



VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

January 17, 2019 – 9:00 a.m.
District Administrative Center, Thomas Lakin Board Room

AGENDA

- Student Centered Funding Formula White Paper Discussion
 - Presentation by Cambridge West Partnership
 - Q&A
- Governor's January FY20 Budget Proposal Update
- Next Steps
 - MIS Data Submission
 - FY20 Revenue Projection
- Approval of Meeting Notes – November 15, 2018
- FY20 Budget Process
 - Calendar/Timeline
 - Finalize Allocation Model Review
 - Finalize Infrastructure Funding Model Review
- Quarterly Review – HRL/HR2 (Fund 693)
- Other Business

Next meeting(s):
9:00 a.m., February 20, 2019

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council on Administrative Services (DCAS)

District Administrative Center, Thomas Lakin Boardroom

Thursday, November 15, 2018

NOTES

Attendees:

Silvia Barajas, Vice President, Business Services, Moorpark College
Cathy Bojorquez, Vice President, Business Services, Ventura College
Nenagh Brown, Academic Senate President, Moorpark College
Mike Bush, Vice President, Business Services, Oxnard College
Emily Day, Director, Fiscal Services
Jeanine Day, Classified Senate Representative, Ventura College
Gilbert Downs, Classified Senate Representative, Moorpark College
Janice Endo, Human Resources Representative
David El Fattal, Vice Chancellor, Business and Administrative Services
Mark Frohnauer, AFT Representative
Lydia Morales, Academic Senate President, Ventura College (via Skype)
Julius Sokenu, Vice President, Academic Affairs, Moorpark College (via Skype)
Maria Urenda, SEIU Representative

Absent:

Jennifer Clark, Budget Director
Diane Eberhardy, Academic Senate President, Oxnard College
Amparo Martinez for Chris Renbarger, Classified Senate Representative, Oxnard College

Recorder: Laura Galvan

Vice Chancellor El Fattal called the meeting to order at 9:02 a.m.

APPROVAL OF MEETING NOTES

The meeting notes from October 18, 2018, were approved by consensus.

FACULTY NUMBERS BY CAMPUS

Vice Chancellor El Fattal explained the VCCCD full-time faculty counts by campus; the counts are rounded to the nearest whole FTE. Ms. Barajas explained that she will be sharing details of her campus figures at her fiscal meeting on campus. She reminded DCAS members that the numbers are rounded and may differ slightly because of rounding. Ms. Emily Day explained that the numbers are fall of 2018. Ms. Brown inquired whether the total number matches the FON. It does not; the FON has all faculty, including categorical funded positions. There was a discussion on whether or not providing detailed information, including names and individual funding type, would be helpful. It was decided that the vice presidents can provide detailed information at college meetings, as deemed appropriate. Ms. Brown requested that the summary data information be provided on an annual basis. Vice Chancellor El Fattal agreed to provide requested data annually.

PROPOSED TIMELINE/CALENDAR FOR ALLOCATION MODEL REVIEW

Vice Chancellor El Fattal distributed a draft timeline for review of the District's allocation model. He explained the original intent behind the proposed timeline. He stated that the traditional Budget Development narrative is taken directly from the Budget Development included in each year's Adoption Budget. The far right column (of the handout) is from a document that was prepared last year related to the new funding formula. Vice Chancellor El Fattal explained that there are key elements included in the timeline. Vice Chancellor El Fattal explained that he has asked a consultant to prepare a white paper on the Student Centered Funding Formula with an emphasis on three scenarios for base, supplemental, and student success allocations as well as core opportunities and challenges to consider. The consulting group is the same firm that Chancellor Oakley hired to work on the system-wide formula. The paper is expected to be completed in early December; once received, that paper will be distributed to DCAS members.

Vice Chancellor El Fattal stated that a joint meeting with IRAC and DCAS, the consultants, and possibly the presidents would be helpful. He has asked the consultant to create possible scenarios related to changing funding elements. Dr. Bush inquired whether the consultant will take the FTES shift into consideration among other varying components. Vice Chancellor El Fattal explained that he has asked John Cooney for data so Business Services staff can develop projections for future years. It is understood that the District's data is clean. He explained, however, that as other districts clean up their data, those districts may see an increase in dollars related to those funding categories. This type of circumstance should be something we keep in mind when evaluating data. This is one example of the complexity of the SCFF and we should discuss such examples internally at length, using multiple what-if scenarios as necessary. The timeline document will be brought back regularly to determine if any adjustments need to be made. Ms. Bojorquez asked for clarifications on the scenarios that will be developed by the consultant. Ms. Barajas inquired what elements are included in the "October" box (referring to timeline). Vice Chancellor El Fattal will clarify the month of completion on the timeline. Ms. Barajas also asked about evaluating the allocation and if a college is negatively impacted. Vice Chancellor El Fattal stated that the allocation will be evaluated at a district level, but also at the campuses. Ms. Barajas stated that she thought the goal was to see how we can allocate funds for next year since a new model will not be in place by March, when the Tentative Budget is developed. Vice Chancellor El Fattal explained that the Tentative Budget will be built including any COLA and the hold harmless amount previously provided. He further stated that it will not be developed with a new allocation model as there is not sufficient time. This proposed process would be to develop a new model for the 2020-21 budget year. It's a longer process. Mr. Frohnauer suggested that DCAS should look at ways to increase the pie as a whole, thereby allowing more revenue to the District.

Dr. Bush asked how long the consultant will be engaged. Vice Chancellor explained that they may be able to attend a DCAS meeting. Dr. Bush inquired whether the District will obtain their spreadsheets in order to make future changes. Vice Chancellor El Fattal stated he believes that is a possibility, but felt the District can also use the simulation that was provided from the State Chancellor's Office at the ACBO fall conference. Vice Chancellor El Fattal explained that he will move functions from October 2018 to another month on the timeline and also determine whether they need to be included elsewhere.

Vice Chancellor El Fattal stated that he will ask the consultant to present the report, possibly at the January 2019 DCAS meeting. He feels it would be important to have the researchers from each campus at the meeting as well. It would be helpful for IRAC members to attend. Dr. Bush would welcome the opportunity to hear what the presidents are hearing. Presidents will be invited to attend as well.

INFRASTRUCTURE FUNDING MODEL

Vice Chancellor El Fattal explained that the Infrastructure Funding Model review is part of the annual review process. Dr. Bush explained that there is \$4.6 million from the FY19 budget yet to be allocated. He inquired if that money is distributed late (March or after), will it be possible to transfer general funds in excess of 2% to the Infrastructure Funding Model? Ms. (Emily) Day explained that in the last few years exceptions have been made to the Model regarding carryover. She stated these have been handled as one-time exceptions as shown in the Narrative and the Budget Assumptions.

Ms. Barajas asked for clarification regarding the FY19 revenue that has yet to be allocated/budget to the colleges and DAC. Ms. (Emily) Day explained the original intent of the Infrastructure Funding Model (IFM), including total cost of ownership related to facilities and infrastructure. She also explained revenue streams that are included in the IFM, including any unspent Districtwide funds, unspent utility budget as well as any local revenue(s) that were not been budgeted. Further, Mandated Cost Claims also fall to the bottom line. Ms. Barajas asked whether revenue associated with the FTES shift could be included in the IFM; she clarified she is referring to the apportionment revenues not the revenue associated with the growth. There was a discussion about how potential future FTES shifts will impact the District considering the new funding formula. Dr. Bush suggested adding the concept to the table and bringing it back with scenarios. Vice Chancellor El Fattal explained this request is similar to the request of last year, with it being put into IFM instead of the general fund.

Mr. Frohnauer inquired about the tenant lease income from the District Administrative Center. It was explained that rental income is accounted for in Fund 114, similar to the way the colleges handle Civic Center rental revenue.

Ms. Day reminded DCAS members about the source categories in the IFM. Dr. Bush asked for clarification on what constitutes a "computer." It should be consistent amongst the three campuses. Vice Chancellor El Fattal stated that question will be clarified through Information Technology.

It was suggested that language be included about specific spending categories. Language should also address carryover funds in IFM. How can the funds be spent? The document is currently silent on how funds can be spent. Revised language related to these suggestions will be drafted and sent to DCAS members prior to the next meeting.

Ms. Brown inquired: once funds are allocated, how is the money decided to be spent? Dr. Bush explained that the Program Review/Resource Request Process is used at Oxnard College. He further explained that the funds are spent in the category where the funds have been allocated. Ms. Bojorquez explained the process is the same at Ventura College. Ms. Brown asked if funds are allowed to be carried over. She indicated that some of the funds for the Moorpark College Gym renovation came from IFM because it was deemed a priority project.

ACTUARIAL STUDY UPDATE

Vice Chancellor El Fattal reminded DCAS members that a draft of the new actuarial study was received and that clarification was needed on a few issues. He explained that the actuary responded to some of the questions posed by the vice presidents. Vice Chancellor El Fattal stated that the study has been revised due to the change in accounting principles, and another opportunity to further clarify the liability will occur soon with the next update to the actuarial study. The study was just received and will

be reviewed by Business Services staff. Vice Chancellor El Fattal explained it will be presented to the Administrative Services Committee in December and the full Board in January. In summary, Vice Chancellor El Fattal stated that the District's total retiree health liability is \$194.7 million, which is a reduction from \$210 million.

Dr. Bush stated that the next Irrevocable Trust Workgroup meeting will be rescheduled as the State Budget workshop is on the same day.

OTHER BUSINESS

Ms. Brown inquired whether any new information is known on the funding formula. Vice Chancellor El Fattal said that he will distribute a memo distributed by the State Chancellor's Office dated November 14, 2018.

Meeting adjourned 10:33 a.m.

There will be no December 2018 DCAS meeting; next meeting will be Thursday, January 17, 2019.

**VCCCD Budget Development
Parallel Process for FY 2019-20 and FY 2020-21**

Year	Month	Traditional Budget Development	Student Centered Funding Formula (SCFF) Budget Development Proposed DCAS Discussion Timeline
Timeline for FY 2019-20 Budget			
2018	Oct	District Council on Administrative Services (DCAS) reviews General Fund Allocation Model and Infrastructure Funding Model to consider the need for modifications.	<ul style="list-style-type: none"> • Districtwide Resource Budget Allocation Model <ul style="list-style-type: none"> ○ Revenue Component <ul style="list-style-type: none"> ○ Districtwide Support Components <ul style="list-style-type: none"> ● Districtwide Services ● Utilities ● District Administrative Center ○ College Allocation Components <ul style="list-style-type: none"> ● Class Schedule-Delivery Allocation ● Base Allocation ● FTES Allocation ○ Carryover Component
	Nov/Dec	<p>Vice Chancellor and District Budget Officer estimate revenue and inflationary costs in upcoming and subsequent budget years to identify gaps. Vice Chancellor provides analysis of projected revenues and increases in costs to DCAS for revenue and deliberation of targeted FTES, expenditure reductions or increases, and consideration of managed use or increase of reserves.</p> <p>Colleges and district office receive preliminary allocations for the upcoming fiscal year based on the budget allocation models and begin preliminary budget plans.</p>	<ul style="list-style-type: none"> • <u>Discuss and update proposed timeline for Allocation Model Review</u> <ul style="list-style-type: none"> • <u>Revenue component: to be updated for FY20</u> • <u>Districtwide Support & College Allocation Components: to be updated for FY21</u> • Discuss Infrastructure Funding Model <ul style="list-style-type: none"> ○ Revenue Categories ○ Expenditure Categories ○ Allocation Basis and Rates ○ Carryover Component • Distribute for review Student-Centered Funding Formula White Paper with emphasis on three scenarios for base, supplemental and student success allocations as well as core opportunities and challenges to consider
January: Governor's Proposed Budget			

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**VCCCD Budget Development
Parallel Process for FY 2019-20 and FY 2020-21**

Year	Month	Traditional Budget Development	Student Centered Funding Formula (SCFF) Budget Development Proposed DCAS Discussion Timeline
2019	Jan	Vice Chancellor and district/college budget officers review Governor's Initial Budget Proposal and refine budget projections. Provide an update to DCAS.	<u>Revenue Component</u> <ul style="list-style-type: none"> • <u>Discuss-Distribute and discuss</u> Student Centered Funding Formula White Paper with emphasis on three scenarios for base, supplemental and student success allocations as well as core opportunities and challenges to consider • Review and discuss five-year history of metrics related to funding coupled with projections through 2020-21, by colleges and district • Discuss non-apportionment revenue • <u>Continue to discuss <i>Infrastructure Funding Model (revise draft)</i></u>
	Feb	Board of Trustees reviews the Governor's Initial Budget Proposal and district budget projections and provides strategic direction. Vice Chancellor and district/college officers draft budget assumptions and submit to DCAS for consideration and recommendation to Board.	<ul style="list-style-type: none"> • <u>Revenue Component</u>: Continue developing and discussing multiple what-if scenarios by colleges and district • <u>Finalize <i>Infrastructure Funding Model</i> narrative draft</u> • <u>Discuss/Revise <i>Budget Criteria & Assumptions</i> narrative draft</u> • <u>Discuss/Revise <i>Budget Allocation Model</i> narrative draft</u>
March Board Meeting: Changes to Districtwide Resource Allocation Model reviewed prior to presentation to Board Beginning of April: Budget Year 2020-21 opened in Banner Late-April: Preliminary targets to colleges for Fund 111 Tentative Budget			
	Mar/Apr	Board of Trustees approve budget assumptions. Colleges and district office receive allocation for tentative budget based on the allocation models and build site-specific tentative budgets. DCAS receives an update.	Continue developing and discussing multiple what-if <u>revenue scenarios for FY20 & FY21 as well as college allocation components of <i>Budget Allocation Model</i> for FY21</u> by colleges and district
Mid-May: Governor's May Revise to Proposed Budget			
	May	Vice Chancellor and district/college budget officers compare Governor's May Revise to district budget projections and make adjustments and provide DCAS with an update. DCAS reviews Tentative Budget and recommends to Board.	Continue developing and discussing multiple what-if <u>revenue scenarios for FY20 & FY21 as well as college allocation components of <i>Budget Allocation Model</i> for FY21</u> by colleges and district

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**VCCCD Budget Development
Parallel Process for FY 2019-20 and FY 2020–21**

Year	Month	Traditional Budget Development	Student Centered Funding Formula (SCFF) Budget Development Proposed DCAS Discussion Timeline
June 15: Legislature finalizes State Budget and submits to Governor for signature			
	Jun	Board of Trustees approves the Tentative budget.	→
	Jul/Aug	Vice Chancellor and district/college budget officers compare signed State budget to district budget projections and make adjustments. Colleges and district office receive final allocations for the upcoming fiscal year based on the allocation models, analyze year-end results, incorporate these results into local planning processes, and build a site-specific adoption budget. DCAS reviews Adoption Budget and recommends through Board.	Continue developing and discussing multiple what-if scenarios by colleges and district
	Sep	Board of Trustees approve the Adoption budget.	
Timeline for FY 2020-21 Budget			
	Oct	District Council on Administrative Services (DCAS) reviews General Fund Allocation Model and Infrastructure Funding Model to consider the need for modifications.	<ul style="list-style-type: none"> • Discuss College Allocation components • Discuss Districtwide Support components
	Nov/Dec	Vice Chancellor and District Budget Officer estimate revenue and inflationary costs in upcoming and subsequent budget years to identify gaps. Vice Chancellor provides analysis of projected revenues and increases in costs to DCAS for revenue and deliberation of targeted FTES, expenditure reductions or increases, and consideration of managed use or increase of reserves. Colleges and district office receive preliminary allocations for the upcoming fiscal year based on the budget allocation models and begin preliminary budget plans.	<ul style="list-style-type: none"> • Final draft of College Allocation components language presented • Discuss Districtwide Support, Revenue and Carryover components (Budget Allocation Model) • Discuss Revenue Categories (Infrastructure Model)
January: Governor's Proposed Budget			
2020	Jan	Vice Chancellor and district/college budget officers review Governor's Initial Budget Proposal and refine budget projections. Provide an update to DCAS.	<ul style="list-style-type: none"> • Final draft of Districtwide Support, Revenue and Carryover components (Budget Allocation Model) language presented

**VCCCD Budget Development
Parallel Process for FY 2019-20 and FY 2020-21**

Year	Month	Traditional Budget Development	Student Centered Funding Formula (SCFF) Budget Development Proposed DCAS Discussion Timeline
			<ul style="list-style-type: none"> Discuss Allocation Basis and Rates, Expenditure Categories and Carryover (Infrastructure Model)
	Feb	<p>Board of Trustees reviews the Governor’s Initial Budget Proposal and district budget projections and provides strategic direction.</p> <p>Vice Chancellor and district/college officers draft budget assumptions and submit to DCAS for consideration and recommendation to Board.</p>	<ul style="list-style-type: none"> Final draft of Districtwide Resource Budget Allocation Model reviewed prior to presentation to Board Discuss Allocation Basis and Rates, Expenditure Categories and Carryover (Infrastructure Model) Final draft of Infrastructure Funding Model reviewed prior to presentation to Board
<p>March Board Meeting: Changes to Districtwide Resource Allocation Model reviewed prior to presentation to Board Beginning of April: Budget Year 2020-21 opened in Banner Late-April: Preliminary targets to colleges for Fund 111 Tentative Budget</p>			
	Mar/Apr	<p>Board of Trustees approve budget assumptions.</p> <p>Colleges and district office receive allocation for tentative budget based on the allocation models and build site-specific tentative budgets. DCAS receives an update.</p>	
<p>Mid-May: Governor’s May Revise to Proposed Budget</p>			
	May	<p>Vice Chancellor and district/college budget officers compare Governor’s May Revise to district budget projections and make adjustments and provide DCAS with an update. DCAS reviews Tentative Budget and recommends to Board.</p>	
<p>June 15: Legislature finalizes State Budget and submits to Governor for signature</p>			
	Jun	<p>Board of Trustees approves the Tentative budget.</p>	
	Jul/Aug	<p>Vice Chancellor and district/college budget officers compare signed State budget to district budget projections and make adjustments. Colleges and district office receive final allocations for the upcoming fiscal year based on the allocation models, analyze year-end results, incorporate these results into</p>	

**VCCCD Budget Development
Parallel Process for FY 2019-20 and FY 2020-21**

Year	Month	Traditional Budget Development	Student Centered Funding Formula (SCFF) Budget Development Proposed DCAS Discussion Timeline
		local planning processes, and build a site-specific adoption budget. DCAS reviews Adoption Budget and recommends through Board.	
	Sep	Board of Trustees approve the Adoption budget.	

DRAFT

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

INFRASTRUCTURE FUNDING MODEL

Fiscal Year 2019-20

I. Introduction

The Infrastructure Funding Model (Infrastructure Model) represents the methodology for distribution of certain variable revenues such as interest income and miscellaneous revenue to address the infrastructure needs at the colleges. These needs include scheduled maintenance, furniture and equipment, library materials and databases, technology refresh, as well as other identifiable infrastructure needs. Although the Infrastructure Model may not fully address all identified funding needs, its intent is to provide each college a dedicated, ongoing (although variable) source of funds to mitigate operating concerns and maintain quality facilities and equipment in order to provide excellent instructional programs.

The funds allocated to the Infrastructure Model are budgeted and accounted for in a separate Infrastructure Fund (113) from the Unrestricted General Fund (111). The colleges determine the budgeting of these funds within the allocation categories in accordance with their specific budget development processes and priorities. These budgets are presented to the Board for approval as part of the overall budget development process.

Annually, the Infrastructure Model is reviewed by the District Council of Administrative Services (DCAS) and Cabinet. Modifications and/or revisions to the Infrastructure Model may be recommended for Board consideration as deemed appropriate for the maintenance of the model's equity and integrity.

II. Model

The following describes the elements of the Infrastructure Model:

A. Revenue Categories

These revenue categories are included as a result of their relative instability to other funding sources and in recognition that a number of districts across the state do not include these resources as a part of their Unrestricted General Fund budget allocation model, but instead allocate them for specific purposes. These revenues will be recorded in the Unrestricted General Fund (Fund 111) with the equivalent amount being transferred out at year end. The Infrastructure Model includes the following specific revenue categories:

- Enrollment fee local revenue
- Interest income

- Any unbudgeted Unrestricted General Fund revenue except growth and COLA
- Any net savings between budget and actual expenses from the District Wide Services and Utilities allocations

B. Expenditure Categories

The Infrastructure Model includes specific expenditure categories that are necessary and fundamental to the maintenance of a quality educational institution. The expenditure categories are:

- Scheduled Maintenance and Capital Furniture (including classroom, faculty and administration)
- Library Materials and Databases
- Instructional and Non-instructional Equipment
- Technology Refresh and Replacement (hardware and software)
- Other - to be restricted to one-time and not on-going expenditures, such as new program/process start-up costs, staff innovation, and program specific accreditation (e.g., nursing, dental hygiene, child development)

Funds carried forward from all expenditure categories remain in those categories to be expended in future years.

C. Allocation Basis and Rates

Basis for Allocation of Resources to Identified Categories

<u>Category</u>	<u>Allocation Basis</u>
Scheduled Maintenance and Capital Furniture	Assignable Square Footage
Library Materials and Databases	FTES
Instructional and Non-instructional Equipment	FTES
Technology Refresh and Replacement	Number of Computers
Other	Equal shares (1/3, 1/3, 1/3)

Funding Rate for Each Category

<u>Category</u>	<u>Funding Rate</u>
Scheduled Maintenance and Capital Furniture	\$1.60/square foot
Library Materials and Databases	\$10.00/FTES
Instructional and Non-instructional Equipment	\$30.00/FTES
Technology Refresh and Replacement	\$150.00/computer
Other	\$150,000/college

During years when the total dollar allocation to the Infrastructure Fund is insufficient to fully fund the Infrastructure Model, based on the then approved funding rates, the funding rates for all categories will be adjusted downward by a coefficient equal to the total of the funds available divided by the calculated full funding amount. For example, if the calculated full funding amount, based upon funding rates and allocation bases is \$4 million and the available funds based upon the allocation parameter is only \$3 million, then the funding rate for all categories will be computed at 75% (3 million/4 million) of their then approved rate.

The funding rates are determined based on recent experience/estimate of need, previous funding levels used by state, etc. As part of DCAS's annual review of the Infrastructure Model, the allocation bases and funding rates are assessed for appropriateness.

D. Carry-over

The Infrastructure Model recognizes that while infrastructure needs are ongoing, the frequency and amount of expenditures fluctuates. Therefore, colleges are allowed to carry over all unspent balances in these accounts from year to year in order to meet the fluctuating needs.

III. Background

The Infrastructure Model became effective with the adoption of the 2012-2013 fiscal year budget. Prior to that time, the District distributed nearly all its unrestricted general fund resources through a single funding allocation model. Those resources included state apportionment (enrollment fees, property taxes and state appropriation), non-resident tuition and fees, lottery revenue, interest income, and miscellaneous other fees and revenues. Noticeably, neither the State allocation model nor the then current district budget allocation model considered funding based on, or for, college infrastructure (e.g. size of the campus (number of buildings), age of the buildings, number and age of equipment, etc.).

For several years prior to the implementation of the Infrastructure Model, the State had reduced or eliminated funding for Instructional Equipment/Library Materials (IELM), Telecommunications and Technology Infrastructure Program (TTIP), and scheduled maintenance. Faced with its own funding constraints, the District had eliminated the majority of Unrestricted General Fund (Fund 111) support for library books and materials, instructional materials and equipment (IELM), scheduled maintenance, and technology equipment refresh and replacement and relied primarily on restricted (categorical) funding provided by the State for those purposes as well as college carryover of general funds unspent from the prior year. The District's past practice of including variable, and sometimes volatile, funds in its Unrestricted General Fund Budget Allocation Model had further destabilized funding. Additionally, in 2010, the colleges received Accreditation Recommendations from the ACCJC for giving insufficient attention to the "total cost of ownership" in their operating budgets as it related to their facilities and infrastructure.

Over approximately a two-year period, the District Council of Administrative Services (DCAS) diligently studied and discussed the matter extensively. The Infrastructure Model was developed in an effort to provide ongoing funding for each college's infrastructure needs, take direct corrective action to remedy the Accreditation Recommendations from the ACCJC on "total cost of ownership", and further stabilize the District's Unrestricted General Fund Budget Allocation Model, used primarily for instruction, some student services, and general operations. Great care was exercised in developing the Infrastructure Model to ensure the colleges' General Fund operating budgets would be buffered from any long-term impact and that the instructional and student service needs of the District would be preserved and adequately funded to meet the needs of the students.

To minimize the impact of reallocating resources from the Unrestricted General Fund Budget Allocation Model on the colleges' budgets, the implementation of the Infrastructure Model was phased in over several years. The transition process reallocated the funding as follows:

- Year 1 (FY2012-13)
 - Any net increase in General Fund Unrestricted lottery, interest, or enrollment fee local share revenue above budgeted for FY12
 - Any unbudgeted Unrestricted General Fund revenue (with the exception of growth and COLA) received in FY12, such as mandated cost reimbursement for collective bargaining
 - Any net savings between budget and actual expenses from District Wide Services and Utilities for FY12
- Year 2 (FY2013-14)
 - Those items included in Year 1 (2012-13) reallocation, and
 - Enrollment fee local revenue
 - Interest income over two years (50%)
- Year 3 (FY2014-15)
 - Those items included in Year 2 (2013-14) reallocation, and
 - Reallocate remaining 50% of interest income
 - Lottery income over five years (20%)
 - If growth funding is received, reallocate an additional 25% of lottery income balance
- Years 4-and beyond
 - Those items included in the prior year, and
 - Reallocate an additional 20% of lottery income each year until fully allocated
 - If growth funding is received, reallocate an additional 25% of lottery income balance

Additionally, only in the first two years of implementation, the colleges were not required to spend their allocation in accordance with the specific categories which generated the allocations, but were restricted to use these funds for only expenses associated with allocation categories in total. For example, ~~for-in only~~ the first two years, a college may have elected to fully expend its entire annual allocation for scheduled maintenance even though the allocation was derived from all infrastructure funding categories.

IV. Updates

In 2015-16, a review of the components of the Infrastructure Funding Model resulted in a change in the treatment of unrestricted lottery revenue. Beginning with the 2016-17 fiscal year, unrestricted lottery was removed from the Infrastructure Funding Model and included in the Districtwide Resource Budget Allocation Model for the distribution of General Fund unrestricted revenues.

In 2016-17, DCAS discussed how to incorporate the DAC within the Infrastructure Model now that the district had closed escrow on a property in Camarillo at Daily Drive for the DAC relocation. When these discussions occurred it was too early to have accurate figures for the District expenses that would occur as a result of the DAC relocation alongside the extra revenue that would be produced from existing tenant leases. For FY 18 the committee agreed to continue with past practice; DCAS will continue discussions toward a recommendation for the FY 19 budget.

FY19 Fund 693 - Retiree Health Benefits
July 2018 through December 2018

Title	Budget	YTD (12/31/18)	Estimated Add'l Rev/Exp	Estimated YE	Budget to Estimated (Short)/Avail
In-District Contributions	-16,849,333.00	-7,620,073.27	-7,691,743	-15,311,816	(1,537,516.61)
Faculty Retiree Benefits	7,992,331.77	4,034,656.14	3,331,677	7,366,333	625,998.68
Manager Retiree Benefits	1,493,724.62	738,338.26	734,218	1,472,557	21,167.98
Supervisor Retiree Benefits	713,226.32	347,943.67	349,449	697,393	15,833.47
Confidential Retiree Benefits	393,956.64	194,847.48	194,847	389,695	4,261.68
Classified (SEIU) Retiree Benefits	5,091,253.03	2,529,982.88	2,544,718	5,074,701	16,552.19
Other Payments	0.00	0		0	0.00
Total Expenditures	15,684,492.38	7,845,768.43	7,154,910	15,000,678	683,814.00
				Excess projected (contributions)/expense	(311,138)

Note:

Expenditures adjustment assumes cost for next 6 months same as December.