 the three-year average proportion of FTES generated by each site was:

- | | |
|---------------------------------|--------|
| • San Bernardino Valley College | 71.77% |
| • Crafton Hills College | 28.23% |

Scheduled Maintenance

Funds are allocated based upon district-wide priorities.

IV. RESTRICTED ONE-TIME ALLOCATIONS

Restricted Programs

Restricted program funding is allocated directly to the restricted program as set by State Formula or other revenue source restrictions.

*** NOTE: Prior to the development of this summary, there was no written documentation of the District's budget allocation model. Consequently, with the recent departure of District fiscal services leadership, it became impossible to verify precisely the actual methodology used for 2008-09. So this summary represents the District's best estimate of 2008-09 initial allocations. During the 2009-10 fiscal year, the Chancellor's Cabinet will be reviewing budget models and working through the shared governance process to recommend an improved model appropriate for the District. Once the model is adopted, the District will work towards implementing it for the 2010-2011 fiscal year.**