

Ventura County Community College District

2017–18 Budget Study Session



Dr. David El Fattal
Cathy Bojorquez
Emily Day

Board of Trustees Meeting
February 21, 2017

Governor's FY18 Proposed Budget

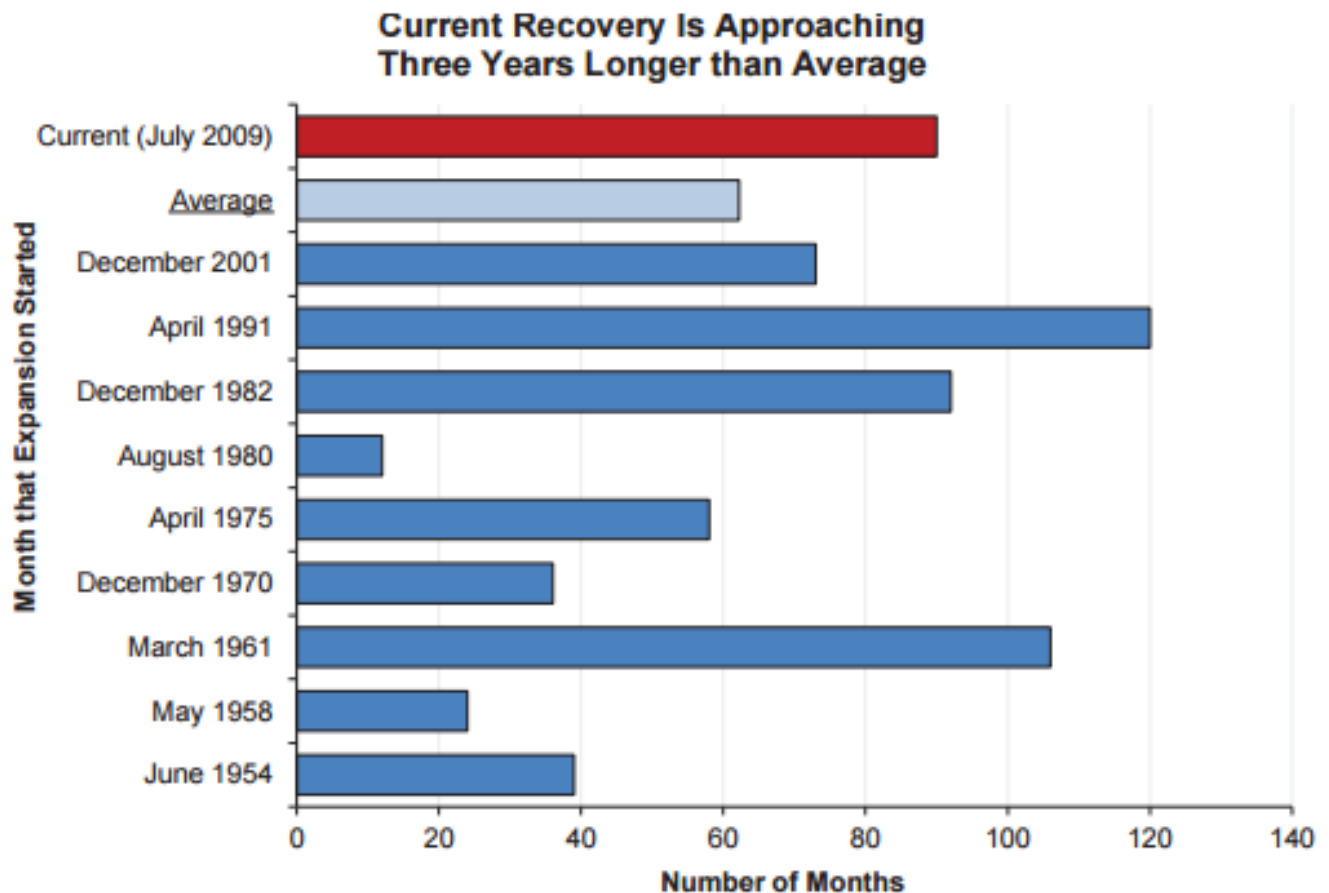
Jan 10 Summary to Legislators

- “This year’s budget will be the most difficult that we have faced since 2012.”
- “The surging tide of revenue increases that we enjoyed the past few years appears to have turned.... and are now beginning to lag expectations.”
- “Without corrective action, this year’s budget would face a deficit of \$1.6 billion, or 1.3 percent of annual spending.”
- “In all likelihood, the coming years will bring even worse financial news—either from the start of the next inevitable recession or from changes at the federal level.”

Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

“By the time the budget is enacted in June, the economy will have finished its eighth year of expansion, three years longer than the average recovery.”

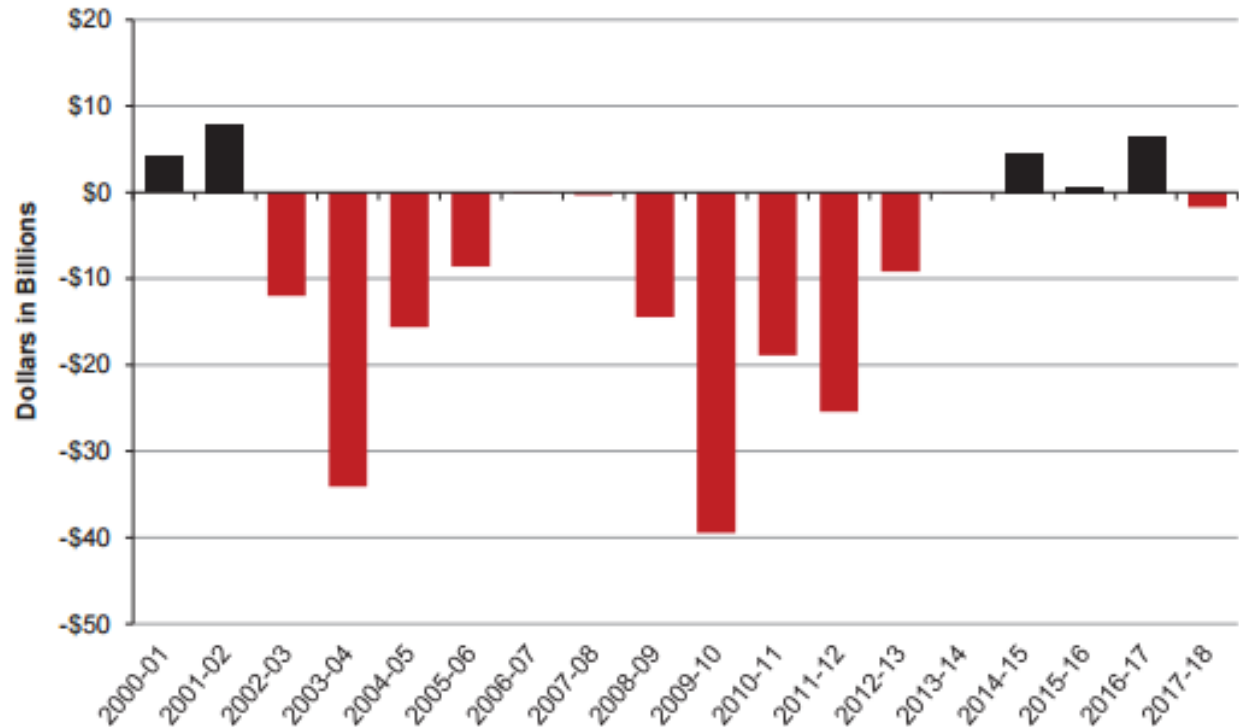


Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

- “Since 2000...the state’s short periods of balanced budgets have been followed by massive budget shortfalls.”

Balanced Budgets Have Been Quickly Followed by Huge Deficits^{1/}



- “A moderate recession will drop state revenues by about \$20 billion annually for several years.”

^{1/}Budget shortfalls or surplus, measured by the annual Governor's Budget.

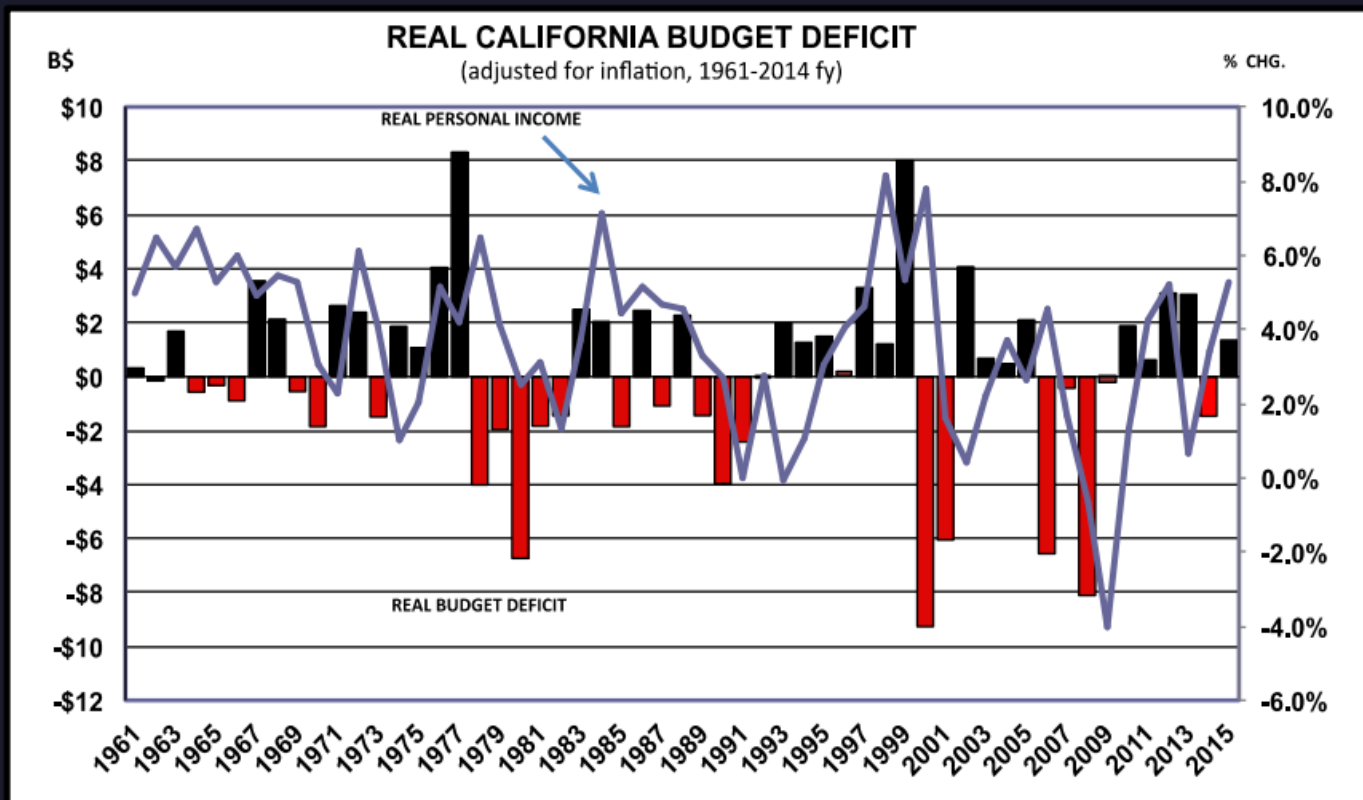
UCLA Anderson Economic Forecast

Jan 18, CCCCO Budget Workshop

UCLAAnderson
FORECAST

a unique approach. critical answers. *Accurate.*

But what if a recession happens?



Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

For Sutter Brown

"Save some biscuits for a rainy day."



Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

Governor's plan to close the \$1.6 billion deficit and contribute to Rainy Day Fund:

- Recapture 2016 Allocations (\$0.9 billion) of one-time spending that remains uncommitted, the bulk of savings derived from:
 - ✓ \$400 million for affordable housing
 - ✓ \$300 million to modernize state office buildings
- Constrain Spending Growth (\$0.6 billion) to keep spending flat in 2017–18 compared to 2016–17. This involves:
 - ✓ pausing rate increases for child care
 - ✓ not providing Middle Class Scholarships to any new students
 - ✓ Delaying varied state departmental spending proposals that are justified
- Adjust Proposition 98 (\$1.7 billion)—Without action, appropriations made in 2015–16 and 2016–17 would overappropriate the Prop 98 minimum guarantee.
 - ✓ The Budget proposes adjustments designed to fund K–14 education at the guarantee for 2015–16 through 2017–18. With these adjustments, overall K–14 funding still grows by \$2.1 billion for 2017–18.

Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

Overall State Budget priorities:

- Steady growth for education
- California's first earned-income tax credit
- Regular minimum wage increases to \$15 per hour
- Expansion of health care coverage to millions of Californians

Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

Overall priorities for California Community Colleges:

- Student Success and Completion, and Access
- Guided Pathways
- Technology and Innovation
 - ✓ Online Education Initiative
 - ✓ Innovation Awards
 - ✓ Integrated Library System
- Apportionment/Operating Expenses *
 - ✓ COLA
 - ✓ Growth/Access
 - ✓ Base Increase
- Deferred Maintenance and Instructional Equipment

* The apportionment amount is not enough to fully fund new and ongoing operating expenses.

Governor's FY18 Proposed Budget New Funding

	State Adopted Budget	VCCCD Proportional Share	VCCCD Included in Study Session
Apportionment Base Increase	23,600,000	519,200	519,200
FTES Growth (prior year)	79,300,000	-	-
COLA (1.48%)	94,100,000	1,926,000	1,926,000
Subtotal Unrestricted Funds	197,000,000	2,445,200	2,445,200
Guided Pathways Implementatio	150,000,000	3,300,000	*
Innovation Awards Program	20,000,000	440,000	*
Full Time Student Success Grant (FTSSG)	3,100,000	68,200	*
COLA for Apprenticeship, EOPS, DSPS, CalWorks & Child care Tax Bailout programs	5,400,000	118,800	*
Deferred Maintenance & Instructional Equip (one-time)	43,700,000	961,400	*
Proposition 39	52,300,000	1,150,600	*
Subtotal Restricted Funds	274,500,000	6,039,000	-
Total Funds	471,500,000	8,484,200	2,445,200

- Once actual allocations are known and/or grants awarded, budget augmentations will be brought forward to the Board.

Multi-Year Projection (MYP) Assumptions and Summary Level Budget Components

Unrestricted General Fund (Fund 111) MYP Assumptions

Component	2016-17 Adopted	2017-18 Estimate	2018-19 Estimate
Funded FTES	26,468	26,030	26,030
COLA	0%	1.48%	2.4%
Base Apportionment Increase	\$7,995,000	\$519,200	-
Step/Longevity - Faculty	1.5%	1.5%	1.5%
Step/Longevity - Classified/Mgmt	1.9%	1.9%	1.9%
STRS	12.58%	14.43%	16.28%
PERS	13.888%	15.8%	18.7%
Health Benefit Rate Increase (Faculty)	13%	8.5%	8.5%
California CPI	2.37%	2.72%	2.92%
Carryover	2%	0%	0%

Note: 2016-17 Adopted Budget includes a one-time transfer out of \$1.9M for assisting colleges with FTES volatility. Funds were generated from FY16 shift of FTES.

Unrestricted General Fund (111) MYP

1		2016-17 Adopted	2016-17 Projected	2017-18 Estimate	2018-19 Estimate
2	Revenue				
3	Total General Apportionment	\$145,653,186	\$146,097,463	\$144,586,805	\$147,756,305
4	PT Faculty Equity Comp	538,000	538,000	538,000	538,000
5	Lottery Proceeds	3,765,423	3,765,423	3,765,423	3,765,423
6	Nonresident Tuition - International	468,000	468,000	468,000	468,000
7	Nonresident Tuition - Domestic	1,121,000	1,121,000	1,121,000	1,121,000
8	TOTAL REVENUE	\$151,545,609	\$151,989,886	\$150,479,228	\$153,648,728
9					
10	Expenditures				
11	Faculty Salaries	57,337,832	59,443,743	59,967,240	60,498,589
12	Management Salaries	6,780,199	7,155,234	7,290,848	7,429,038
13	Classified Salaries	25,101,404	24,820,828	25,249,256	25,685,824
14	Employee Benefits	42,986,541	42,953,380	45,609,876	48,594,036
15	Salary & Benefit Subtotal	132,205,976	134,373,184	138,117,220	142,207,488
16	Supplies & Materials	2,007,826	2,026,289	2,026,289	2,026,289
17	Operating Expenditures	15,082,025	15,139,419	14,845,518	14,845,518
18	Capital Outlay	394,601	375,227	375,227	375,227
19	Transfers	2,685,353	1,370,721	733,518	733,518
20	Contingency	2,170,024	1,260,964	(1,445,330)	(1,445,330)
21	Direct Expenditure Subtotal	22,339,829	20,172,621	16,535,223	16,535,223
22	TOTAL EXPENDITURES	\$154,545,805	\$154,545,805	\$154,652,443	\$158,742,711
23					
24	OPERATING SURPLUS/(DEFICIT)	(3,000,196)	(2,555,919)	(4,173,215)	(5,093,983)
25					
26	Fund Balance				
27	Beginning Fund Balance	\$29,515,798	\$29,515,798	\$26,959,879	\$22,786,664
28	Ending Fund Balance	\$26,515,602	\$26,959,879	\$22,786,664	\$17,692,681
29					
30	Reserves				
31	Board Designated:				
32	State Minimum 5%	\$9,215,676	\$9,215,676	\$9,215,676	\$9,215,676
33	Revenue Shortfall Contingency	5,000,000	5,000,000	5,000,000	5,000,000
34	State Teachers' Retirement System	1,000,000	1,000,000	1,000,000	1,000,000
35	Energy Efficiency	1,400,000	1,400,000	1,400,000	1,400,000
36	Unallocated	9,899,926	10,344,203	6,170,988	1,077,005
37	TOTAL RESERVES	\$26,515,602	\$26,959,879	\$22,786,664	\$17,692,681

Note: Use of reserves for purchase of Daily Drive building is not reflected, nor is the anticipated receipts from the sale of Camarillo Airport property.

2017-18 Key Budget Components

Cost of 1% Salary & Benefits Increase

Bargaining Unit	General Fund (Fund 111)	Other Funds	All Funds
Full-Time Faculty	473,676	51,048	524,724
Adjunct Faculty	241,092	31,307	272,399
Classified	266,070	90,457	356,527
Confidential	13,941	-	13,941
Supervisors	29,875	11,161	41,036
Administrators	106,123	12,407	118,530
Total	\$1,130,777	\$196,380	\$1,327,157

2017-18 Key Budget Components

History of COLA and Salary Settlements

Year	Statutory COLA	California Community Colleges COLA	Salary Settlements	AFT Cost	SEIU Cost	Non-Represented Cost	Total Cost	Equivalent District 1%	
								On Schedule	Off Schedule
2010-11	-0.39%	0.00%	AFT - none; SEIU/Confidential/Administrator/Supervisors - increase in health cap	-	\$664,000	\$183,600	\$847,600	0.81%	0%
2011-12	2.24%	0.00%	AFT - none; SEIU - none	-	-	-	-	-	-
2012-13	3.24%	0.00%	AFT - none; SEIU - none	-	-	-	-	-	-
2013-14	1.57%	1.57%	AFT - 2.5% FT schedule, 3.5% PT schedule; SEIU/Confidential - 1% on schedule, \$1000 off schedule, increase in health cap (equal to 2.25%) Administrator/Supervisors - 1.5% on schedule, increase in health cap	\$2,052,000	\$1,112,000	\$259,000	\$3,423,000	2.81%	0.46%
2014-15	0.85%	0.85%	AFT - 1.22% FT schedule, 2.44% PT schedule; SEIU/Confidential - 1.7% on schedule, 2% off schedule, 1.5% on schedule (effective 7/1/15, district met growth target); Administrator/Supervisor - 1.7% on schedule, increase in health cap	\$1,102,000	\$1,204,000	\$247,600	\$2,553,600	1.97%	0.41%
2015-16	1.02%	1.02%	AFT - 3.02% FT & PT schedules; SEIU/Confidential/Administrator/Supervisors - 3.02% on schedule, increase in health cap	\$2,272,500	\$1,062,000	\$440,300	\$3,774,800	3.44%	0.0%
2016-17	0.00%	0.00%	Unsettled	-	-	-	-		
2017-18	1.48%	1.48%	Unsettled	-	-	-	-		

Note: AFT has uncapped health benefits. Annual increases in health benefit costs are borne by the District.

2017–18 Key Budget Components

Additional District Cost on Each Payroll Dollar

Statutory Benefits	Academic	Classified
State Teachers Retirement System (STRS)	14.43%	
Public Employee Retirement System (PERS)		15.800%
Social Security (OASDI)		6.20%
Medicare	1.45%	1.45%
State Unemployment Insurance (SUI)	0.05%	0.05%
Workers' Compensation	1.86%	1.86%
Active Employee Retiree Health Liability (HRL)	9.40%	5.00%
Retired Employee Retiree Health Liability (HR2)	14.00%	12.00%
Total	41.19%	42.36%

Note: SUI, Workers' Compensation, HR2 and HRL rates for FY18 are unknown at this time. This slide reflects FY17 rates for those benefits.

2017-18 Key Budget Components: STRS

Fiscal Year	Estimated Cost	Year Over Year Increase	Cumulative Increase	Employer Rate	Employee (Pre-2013 hire date)	Employee (Post-2013 hire date)	State
2013-14	\$ 4,045,000			8.25%	8.00%	8.00%	3.04%
2014-15	\$ 4,608,000	\$ 563,000	\$ 563,000	8.88%	8.15%	8.15%	3.45%
2015-16	\$ 5,862,000	\$1,254,000	\$1,817,000	10.73%	9.20%	8.56%	3.89%
2016-17	\$ 6,664,000	\$ 802,000	\$2,619,000	12.58%	10.25%	9.21%	6.33%
2017-18	\$ 7,689,000	\$1,025,000	\$3,644,000	14.43%	10.25%	9.21%	6.33%
2018-19	\$ 8,725,000	\$1,036,000	\$4,680,000	16.28%	10.25%	9.21%	6.33%
2019-20	\$ 9,812,000	\$1,087,000	\$5,767,000	18.13%	10.25%	9.21%	6.33%
2020-21	\$ 10,443,000	\$ 631,000	\$6,398,000	19.10%	10.25%	9.21%	6.33%

Note 1: Plan allows CalSTRS to annually adjust the employer and state rates beginning July 1, 2021, and caps any such annual increase at 1% for employers and 0.5% for the state.

Note 2: In February 2017, the CalSTRS Board took action to reduce the assumed rate of return on its investments from 7.5% to 7.0%. It is unknown how this may affect the employer rate in the future.

2017-18 Key Budget Components: PERS

Fiscal Year	Estimated Cost	Year Over Year Increase	Cumulative increase	Employer Rate Current Projection	Employer Rate Prior Projection (9/2017)
2013-14	\$ 3,155,000				11.7%
2014-15	\$ 3,359,000	\$ 204,000	\$ 204,000		11.7%
2015-16	\$ 3,573,000	\$ 214,000	\$ 418,000		11.85%
2016-17	\$ 4,760,000	\$ 1,187,000	\$ 1,605,000	13.888%	13.888%
2017-18	\$ 5,322,000	\$ 562,000	\$ 2,167,000	15.8%	15.5%
2018-19	\$ 6,153,000	\$ 831,000	\$ 2,998,000	18.7%	17.1%
2019-20	\$ 7,201,000	\$ 1,048,000	\$ 4,046,000	21.6%	18.6%
2020-21	\$ 8,410,000	\$ 1,209,000	\$ 5,255,000	24.9%	19.80%

Note: In December, 2016 the CalPERS Board took action to reduce the assumed rate of return on its investments from 7.5% to 7.0%. The projected employer rates have been revised by CalPERS to reflect this change and is projected to reach 28.2% in 2023-24.

2017-18 Key Budget Components

Full-Time Faculty Obligation Number (FON)

Year	Obligation	Actual	Difference
Fall 2011	396.2	400.0	3.8
Fall 2012	378.2	391.0	12.8
Fall 2013	364.2	386.0	21.8
Fall 2014	369.2	391.0	21.8
Fall 2015	392.2	402.0	9.8
Fall 2016	411.8	431.0	19.2

2017-18 Key Budget Components

Resident Full Time Equivalent Students (FTES)

Term		FY15 Actual	FY16 Actual	FY17 Estimated	FY18
Moorpark College	Summer	1,064	1,015	1,060	1,060
	Fall	5,124	5,097	5,205	5,205
	Spring	4,936	4,875	4,960	4,960
	Operational FTES	11,124	10,987	11,225	11,225
	Shift		292	(292)	
	State Reported FTES	11,124	11,279	10,933	11,225
Oxnard College	Summer	533	536	571	571
	Fall	2,358	2,290	2,325	2,325
	Spring	2,317	2,263	2,202	2,202
	Operational FTES	5,208	5,089	5,098	5,098
	Shift		136	(136)	
	State Reported FTES	5,208	5,225	4,962	5,098
Ventura College	Summer	982	1,027	1,002	1,002
	Fall	4,407	4,437	4,495	4,495
	Spring	4,303	4,243	4,210	4,210
	Operational FTES	9,692	9,707	9,707	9,707
	Shift		257	(257)	
	State Reported FTES	9,692	9,964	9,450	9,707
District	Operational FTES	26,024	25,783	26,030	26,030
	Shift	0	685	(685)	0
	State Reported FTES	26,024	26,468	25,345	26,030

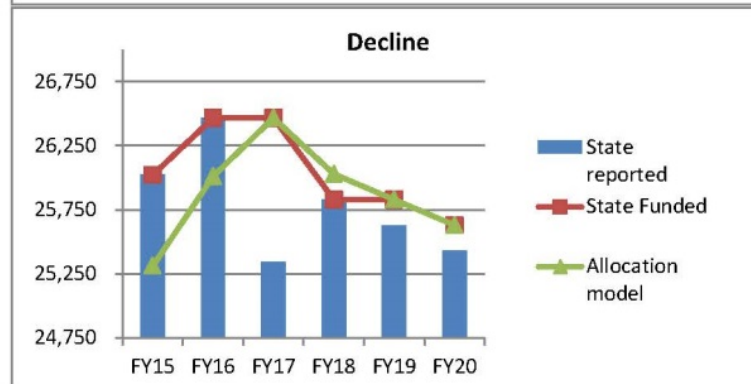
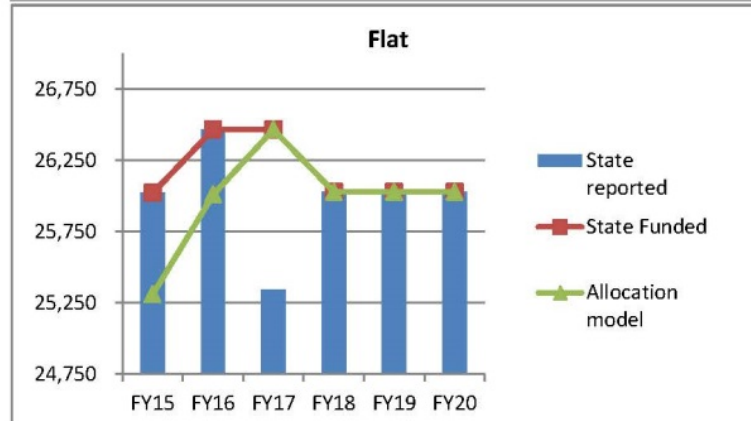
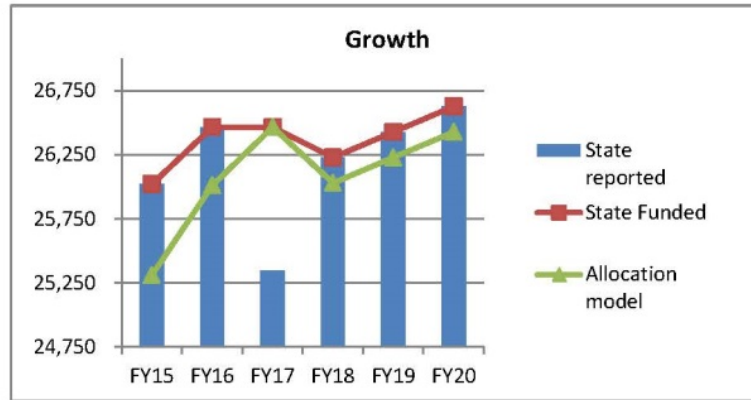
FTES Projections Without Additional Shift

FY 15 and FY 16 based on actual figures. FY17 and beyond projected.

Growth	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	26,230	26,430	26,630
Shift	0	685	(685)	0	0	0
State reported	26,023	26,468	25,345	26,230	26,430	26,630
State Funded	26,023	26,468	26,468	26,230	26,430	26,630
Allocation model	25,311	26,012	26,468	26,030	26,230	26,430
Diff b/w funded & allocation model	712	456	0	200	200	200

Flat	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	26,030	26,030	26,030
Shift	0	685	(685)	0	0	0
State reported	26,023	26,468	25,345	26,030	26,030	26,030
State Funded	26,023	26,468	26,468	26,030	26,030	26,030
Allocation model	25,311	26,012	26,468	26,030	26,030	26,030
Diff b/w funded & allocation model	712	456	0	0	0	0

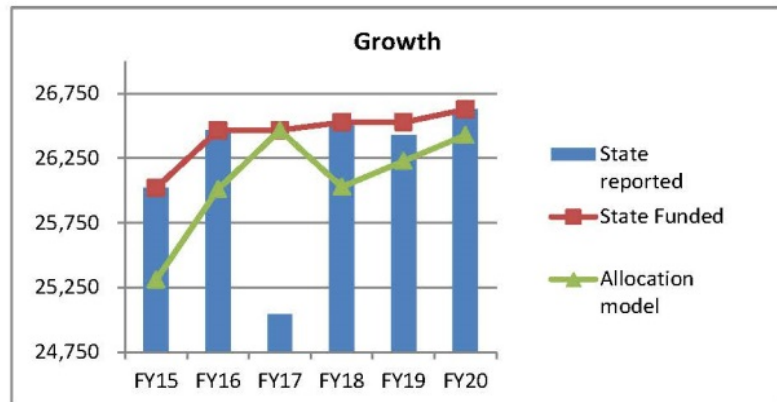
Decline	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	25,830	25,630	25,430
Shift	0	685	(685)	0	0	0
State reported	26,023	26,468	25,345	25,830	25,630	25,430
State Funded	26,023	26,468	26,468	25,830	25,830	25,630
Allocation model	25,311	26,012	26,468	26,030	25,830	25,630
Diff b/w funded & allocation model	712	456	0	(200)	0	0



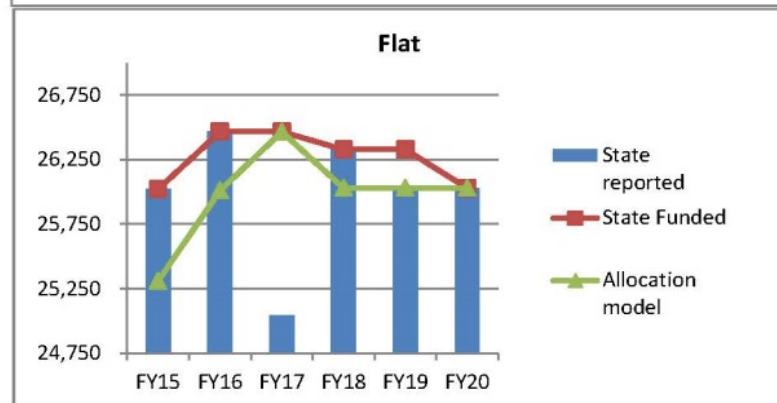
FTES Projections With Additional Shift

FY 15 and FY 16 based on actual figures. FY17 and beyond projected.

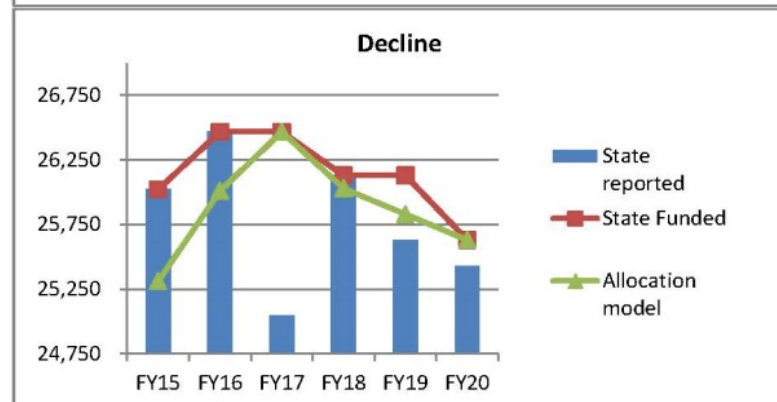
Growth	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	26,230	26,430	26,630
Shift 1	0	685	(685)	0	0	0
Shift 2	0	0	(300)	300	0	0
State reported	26,023	26,468	25,045	26,530	26,430	26,630
State Funded	26,023	26,468	26,468	26,530	26,530	26,630
Allocation model	25,311	26,012	26,468	26,030	26,230	26,430
Diff b/w funded & allocation model	712	456	0	500	300	200



Flat	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	26,030	26,030	26,030
Shift 1	0	685	(685)	0	0	0
Shift 2	0	0	(300)	300	0	0
State reported	26,023	26,468	25,045	26,330	26,030	26,030
State Funded	26,023	26,468	26,468	26,330	26,330	26,030
Allocation model	25,311	26,012	26,468	26,030	26,030	26,030
Diff b/w funded & allocation model	712	456	0	300	300	0

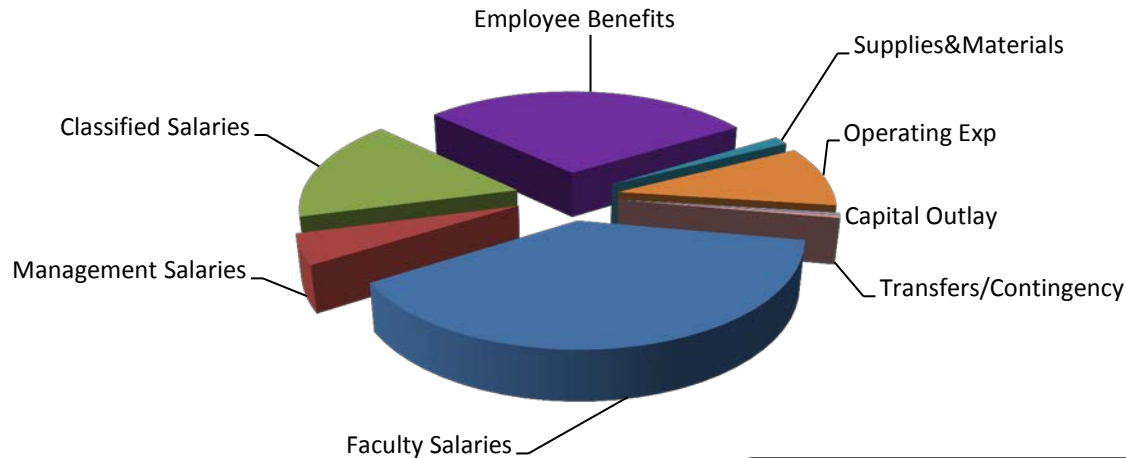


Decline	FY15	FY16	FY17	FY18	FY19	FY20
Operational	26,023	25,783	26,030	25,830	25,630	25,430
Shift 1	0	685	(685)	0	0	0
Shift 2	0	0	(300)	300	0	0
State reported	26,023	26,468	25,045	26,130	25,630	25,430
State Funded	26,023	26,468	26,468	26,130	26,130	25,630
Allocation model	25,311	26,012	26,468	26,030	25,830	25,630
Diff b/w funded & allocation model	712	456	0	100	300	0



2017-18 Key Budget Components

Unrestricted General Fund 111 by Object



	2016-17 ADOPTION BUDGET *	PERCENT OF BUDGET	2017-18 ESTIMATE	PERCENT OF ESTIMATED
FACULTY SALARIES	57,337,832	37.2%	59,967,240	38.8%
MANAGEMENT SALARIES	6,780,199	4.4%	7,290,848	4.7%
CLASSIFIED SALARIES	25,101,404	16.3%	25,249,256	16.3%
EMPLOYEE BENEFITS	42,986,541	27.9%	45,609,876	29.5%
SALARY & BENEFIT SUBTOTAL	<u>132,205,976</u>	<u>85.7%</u>	<u>138,117,220</u>	<u>89.3%</u>
SUPPLIES & MATERIALS	2,007,826	1.3%	2,081,404	1.3%
OPERATING EXP	14,788,124	9.6%	14,845,518	9.6%
CAPITAL OUTLAY	394,601	0.3%	375,227	0.2%
TRANSFERS/CONTINGENCY	4,855,377	3.1%	(711,812)	-0.5%
TOTAL EXPENDITURES	<u>154,251,904</u>	<u>100.0%</u>	<u>154,707,557</u>	<u>100.0%</u>

* Includes site carryover funds

Planning Considerations

FY18 DAC Preliminary Expense Estimate

Department	Position Costs	Non-position Costs	Total
Chancellor's Office	759,417	8,525	767,942
Admin Relations	271,003	11,366	282,369
Acad Affairs/Ed Srvcs	563,121	2,250	565,371
HR	2,372,434	74,501	2,446,935
IT	2,168,446	133,081	2,301,526
Business	3,838,468	184,995	4,023,463
Postage/Utilities	-	39,200	39,200
Total	\$9,972,889	\$453,917	\$10,426,806

Note 1: Position costs include salary and benefits for all current approved positions, except two on hold (Admin Asst – Business Services and HR Res Analyst – Employee Relations). PIO at 25%.

Note 2: FY18 rates updated for PERS and STRS. Health benefit cap or payroll tax rate increases unknown at this time.

Note 3: Non-position costs include FY17 adopted amounts less Stanley Ave lease expenses.

Planning Considerations

DAC Potential Future Positions

Position	Salary	Benefits	Total	Notes
Admin Asst - Business Services	48,660	38,700	87,360	Position approved, on hold
HR Res Analyst - Employee Relations	74,700	49,700	124,400	Position approved, on hold
Internal Auditor	92,600	57,300	149,900	Classified, range 330
Director of Diversity	121,700	69,600	191,300	Same as HR Directors
Assoc VC Facilities	140,900	76,900	217,800	Same as Assoc VC IT
Other??				
Total	\$478,560	\$292,200	\$770,760	

Planning Considerations

FY17 Transfers in/out General Fund Unrestricted Fund 111 by College

Location	Description	Adoption Budget	YTD Actual
MC	Transfer to Fund 113 for FY16 FTES shift	786,676	786,676
MC	Transfer from Fund 114 EATM operations	(100,000)	(100,000)
	MC total	\$ 686,676	\$ 686,676
OC	Transfer to Fund 113 for FY16 FTES shift	429,929	429,929
OC	Transfer from Fund 114 Child Center (non-instructional)	(162,000)	0
OC	Transfer from Fund 322 Culinary Restaurant Management	(125,000)	0
	OC total	\$ 142,929	\$ 429,929
VC	Transfer to Fund 113 for FY16 FTES shift	730,304	730,304
VC	Transfer from Fund 113 for hourly instructional	0	(1,314,632)
VC	Transfer from Fund 114 for college wide services	(299,018)	(299,018)
VC	Transfer from Fund 114 for advertising	0	(59,000)
VC	Transfer from Fund 114 for accreditation	0	(30,000)
	VC total	\$ 431,286	\$ (972,346)

Planning Considerations

Productivity

	Summer	Fall	Spring	Annual
Moorpark College				
2013-14	524.24	558.08	534.25	544.66
2014-15	519.95	545.76	515.22	529.52
2015-16	500.41	523.86	508.95	514.92
2016-17	498.00	529.00		
Oxnard College				
2013-14	612.59	562.77	536.56	554.10
2014-15	582.57	536.40	509.84	527.52
2015-16	479.88	510.39	486.79	496.46
2016-17	499.00	518.00		
Ventura College				
2013-14	496.25	525.05	496.46	509.45
2014-15	524.62	509.06	477.57	495.43
2015-16	469.82	484.30	488.59	484.82
2016-17	484.00	493.00		

Planning Considerations

■ External Factors

- ✓ State economic cycle
- ✓ State Prop 98 K-14 revenue allocation
 - ✓ Manipulation of allocations to minimum level
- ✓ Prop 30
 - ✓ Sales tax sunset (0.25%) 12/31/2016
- ✓ Prop 55
 - ✓ Top 1% income tax extension sunsets 12/31/2030
- ✓ SB 860 revised growth funding formula = low growth for VCCCD
- ✓ Loss of BOG fee waiver eligibility and FTES impact

Planning Considerations

- Expenditure concerns
 - ✓ Restricted vs Unrestricted
 - ✓ SSSP & Student Equity funds
 - ✓ One-time vs ongoing
 - ✓ STRS/PERS
 - ✓ Health and welfare escalation
 - ✓ Retiree health benefit liability
 - ✓ Focus on optimization of resources

- Managing Fiscal Impact of FTES

- Enrollment Management

- Collective Bargaining

Planning Considerations

- **Alternative revenue sources**
 - ✓ Workforce and Economic Development
 - ✓ Grants
 - ✓ Philanthropic Grants/Donations for Student Success Initiatives
- **Ongoing Innovation for Advancing Student Success**
 - ✓ Student Access, Social Justice and Outcomes Attainment
 - ✓ Pathways
 - ✓ Dual Enrollment
 - ✓ Open Educational Resources
 - ✓ Strong Workforce
 - ✓ Sustainability
 - ✓ Building Reputation of District to Win More Grants
 - ✓ Attracting Preferred Partnership Opportunities with Philanthropic Funders

Governor's FY18 Proposed Budget

Jan 10 Summary to Legislators

- “...**educational attainment** across income levels and racial and ethnic groups **varies**.” p. 33
- “In the midst of **fiscal constraints**, the Administration supports continued investment in higher education with the **expectation** that **colleges and universities will work together** and implement **new and creative practices** that **consider** the cost of instruction, better support student success and completion, and expand access to higher education for more California students.” p. 36
- “Providing students access to higher education through CCCs requires **more focus on timely completion and student success**—not only to make room for incoming students but to improve outcomes for these students.” p. 36

Studying College Students in the 21st Century: Meeting New Challenges

- Given the **twin themes** of **public accountability** and **cost containment**, future research on the impact of college will not be able to avoid coming to terms with issues of cost effectiveness.... Higher education **researchers will be expected to answer** not only the question “**Is it (this intervention or program) effective?**”, but also “**How much does it cost to be effective?**” (para. 21)
 - Pascarella and Terenzini, 1998

To What Degree Does Money Matter for Student Success?

- ...**more money alone**, spent on traditional activities in traditionally proportioned ways, **will not likely be sufficient** to produce the **desired** quantity increase in student success **outcomes**.... Aside from any increase in student attainment levels that might be derived from increased funding, **solutions** that **raise the percentage of successful outcomes per dollar** spent will escalate student attainment results to even higher levels, regardless of the amount of available funding.

pp. 202–203

– El Fattal, 2014

To What Degree Does Money Matter for Student Success?

- On the whole, the range of conditionally unstable fiscal conditions will add **increasing pressure** for institutional effectiveness and cost containment. At the institution level, this will require an increased range of **collaboration** for institutional improvement between faculty, administrators, trustees, research staff, college staff, collective bargaining teams, and participatory governance committees. This necessary collaboration is likely to occur in a mostly **unfamiliar setting** for **continuous improvement** that must concurrently consider program effectiveness, cost effectiveness, and **opportunity cost** as essential components for **increasing** student success **outcomes** within fixed financial resources.

p. 172

- El Fattal, 2014