Cambridge West Partnership, LLC

SANTA BARBARA CITY COLLEGE

Budget Sustainability Workgroup

Updates and Next Steps

April 16, 2024

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Background

The District's Administration and Governing Board has concerns regarding fiscal stability and sustainability due to the multi-year drop in enrollments and multi-year structural deficits. In response, the Santa Barbara City College Governing Board approved at the June 16, 2022, regular Board of Trustees Meeting the development of the Budget Sustainability Workgroup to take historical information and the 2016 report from the Fiscal Crisis Management Assistance Team (FCMAT) to evaluate fiscal stability and sustainability. In general, the FCMAT Team recommendations relate to the following broad fiscal areas of the College:

- Develop high-level Board Policies related to 1) enrollment strategy; 2) enrollment efficiency and productivity; 3) District's optimal size that reflects readjustments due to reduced enrollment while maintaining operational effectiveness; 4) strategic class mix, including credit, CDCP, non-enhanced classes; 5) use of and size of the unrestricted general fund ending balance; and 6) integration of multiyear fiscal projections into budget development processes;

- Better enrollment management at the operational level of the College, including reports, forecasts, and productivity;

- Decrease deficit spending, by reducing, for example, the reliance on unrestricted general fund for construction projects;

- Addition of Internal Auditor due to fiscal independence; and

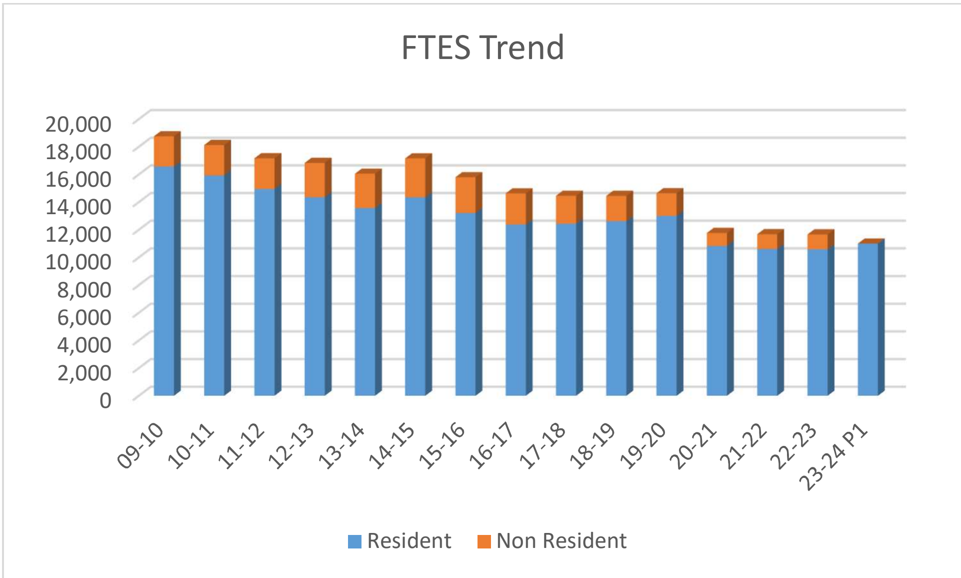
- Development of multiyear financial projections.

Cambridge West Partnership, LLC was engaged in December 2022 to assist with these efforts. The Budget Sustainability Workgroup began meeting in April 2023. The dollar figures in this report for 22-23 are unrestricted general fund unaudited actuals as of June 30, 2023.

Executive Summary

Full-Time Equivalent Students (FTES)

The district reports attendance that is converted to full-time equivalent students for the purposes of state Total Compensation Revenue (TCR) computation. Reported FTES is a main factor for revenue. The FTES trend below shows resident and nonresident FTES. As per the CCFS-311 fiscal data abstract, in 2009-2010, the District had 18,761 total FTES compared to 2022-2023 actuals that shows the District had total 11,665 FTES. 2023-2024 P1 does not yet have nonresident FTES reported.



Emergency Conditions Allowance

In 2019-2020 fiscal year, due to the COVID pandemic, the Chancellor's Office issued Emergency Conditions Allowance (ECA) funding in which districts received the FTES funded levels as of 2019-2020 P1 through 2022-2023. ECA was not extended into 2023-2024. Hold harmless provisions were extended.

"The 2021 Budget Act extended the Student-Centered Funding Formula's (SCFF) hold harmless provision through 2024-25, under which districts will earn at least their 2017-18 total computational revenue (adjusted by COLA each year). The 2022 Budget Act extended the revenue protections in a modified form beginning in 2025-26, with a district's 2024-25 funding will represent its new "floor." Starting in 2025-26, districts will be funded at their SCFF generated amount that year or their "floor" (2024-25 funding amount), whichever is higher. This revised hold harmless provision will no longer include adjustments to reflect cumulative COLAs over time, as is the case with the provision in effect through 2024-25, so a district's hold harmless amount would not grow."[1]

The District is anticipating slight growth in FTES revenues over the next 5 years and COLA revenue is not projected starting in the 2025-2026 fiscal year during the first year of the new funding floor implementation unless SCFF revenues is restored to pre-pandemic levels. The amount earned in the SCFF in the outyears is expected to be lower than the 2024-2025 funded levels, which means COLA revenue is not anticipated. Below are the revised COLA rates projected[2] that were released after the adopted budget estimates were developed.

Student Centered Funding Formula

Districts are mainly funded by the Student-Centered Funding Formula (SCFF). SCFF Revenue is the amount anticipated to be received by the District as State Apportionment. Santa Barbara City College's total apportionment is comprised of property tax revenues, student enrollment fees, and a state allocation, calculated using the Student-Centered Funding Formula. The SCFF uses Full-Time Equivalent Student (FTES) and student headcount data to calculate the apportionment. FTES targets for the college for the upcoming academic year are used to allocate the base funding and assumptions are applied to the headcounts that are used for the additional SCFF components. The SCFF revenue is computed in three parts:

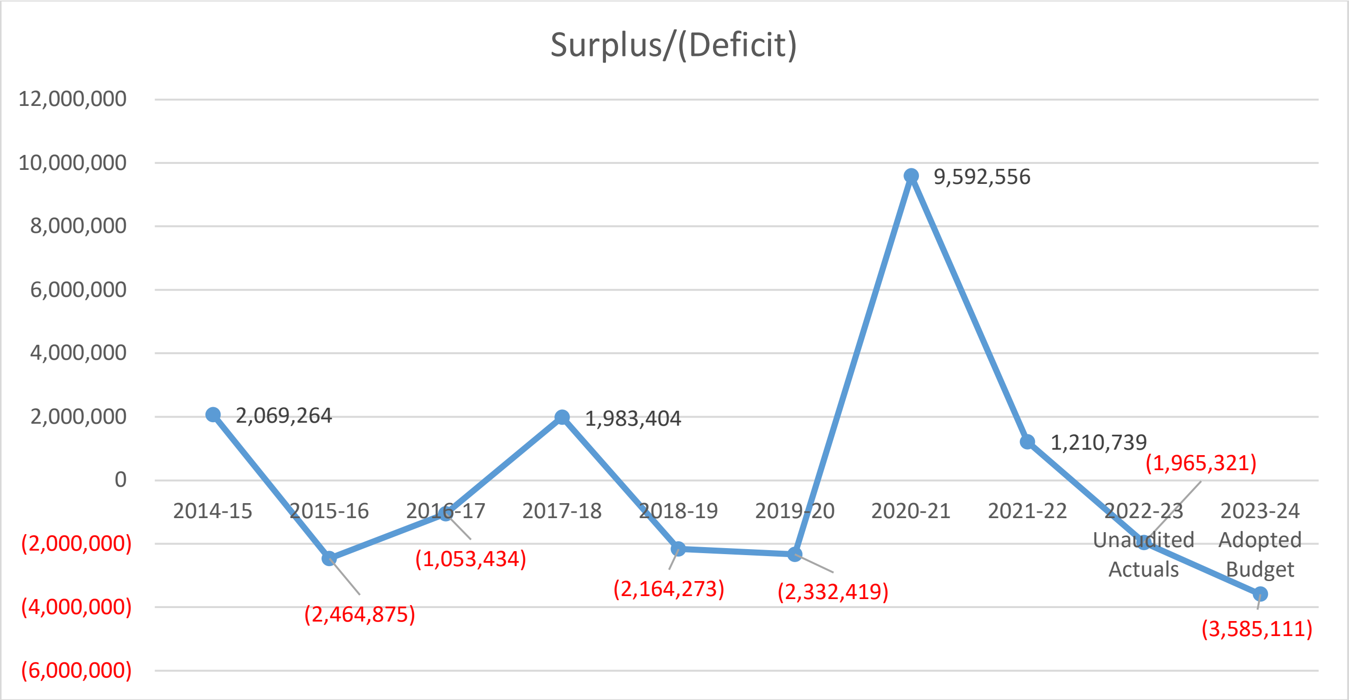
- **Base Allocation**: This is the enrollment-based component. It is the sum of a Basic Allocation funding, derived from the number of colleges and centers in a district, as well as its size, and its funding for Traditional Credit, non-Credit*, CDCP*, Incarcerated, and Special Admit FTES. Traditional Credit FTES allocation is based on a three-year average.
  * Non-credit & CDCP are funded 100% from the Base Allocation and do not participate fully in the other 2 components of the SCFF.
- **Supplemental Allocation**: This is the component of the SCFF that targets equity of access and opportunity for low-income students. This is based on the numbers of students receiving the College Promise grant, students receiving a Pell Grant, and students covered by AB540.
- **Student Success Allocation**: This is the component of the SCFF that targets and incentivizes successful outcomes of California Community College students. This allocation is based on a district's performance in the following eight outcome metrics: Associate's Degrees, Bachelor's Degrees, Associate's Degrees for Transfer, Credit Certificates, Completion of 9+ CTE Units, Transfer, Completion of Transfer Level Math & English in the first year, and Achievement of Regional Living Wage. The Student Success Allocation counts only the highest of the degrees and certificates a student earned in a year and only counts if the student was also enrolled that year. This allocation is also based on a three-year average. There is also an additional rate for those students that meet the student success criteria that are Pell or Promise students.

SCFF PLANNING FACTORS					
Factor	2023-24	2024-25[1]	2025-26	2026-27	2027-28
Department of Finance Statutory COLA	8.22%	0.76%	2.73%	3.11%	3.17%
Growth Funding	0.50%	0.50%	TBD	TBD	TBD
SCFF Basic Allocation Increase	N/A	N/A	TBD	TBD	TBD
SCFF Base Funding Increase	N/A	N/A	TBD	TBD	TBD

Deficit Spending

The District has been experiencing deficit spending. Deficit spending occurs when expenditures exceed revenues. Continued deficit spending is a red flag to the ACCJC, Chancellor's Office and Financial Crisis Management & Assistance Team (FCMAT). It could signal ongoing expenses being paid out of reserves, which is one-time funding. The 2020-2021 surplus is due to the District moving towards an on-line learning environment because of the COVID-19 pandemic. Operational expenditures such as utilities and custodial were reduced due to campus closure. These figures do not include the CalSTRS on behalf payment posting for revenues and expenditures and do not have an impact on the deficit spending trend because they zero out. Currently, the 23-24 adopted budget includes several vacant positions. It is critical that the District adopt a plan to mitigate the deficit spending both in the current fiscal year and in the multi-year budget projections. It is recommended that the District determine which of these positions will remain unfilled and adjust the budget accordingly.

	2014-15	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24 Adopted Budget**
Revenues	96,329,359	110,886,409	96,634,415	94,259,938	99,286,749	100,611,071	100,507,473	108,032,855	114,003,400	119,354,796
Expenses	94,260,095	113,351,284	97,687,849	92,276,534	101,451,022	102,943,490	90,914,917	106,822,116	115,968,721	122,939,907
Surplus/(Deficit)	**2,069,264**	**(2,464,875)**	**(1,053,434)**	**1,983,404**	**(2,164,273)**	**(2,332,419)**	**9,592,556**	**1,210,739**	**(1,965,321)**	**(3,585,111)**



Facilities

The District is considered overbuilt in lecture and laboratory space, meaning it is not being utilized as efficiently as possible according to state-wide standards. It is also underbuilt in office space. The Facility Condition Index measures the quality of building structures and is used to determine upkeep, maintenance, and renovation. A Low FCI ranges between 10-30% and indicates that there is required maintenance and facility upkeep needed. Santa Barbara City college's average FCI is 43.56 for its 98 buildings. This means several buildings need maintenance and renovation. There are several recommendations in this report that revolve around enrollment practices and space utilization. Implementing these strategies will assist with overall institutional effectiveness by maximizing the SCFF funding formula while maintaining compliance factors.

District Structure

Santa Barbara City College is a single campus district located in the Southern California region and is among one of California's 116 Community Colleges. The main campus is situated on 74 acres overlooking the Pacific Coast. There are two additional sites: The Schott Campus, which is about 3 acres and the Wake Campus, which is about 10 acres. On June 3, 2008, the District passed a Measure V local bond measure to provide a total of $77.2 million to help the college upgrade its deteriorating infrastructure and improve the campus physical environment. Measure S, a $288 million local bond measure was put forward to the community; however, was not passed by voters on November 4, 2014.

External Oversight

ACCJC CFI

The Association of Community College and Junior College (ACCJC) uses an evaluation tool on an annual basis to determine if a college needs to be on fiscal monitoring. The metrics are included in the Composite Financial Index (CFI). When reviewing the CFI for using the CCFS-311 for 22-23, Santa Barbara City College did not meet four out of the twelve criteria. The first area the District did not meet is the net operating ratio which is a function of Income (Deficit)/Operating Revenues. The ACCJC/CFI metric shows 0% as the standard. The District was at -1.7%. This is because the District ended the fiscal year with deficit spending. The second area that the District does not meet is funding the annual required contribution for Other Post- Employment Benefits (OPEB). As of June 30, 2023, the District had a relatively low outstanding liability of about $6.3 million and the annual pay-go was roughly estimated at $150,000. The ACCJC wants to see about half of the annual required contribution funded through a trust. The District has not set up a trust or funding plan for OPEB outside of the pay-as-you-go amount. The third area that the District does not meet is the area of issuing pay increases above the Cost of Living Allowance (COLA). The ACCJC evaluates whether a district is assigning ongoing expenditures to one-time funding via the reserve. As referenced in the below section titled "Cost of Living Allowance (COLA) and Pension Increases", in 2022-2023, the District issued COLAs to various employee groups above the statutory COLA. The fourth area that the District does not meet is the leadership turnover rate of 2 or more executive level positions within the current fiscal year.

It would be beneficial for the District to evaluate the ACCJC CFI each year to better understand the potential for fiscal monitoring and also develop a plan to move from "does not meet" under criteria of the CFI to "meets".

Financial Crisis Management and Assistance Team (FCMAT) Financial Health Risk Assessment (FHRA)

In 2016, the District completed the FCMAT FHRA. Since that time FCMAT has provided a more comprehensive FHRA assessment tool available to all community colleges that helps to evaluate the fiscal health and risk of insolvency in the current and two subsequent fiscal years. This is located at FCMAT website, https://www.fcmat.org/fiscal-health: Included are evaluating the following areas:

1. Annual Independent Audit Report
2. Budget Development and Adoption
3. Budget Monitoring and Updates
4. Cash Management
5. Collective Bargaining Agreements
6. Intrafund and Interfund Transfers
7. Deficit Spending
8. Employee Benefits
9. Enrollment and Attendance
10. Facilities
11. Fund Balance and Reserve for Economic Uncertainty
12. General Fund - Current Year
13. Information Systems and Data Management
14. Internal Controls and Fraud Prevention
15. Leadership and Stability
16. Multiyear Projections
17. Non-Voter-Approved Debt and Risk Management
18. Position Control

Based on responses to these sections, a risk score is calculated. A score of 40% or more is considered high risk; a score of 25-39% is considered moderate risk; and a score of 24% or lower is considered low risk. It would benefit the district to complete the FCMAT FHRA on an annual basis until the goals of the Budget Sustainability Workgroup are met. It was recommended by the committee to complete a more current FHRA analysis since the original 2016 report. The Chancellor's Office will fund a FHRA FCMAT study at the request of the District.

Unrestricted General Fund Revenues

At 2022-2023 Second Period Principal Apportionment, the District's State Total Computational Revenues (TCR) was estimated at $96,176,456. This represents about 85% of the overall unrestricted revenues. Roughly half of the overall unrestricted revenues are from the State of California. Most of the other half of the funding is from local sources such as property taxes, with a very small portion from other financing sources.

Revenues	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 Unaudited Actuals	2023-24 Adopted Budget
State & Local	$ 80,047,161	$ 92,839,878	$ 81,219,403	$ 79,135,186	$ 85,242,625	$ 88,382,834	$ 86,121,363	$ 94,205,827	$ 104,990,233	$ 109,254,796
Non Resident Tuition	$ 16,175,747	$ 17,789,318	$ 15,066,809	$ 14,673,186	$ 13,243,298	$ 11,808,136	$ 7,174,498	$ 9,037,437	$ 8,746,399	$ 9,700,000
Other Financing Sources	$ 106,451	$ 257,213	$ 348,203	$ 451,566	$ 800,826	$ 420,101	$ 7,211,612	$ 4,789,591	$ 266,768	$ 400,000
Total	**$ 96,329,359**	**$ 110,886,409**	**$ 96,634,415**	**$ 94,259,938**	**$ 99,286,749**	**$ 100,611,071**	**$ 100,507,473**	**$ 108,032,855**	**$ 114,003,400**	**$ 119,354,796**

The District took advantage of the Chancellor's Office Emergency Conditional Allowance (ECA) funding that froze the 2019-2020 P1 full-time equivalent student level between fiscal years 2020-2021 and 2022-2023. This allowed enrollment funding to remain at 12,614.20 FTES, even though the District was in enrollment decline. The ECA expired at the end of 2022-2023. Below shows the difference that the ECA funding is in 22-23.

FTES Category	22-23 Recalc Funded	22-23 Annual Actuals	Difference	Rates	Difference
Credit	10,539.67	8,588.23	1,951.44	$4,840.49	$ (9,445,925.81)
Incarcerated Credit	0.00	5.19	-5.19	$6,787.96	$ 35,229.51
Special Admit Credit	724.06	926.61	-202.55	$6,787.96	$ 1,374,901.30
CDCP	381.73	390.51	-8.78	$6,787.96	$ 59,598.29
Noncredit	968.74	678.43	290.31	$4,081.79	$ (1,184,984.45)
Totals	**12,614.20**	**10,588.97**	**2,025.23**		**$ (9,161,181.16)**

The majority of the ECA impact of SCFF revenues will not occur in the first year due to the three-year rolling credit FTES average and single year stability rules. If enrollments do not recover, the full funding impact will be evident in fiscal year 2025-2026. Only credit FTES is based on a three-year rolling average. The other FTES categories are on a current year basis. In order for the District to receive additional funding equivalent to cost of living increases, enrollments and supplemental awards will need to increase.

Because cost of living increases is applied to each element of the SCFF, the District risks not receiving new funds when cost of living increases are included in future state budgets due to SCFF funding declines. Declines in success and supplemental metrics are also substantial and have an impact on funding. See the Enrollment and Scheduling section below on these trends.

Declining Enrollments

From 2014-2015 to 2022-2023, the District's overall full-time equivalent student (FTES) enrollment declined 26%. 23% of the enrollment decline occurred between 2019-2020 and 2022-2023 mainly because of the COVID-19 pandemic. Looking back to the height of enrollment at SBCC, the district has declined from 16,523 credit FTES in 2009/2010 to 9,500 credit FTES in 2022/2023. This is a decline of over 7,000 credit FTES. Below is a historical trend broken out by the types of credit and noncredit reported FTES.

			2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 Unaudited Actuals	2023-24 Adopted Budget	9 Year (14-15 thru 22-23)
Produced FTES	Noncredit	Summer	108.31	37.16	0.00	50.64	82.12	301.78	95.84	222.58	127.33		18%
		Primary Terms Noncredit	219.39	110.43	2.74	239.91	597.03	557.33	478.94	400.10	519.84		137%
		Primary Terms CDCP	444.79	387.68	571.46	483.33	492.74	432.76	378.91	414.59	390.09		-12%
		Primary Terms ISA's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0%
		Primary Terms Incarcerated					12.05	13.80	0.31	39.52	18.68		0%
		Subtotal	772.49	535.27	574.20	773.88	1,183.94	1,305.67	954.00	1,076.79	1,055.94	1,250.00	37%
	Credit	Summer	1,739.65	1,431.97	735.73	667.00	666.18	892.10	847.08	1,236.88	1,018.99		-41%
		Primary Terms Credit	11,115.09	10,470.57	11,055.45	10,259.52	10,034.53	9,961.06	9,018.37	7,503.54	7,563.03		-32%
		Primary Terms Special Admit	718.60	772.45	0.00	726.65	724.06	826.80	3.50	791.70	908.98		26%
		Primary Terms ISA's	0.00	0.00	14.49	6.72	9.64	9.39	0.00	0.00	5.44	5.50	0%
		Primary Terms Incarcerated					6.69	11.76	9.33	9.17	3.59		0%
		Subtotal	13,573.34	12,674.99	11,805.67	11,659.89	11,441.10	11,701.11	9,878.28	9,541.29	9,500.03	9,300.00	-30%
		Total	**14,345.83**	**13,210.26**	**12,379.87**	**12,433.77**	**12,625.04**	**13,006.78**	**10,832.28**	**10,618.08**	**10,555.97**	**10,550.00**	-26%

Because noncredit FTES are funded at a different rate and may use different attendance accounting rules, it is recommended that the district evaluate reported credit and noncredit CDCP enrollments separately to identify the significant differences from one year to another. Having a good understanding of noncredit FTES apportionment compared to instructor costs will assist in the schedule development decision making process.

Classroom Efficiency

Using data from Spring 2023, the district's classroom efficiency levels are low. In 2014-15, the average FTES per Full-Time Equivalent Faculty (FTEF) that was produced was 14.72. FTES per semester. Nine years later, efficiency dropped to 11.43 FTES per semester, a 22% drop. These numbers are far below the statewide standard of between 15-17.5 FTES per semester that each full-time equivalent faculty teaching load should produce to maintain sufficient operational revenues. Analyzing credit and noncredit separately will help with the classroom efficiency decision making.

Additionally, the district's average class size is low for a district of its size, and well beneath the standard to meet classroom efficiency goals. In 2014-15, the district's average annual class size was 26.11 students per class. Using data from Spring 2022-23, the average class size dropped 33% percent to 17.43 students per class. Per the Chancellor's Office Chief Instructional Officer (CIO) Manual, dated July 16, 2012, page 43: "For colleges on a traditional calendar, a WSCH per FTEF of 525 represents an average class size of 35." The table below shows the district's average annual class size and its average FTES per FTEF.

		2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23*	9 Year
Credit Efficiency	Average Class Size (annual)	26.11	26.36	26.11	26.36	25.82	26.03	25.81	23.13	17.43	-33%
	FTES/FTEF (semester)	14.72	15.00	14.72	15.00	14.54	14.61	13.63	12.55	11.43	-22%
	WSCH/FTEF (annual)	457.49	446.16	441.74	449.90	436.33	438.35	409.00	376.44	366.52	-22%

Unrestricted General Fund Staffing

District personnel charged to the unrestricted fund for full-time faculty has decreased 21% over a nine-year period between 14-15 and 22-23. Most of this decline is due to the 28% drop in enrollments for overall FTES during this same period. Part-time faculty headcount increased 20% during this 9-year period and teaching overload increased 9%. The ratio of overload to full-time faculty teaching is at 36% in 22-23, which is up from 14-15 figures showing around 26% of teaching overload compared to full-time faculty. Non-instructional faculty, known locally as educational support division (ESD) faculty includes counselors and librarians. This employee category increased 15% for full-time non-instructional faculty and 175% for part-time non-instructional faculty. Additionally, non-instructional reassigned time increased from $20,675.29 in 2014-2015 to $320,064 in 2022-2023.

Management positions increased by 4% and classified staff decreased 4% over the 9-year period below. It is important to note that a significant amount of funding was made available by the federal government to schools from the Higher Education Emergency Relief Funds (HEERF). Staffing and other expenses were paid for out of HEERF funding and may affect the trends. These funds expired on June 30, 2023, and are no longer available.

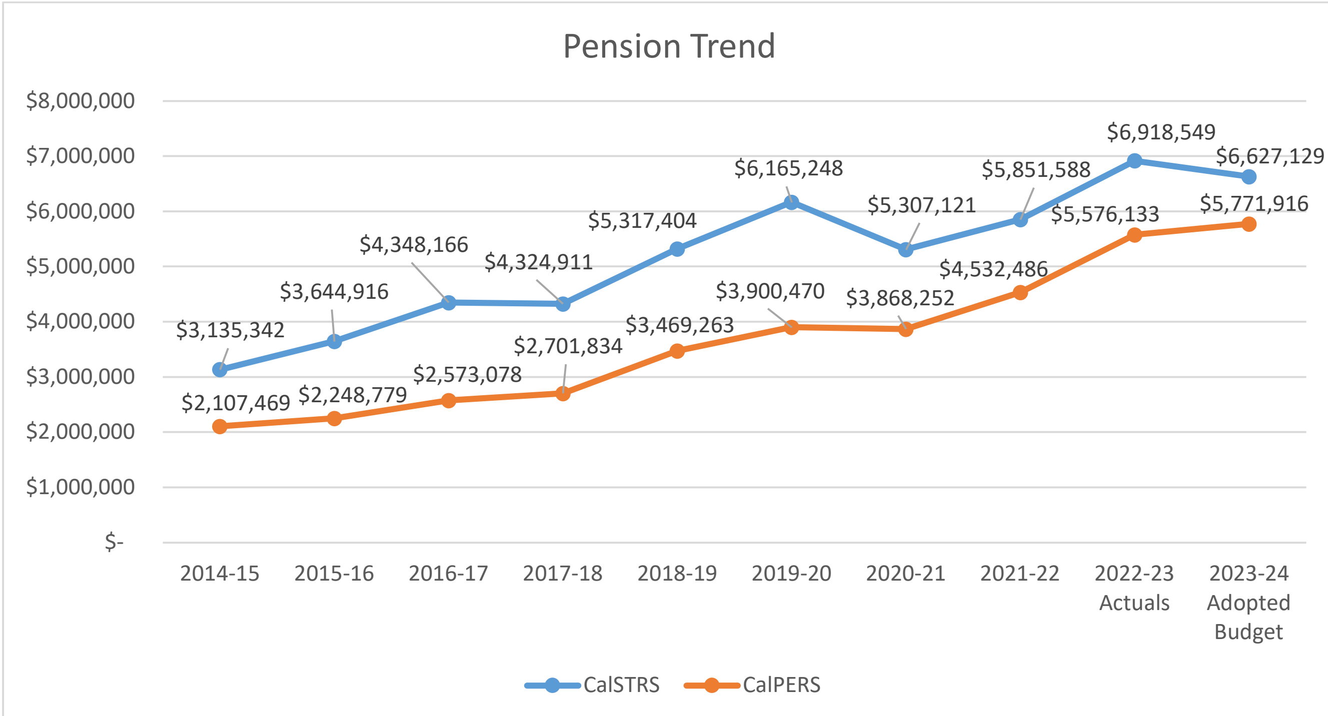
Unrestricted General Fund	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-23 Actuals	2023-24 Adopted Budget	9 Year (14-15 thru 22-23)
Part-Time Teaching Faculty Headcount	89.79	99.30	98.15	133.34	124.25	132.64	117.87	116.86	110.27	106.00	23%
Full-Time Teaching Faculty FTEF	211.30	213.70	210.76	204.30	192.55	191.99	179.80	169.00	166.00	177.07	-21%
Overload FTEF	54.35	50.53	47.84	44.11	44.29	46.06	42.05	54.53	59.26		9%
Part-Time Non Instructional Faculty FTEF	4.24	19.70	22.45	14.21	15.08	12.91	15.84	12.54	12.52	22.00	196%
Full-Time Non Instructional Faculty Headcour	16.47	19.45	23.14	21.56	17.44	21.71	20.44	17.40	19.75	21.33	20%
Reassign time Dollars	0.00	20,675.29	33,466.77	165,900.19	176,939.57	253,148.21	320,630.47	228,599.84	224,966.68		988%
Management	53.22	49.38	47.08	44.39	48.75	51.42	48.22	54.24	55.36	61.65	4%
Staff	246.43	268.42	262.79	249.15	254.44	254.72	241.84	237.60	238.84	255.70	-3%

Cost of Living Allowance (COLA) & Pension Increases

The District has approved salary increases for faculty, staff and management in excess of the statewide cost of living allowance (COLA) figures. In 2022-2023, the COLA amounts were 6.56%. In June 2023, the District retroactively approved COLAs between 7-8% between the various employee groups. With the implementation of the student-centered funding formula (SCFF), COLA is applied the rates within the elements of the SCFF. Because the District FTES declined 25%, it will be imperative to track the COLA figures versus the overall total computational revenue (TCR) changes from year-to-year. Starting in 2025-2026, the state will be implementing a funding "floor" using 2024-2025 total computational revenues as the baseline. Until SCFF production exceeds the funding floor, the District will not receive any new revenue.

The State budget included some relief on pension costs starting in 2019-2020. In 2019-2020, the budget paid down $356 million to CalSTRS reducing the required contribution from 18.1% to 17.1% and a payment of $144 million to CalPERS reducing the contribution rate from 20.7% to 19.7%. In 2020-2021, the budget included a payment of $250 million to CalSTRS reducing the contribution rate and an additional $100 million towards CalPERS also reducing the employer contribution pension rate. There are no known plans for further pension buy down of employer pension rates. The table below shows the rising cost of district contributions toward pensions.

	CalPERS	CalSTRS
2014-2015	11.77%	8.88%
2015-2016	11.85%	10.73%
2016-2017	13.89%	12.58%
2017-2018	15.53%	14.43%
2018-2019	18.10%	16.28%
2019-2020	19.70%	17.10%
2020-2021	20.70%	16.15%
2021-2022	22.91%	16.92%
2022-2023	25.37%	19.10%
2023-2024	26.68%	19.10%
2024-2025	27.80%	19.10%
2025-2026	28.50%	19.10%
2026-2027	28.90%	19.10%
2027-2028	30.30%	19.10%



The pension increase is an ongoing expense for the employer contributions. The decrease in CalSTRS for FY23-24 primarily reflects the impact of overpayments in FY22-23 for STRS. Additionally, a refund is expected in FY23-24 that has not been budgeted. The refund amount is $828,990. These figures do not include the CalSTRS on behalf payments.

Other Operating & Outgo

Other operating and outgo include supplies, other operating contracts, utilities, legal, elections, audits, insurance, capital outlay and outgo. Outgo has been used for transfers to other funds and as a contingency for negotiations and vacancies. There are significant fluctuations in the other outgo categories. It is recommended that there be transparency in breaking down other outgo amounts.

Unrestricted General Fund	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024 Adopted Budget	14-15 to 22-23 Difference
Supplies	$ 2,263,152	$ 2,287,847	$ 1,979,088	$ 1,766,248	$ 1,699,388	$ 1,088,961	$ 632,941	$ 1,785,907	$ 1,577,165	$ 2,054,671	-30%
Other Operating	$ 9,094,445	$ 9,737,212	$ 9,164,989	$ 9,742,683	$ 10,578,613	$ 9,524,626	$ 7,307,845	$ 11,957,029	$ 13,672,972	$ 12,894,739	50%
Capital Outlay	$ 269,583	$ 263,508	$ 267,964	$ 173,800	$ 428,688	$ 493,804	$ 319,607	$ 774,570	$ 567,354	$ 528,970	110%
Other Outgo	$ 1,346,630	$ 19,301,639	$ 4,097,676	$ 875,600	$ 1,366,140	$ 2,268,612	$ 1,250,764	$ 3,722,951	$ 3,789,042	$ 3,200,000	181%
Other Operating & Outgo Totals	**$ 12,973,810**	**$ 31,590,206**	**$ 15,509,717**	**$ 12,558,330**	**$ 14,072,829**	**$ 13,376,003**	**$ 9,511,157**	**$ 18,240,457**	**$ 19,606,533**	**$ 18,678,380**	**51%**

Recommendations

I. Enrollment Management & Scheduling

The District has a Strategic Enrollment Management (SEM) Plan for the years 2022-2025. The District is in its first year of assessment towards current enrollment management goals.

Benchmarking and Data Analysis

Below shows the 5-year data trends on enrollment for the three sections of the student-centered funding formula. The first is the base allocation which represents enrollment, the second section is the supplemental which includes headcounts of AB540, Pell and Promise recipients and the third section includes the student success metrics. The student-centered funding formula uses a three-year rolling average for traditional credit enrollment and for the student success metrics. The student success metrics have three different categories of funding. The first is for all students who are considered successful. The second category is an additional rate given to those successful students that are Pell recipients and the third category is for those successful students that are Promise recipients. The below data is annualized information and not three-year averages.

As of March 21, 2024										Recalc			Statewide
		Apportionment Reports	**2018-19**	**2019-20**	**Diff**	**2020-21**	**Diff**	**2021-22**	**Diff**	**2022-23**	**Diff**	**5 Yr Diff**	**5 Yr Diff**
Base Allocation	Credit FTES	Credit	10,700.71	10,853.16	1%	9,865.45	-9%	8,740.42	-11%	8,588.23	-2%	-20%	-18%
		Special Admit Credit	724.06	826.80	14%	3.50	-100%	791.70	22520%	926.61	17%	28%	39%
		Incarcerated Credit	6.69	11.76	76%	9.33	-21%	9.17	-2%	5.19	-43%	-22%	16%
		Instructional Service Agreements (ISAs)	9.64	9.39	-3%	0.00	-100%	0.00	0%	TBD	TBD	TBD	N/A
		Totals	**11,441.10**	**11,701.11**	**2%**	**9,878.28**	**-16%**	**9,541.29**	**-3%**	**9,520.03**	0%	-17%	-16%
	Noncredit FTES	CDCP	492.74	432.76	-12%	378.91	-12%	414.59	9%	390.51	-6%	-21%	12%
		Noncredit	679.15	859.11	26%	574.78	-33%	622.68	8%	659.75	6%	-3%	-29%
		Incarcerated Noncredit	13.80	13.80	0%	0.31	-98%	39.52	12648%	18.68	-53%	35%	N/A
		Totals	**1,185.69**	**1,305.67**	**10%**	**954.00**	**-27%**	**1,076.79**	**13%**	**1,068.94**	**-1%**	**-10%**	**-6%**
		Data Year	**17-18**	**18-19**		**19-20**		**20-21**		**21-22**			
Supplemental Allocation	Headcounts	Pell Grant Recipient	4,013.00	3,626.00	-10%	3,396.00	-6%	2,899.00	-15%	2,594.00	-11%	-35%	-25%
		AB540 Students	533.00	527.00	-1%	495.00	-6%	421.00	-15%	340.00	-19%	-36%	-20%
		California Promise Grant Recipients	9,472.00	8,890.00	-6%	8,890.00	0%	7,607.00	-14%	6,782.00	-11%	-28%	-28%
		Data Year	**17-18**	**18-19**		**19-20**		**20-21**		**21-22**			
Student Success Allocation	All Students	Associate Degrees for Transfer (ADTs)	500.00	535.00	7%	635.00	19%	724.00	14%	624.00	-14%	25%	18%
		Associate Degrees	1,953.00	1,035.00	-47%	1,057.00	2%	951.00	-10%	794.00	-17%	-59%	-43%
		Baccalaureate Degrees	0.00	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0%	212%
		Credit Certificates	1,258.00	375.00	-70%	213.00	-43%	159.00	-25%	154.00	-3%	-88%	-67%
		Transfer Level Math & English	366.00	731.00	100%	1,008.00	38%	871.00	-14%	1,005.00	15%	175%	85%
		Transfer	1,615.00	1,013.00	-37%	989.00	-2%	1,047.00	6%	1,096.00	5%	-32%	-22%
		Nine or More CTE Units	2,682.00	2,631.00	-2%	2,479.00	-6%	2,233.00	-10%	2,147.00	-4%	-20%	-8%
		Regional Living Wage	1,657.00	1,858.00	12%	1,972.00	6%	1,118.00	-43%	1,513.00	35%	-9%	2%
		Totals	**10,031.00**	**8,178.00**	**-18%**	**8,353.00**	**2%**	**7,103.00**	**-15%**	**7,333.00**	**3%**	**-27%**	**-13%**
	Equity: Federal Pell Grant Recipients	Associate Degrees for Transfer (ADTs)	220.00	228.00	4%	254.00	11%	308.00	21%	232.00	-25%	5%	19%
		Associate Degrees	768.00	402.00	-48%	383.00	-5%	385.00	1%	333.00	-14%	-57%	-44%
		Baccalaureate Degrees	0.00	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0%	219%
		Credit Certificates	474.00	131.00	-72%	75.00	-43%	62.00	-17%	57.00	-8%	-88%	-71%
		Transfer Level Math & English	79.00	176.00	123%	227.00	29%	192.00	-15%	188.00	-2%	138%	93%
		Transfer	395.00	321.00	-19%	312.00	-3%	327.00	5%	323.00	-1%	-18%	-13%
		Nine or More CTE Units	998.00	1,031.00	3%	931.00	-10%	829.00	-11%	751.00	-9%	-25%	-8%
		Regional Living Wage	376.00	449.00	19%	520.00	16%	257.00	-51%	368.00	43%	-2%	25%
		Totals	**3,310.00**	**2,738.00**	**-17%**	**2,702.00**	**-1%**	**2,360.00**	**-13%**	**2,252.00**	**-5%**	**-32%**	**-13%**
	Equity: California Promise Grant Recipients	Associate Degrees for Transfer (ADTs)	318.00	308.00	-3%	367.00	19%	458.00	25%	360.00	-21%	13%	20%
		Associate Degrees	1,125.00	612.00	-46%	599.00	-2%	599.00	0%	499.00	-17%	-56%	-43%
		Baccalaureate Degrees	0.00	0.00	0%	0.00	0%	0.00	0%	0.00	0%	0%	178%
		Credit Certificates	696.00	208.00	-70%	132.00	-37%	102.00	-23%	94.00	-8%	-86%	-70%
		Transfer Level Math & English	148.00	306.00	107%	416.00	36%	337.00	-19%	351.00	4%	137%	94%
		Transfer	670.00	463.00	-31%	466.00	1%	492.00	6%	524.00	7%	-22%	-20%
		Nine or More CTE Units	1,545.00	1,575.00	2%	1,480.00	-6%	1,343.00	-9%	1,233.00	-8%	-20%	-9%
		Regional Living Wage	807.00	958.00	19%	1,010.00	5%	539.00	-47%	717.00	33%	-11%	20%
		Totals	**5,309.00**	**4,430.00**	**-17%**	**4,470.00**	**1%**	**3,870.00**	**-13%**	**3,778.00**	**-2%**	**-29%**	**-13%**

In the enrollment section of the chart above, represents the trend from the inception of the SCFF. The credit full-time equivalent students have dropped 20% (mainly due to the COVID-19 pandemic) but it is important to point out that since 2009/2010, credit FTES has dropped by almost 44%. Career Development & College Preparation (CDCP) levels dropped 21%. 11% of this drop occurred between years 19-20 and 22-23 also mainly due to COVID-19. Although credit enrollment declined 20%, the supplemental section has declined much more. Pell grant headcounts went down 35%, AB540 students dropped 36% and Promise recipients dropped 28%. Data has shown that students who are on some type of financial aid are more successful. In the success section, associate degrees went down 59%; however associate degrees for transfer increased by 25%. Credit certificates declined by 88% over a 5-year period. It would be beneficial for the District to evaluate whether enrollment in CTE also declined by 88%. Transfer dropped 32%. Because of the significant drops in enrollment, some deeper in other areas than that of the enrollment decline figures, it is recommended that routine presentations on the SCFF data be provided and incorporated into the Strategic Enrollment Management Plan. The typical intervals of review would be the Budget Cycle (June - September), First Period Principal Apportionment (January), Recalculation of Prior Fiscal Year (February) and Second Period Principal Apportionment (May). It is also recommended that the district review the data presented during these periods and adjust the Strategic Enrollment Management Plan based on changes in data. This would align the Strategic Enrollment Management Plan with the SCFF and allow the plan to be fluid with changes in enrollment.

The classroom efficiency trend in the spreadsheet in the appendix also shows a need to evaluate the class schedule, fill rates and classroom assignments. Additionally, there needs to be separate analysis on classroom efficiency for credit versus non-credit course offerings. The analysis that the Budget Sustainability Workgroup reviewed was overall classroom efficiency, but because there are substantial investments being made in the non-credit section of enrollment, separate analysis on FTES/FTEF, WSCH/FTEF fill rates, and capture rates should be reviewed.

Next Steps

1. Assess classroom efficiency and set targets or efficiency goals in policy by improving classroom scheduling procedures; expand on productivity section in enrollment management plan.
2. Review Strategic Enrollment Management Plan to emphasize maximizing the Student-Centered Funding Formula elements.
3. Incorporate supplemental and success metrics in the formal CCFS-320 reporting and cabinet level review process, to include the Governing Board and constituency groups.
4. Analyze and assess process for classroom efficiency and capture rate of non-credit offerings **separate from** credit. It is important to understand the different classroom efficiency and revenue/costs expectations separately from traditional credit programs of study.
5. Communication and involvement of campus community early on. Share information and status timely to ensure buy-in.

6. Evaluate CTE enrollment to determine why credit certificates have declined by 88%. Declines in CTE programs indicate a negative impact on supplemental and success awards.

II. Standardized Reporting, Budget Development & 50% Law

Working with the District's staff, CWP developed and presented an integrated report that compared enrollments, staffing, finances and efficiency. The reports were developed manually and required manipulation in order to put it into a comprehensive and cohesive report. The Supplemental & Student Success 5-year trend had to also be manually produced. It is important to have fully vetted reports that can be replicated each year and shared with constituent groups to populate the comparison chart. This will build trust and give the district the information they need to make decisions. Additionally, a review of the district's compliance with the 50% law and salary and benefits ratio to overall expenditures was conducted.

50% Law

The Statewide average figure for 50% law compliance was 51% in 2021-2022. Having a significantly higher figure indicates problems in the operational areas of the institution. For example, it could show that there isn't adequate staffing in operations, fiscal or student services. It can also indicate that there isn't enough being invested in maintaining facilities, infrastructure or information technology solutions. The District's 21-22 exclusions under the 50% law was about 1.8% of their Current Cost of Education (CCE). Typical benchmarks for District's that CWP, LLC has worked with in the past is between 4-5%. This means that there is a potential for the 50% law compliance to be higher in exemptions for 22-23 than what is projected as of February 2023. If we multiply the exemptions by the normal 4%, the exemptions would go from $2,076,754 to $4,494,657. This would bring their 50% compliance closer to 54% as opposed to the reported 52.71%. Below is a historical table showing the District's compliance with the 50% law, as well as the estimate for 22-23, which excludes the results of conducting a salary study. There is potential that the estimate could increase. The goal is to accurately calculate the current expense of education by properly coding expenses and respecting both the classroom (numerator) and operational (denominator) budgets. The chart below indicates the operational "side" of the district is not funded appropriately based on the 50% law which has contributed to budget deficits and escalating facility maintenance liabilities.

50 % Law:	2018-19	2019-20	2020-21	2021-22	2022-23
Instruction Salary Costs	52,578,392	56,412,926	50,988,869	54,086,196	58,128,775
Current Expense of Education	95,664,452	99,424,754	88,423,344	101,535,506	110,289,665
% of Instructional Salary Costs to CEE	54.96%	56.74%	57.66%	53.27%	52.71%
50% Requirement	47,832,226	49,712,377	44,211,672	50,767,753	55,144,833
Over/(Under) 50% Requirement	4,746,166	6,700,549	6,777,197	3,318,443	2,983,943

Salary & Benefits Ratio

Both the ACCJC CFI and the FCMAT FHRA have a benchmark of not exceeding 85% of ongoing expenses relating to total compensation (salaries and benefits of all groups, including retirees and instructional service agreements). The reason for this is because there are other costs associated with operating the college. This includes the cost of opening the doors and turning on the lights, for example. Keeping the salaries and benefits at or below 85% allows the other 15% of unrestricted expenditures to be used on items such as:

Legal	Rents & Leases	Travel & Conferences
Audits	Board Elections	Dues & Memberships
Facility Maintenance	Waste Disposal	Custodial & Grounds Supplies
Postage	Consultants	Liability & Property Insurance
Telephone	Instructional Supplies	Copying & Printing
Advertising	Instructional Media	Interfund Transfers Out
Bank Charges	Capital Outlay	Computer Software Maintenance

When a District starts to exceed the 85% recommended compensation threshold, it starts to create pressure on the above referred other areas of operating a district. For example, it will leave little to no room to increase instructional materials in the classroom, facility repairs or unfilled critical operational positions. There are other costs that the institution must pay relating to maintenance agreements, facility upkeep, software licensing and utilities. Developing a policy on establishing a ratio for Districtwide salary and benefits (total compensation) levels to overall ongoing expenses would help alleviate the pressure of other operating expenditures of the college and assist in overall operational effectiveness. The 85% standard may be adjusted once a district has historical data, and a comprehensive fixed cost report is established to "prove" 85% is not appropriate.

It is recommended that the College consider targeting something at or less than the 85% factor:

- to increase budget flexibility, given the State of California's dependence on capital gains tax revenues and resultant budget instability;
- to meet the ongoing maintenance and modernization needs of facilities;
- to provide resources to enhance institutional effectiveness through strategic planning and program review initiatives;
- to address the increasing costs of data security; and
- to provide a hedge in the near term relative to external financial threats.

Non-instructional faculty, known locally as educational support division (ESD) faculty overload

The District has increased its non-instructional overload percentage significantly over the past 9 years. Part of this could relate to when faculty are assigned outside of the classroom. When this occurs, there is high potential that their classes need to be backfilled by other faculty to teach the course. This can be an additional expense because faculty are also being paid to be outside of the classroom. There are some contractual reassign time that is required for the District; however, there may be some reassign time that is not contractually obligated. It is recommended that the District review the faculty reassignments and determine what is contractual versus non-contractual.

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	9 Year
Non-instructional Overload	0	20,675	33,467	165,900	176,940	253,148	320,630	228,600	224,967	988%

Additionally, as mentioned above the district has not set aside funding for the other post-employment benefits trust. It is recommended that this be reviewed, and a funding plan established and incorporated into the budget development process.

Next Steps

1. 50% Law: Conduct time & effort study to ensure that current cost of education exemptions is fully captured.
2. 50% Law: Analyze the impact of a high 50% law on operations and student services.
3. 50% Law: Set 50% law target at 51% that includes meeting classroom efficiency targets.
4. Budget Development: Increase transparency of components of operational accounts 5XXX, 6XXX & 7XXX.
5. Standardized Reporting: Maintain the historical trend analysis report developed by CWP and create standardized reports to easily update the data each year.
6. Standardized Reporting: Develop supplemental and success trend reporting to augment the 320 (enrollment) review process.
7. Standardized Reporting: Complete the FCMAT Financial Health Risk Assessment (FHRA) checklist on an annual basis until fiscal sustainability goals are met.
8. Standardized Reporting: Complete the ACCJC Composite Financial Index (CFI) on an annual basis.
9. OPEB: Develop a funding plan into an irrevocable trust for OPEB liability; could also be a part of BP6250. Designate one-time funding into OPEB trust and/or pension stabilization fund, as funding is available. The analysis should also take into consideration any pay-go amounts.

10. Salary & Benefits Ratio: Maintain Salary & Benefits ratio at 85% or below; establish policy goals. Over time, this may change due to other factors.
11. Non-instructional overload: Review non-instructional overload trends to determine if necessary; reassign time dollars have increased substantially based on payroll report data.
12. Request to the Chancellor's Office that a comprehensive Fiscal Health Risk Assessment (FHRA) be conducted.

III. Facilities & Space Utilization

California Education Code Section 81821(e) requires "an annual inventory of all facilities of the district." The California Community Colleges Space Inventory provides planning and management data about existing physical facilities. The building and room data are for planning, scheduling, assigning, and accounting for the various types of spaces in facilities available for serving the purposes of the California Community Colleges.

The space inventory as required by statute provides the essential database for examining utilization of facilities and, as a consequence, the planning for, allocation of, and addition to the statewide Five-Year Construction Plan prepared each year. The space inventory format consists of a facilities inventory list, reports, and summaries. The inventory list provides a room summary for each building plus identifying quantitative data. The reports are organized with various formats that provide detailed information on facility identification, room, and standard classification data. In addition, the reports provide details on the number of rooms, assignable square feet, number of stations and other facilities data. The summaries give college, district and statewide totals from report data.

Capacity to Load Ratio

The State uses a capacity (how much space) to load (weekly student contact hours) ratio to determine if a district has the appropriate number of classrooms, laboratory, and office space for the size of the district. A cap/load ratio of 100 is considered efficient. Any number above 100 is considered over built. Below 100 is considered underbuilt. The State uses the highest annual WSCH from the past 5 years and compares it to the most recent space inventory report. The Spring 2023 cap/load ratios for Santa Barbara City College are as follows:

Lecture – 126% - Over built

Laboratory – 241% - Over built
Office – 76% - Under built

These figures do not include the impact of online students. Hybrid instruction is considered on campus. Currently, a facility master plan is being developed that will include a full space audit and analysis.

Facility Condition Index (FCI)

The facility condition index is a tool used to gauge the physical condition of a building system or facility. It's represented as a percentage and is computed by taking the expected cost to bring the facility up to acceptable standards (by means of repairs, etc.) and dividing it by the total replacement value.

Facility managers widely utilize FCI to make informed decisions regarding maintenance, budgeting, and upgrades. A high FCI may indicate the need for major repairs or improvements, while a low score means the facility is well-maintained and in good shape. FCI plays a crucial role in maintaining the functionality and safety of a facility and helps in making informed decisions about upkeep, upgrades, and capital improvement. Buildings with high scores will need to be evaluated further.

FCI Range
Good Condition – Below 5%
Fair Condition – 5% to 10%
Poor Condition – 10% to 30%

Current Building Inventory
Total buildings – 98
Estimated repair cost - $163,884,573.00
Average FCI% - 43.56

Note – 82 of the 98 buildings are over 300 sq feet
Note – 41 of the buildings have a FCI above 50%

Cliff College Campus
The Main Campus consists of 18 large buildings ranging from 5200 and 64,894 square feet. Except for the West Campus, Business Comm, and the Campus Bookstore, the FCI for the remaining 15 large buildings are over 50%. 23 of the smaller structures are portable or modulars.

Wake Center

The Wake Center has seven buildings between 3,240 and 11,080 square feet and 16 structures under a 1000 sq ft. Based on the space inventory, 10 of the smaller structures are portable. The seven larger buildings have an FCI index of approx. 57% while four of the portables have an FCI above 100%. The learning site has six newer portables and several newer sheds and storage areas.

Schott Center

The Schott Center consists of one main building of 20,072 sq ft that was last modernized in 1981. The FCI is listed at 17.37%
Ten smaller structures (seven portables) are included in the space inventory that have FCI percentages of over 100%

<u>The chart below is a space comparison of like size districts.</u>

Gross Square Footage (GSF) vs Assignable Square Footage (ASF)

College	Approx. FTES	Gross Sq Ft	Assign Sq Ft	Efficiency ASF /GSF	GSF per FTES
Desert	9,500	716,259	489,256	68%	75.39
Antelope Valley	9,500	824,525	575,231	70%	86.79
Cypress	10,000	809,629	437,571	54%	80.96
Rio Hondo	12,500	793,837	490,345	62%	72.17
Citrus	10,000	762,994	492,668	65%	76.30
Victor Valley	10,000	593,175	437,353	74%	59.31
Santa Barbara	10,300	814,036	457,336	56%	79.03

Note: Goal: Efficiency highest possible/Goal: GSF per FTES lowest possible

A low ASF per GSF indicates elevated levels of non-usable space within the district. The goal is to have an efficiency rate of 70%. Because all space in cooled, heated, maintained, etc., it is critical to improve the efficiency of space as part of any new capital planning.

Next Steps

1. Validate the space inventory report and make necessary adjustments for the October 1st submission. A comprehensive review (if not done recently) must be done as a first step in understanding current space utilization.

2. Complete a space utilization study & an enrollment study (recommended above) to better understand the enrollment trends and space utilization for the programs of study. Lab Weekly Student Contact Hours (WSCH) are low compared to overall WSCH (12-15%). Understanding the trend (lab WSCH) will help understand academically why cap/load ratios are over 200% (twice the needed space).
3. Once a space utilization and enrollment study are completed, develop an Education and Facilities Master Plan that addresses the Gross Square Footage (GSF)/Assignable Square Footage (ASF) efficiency, the age and condition of buildings and number of buildings by focusing on right sizing and building consolidation.
4. Currently, the systemwide average Total Cost of Ownership (TCO) is approx. $8.00 to $10.00 per square foot per year for custodial, utilities, general maintenance staff, and grounds. This does not include scheduled large maintenance items, renovation or replacement costs. As an example, SBCCD currently has twice the space needed for laboratory classes. This equates to approx. 60,000 sq. ft. extra. At $10.00 per sq. ft. or $600,000 in additional TCO costs per year (not including large maintenance, renovation or replacement costs).
5. Complete a TCO baseline study for the SBCCD which is an accreditation requirement.
6. Consolidate facility use to align with current FTES and evaluate facilities for potential rental opportunities.

IV. Program Review & Resource Allocation

Integrated planning processes should include a link to the District's resource allocation process. There are other institutional planning documents that indicate requests for resources. These include the Educational Master Plan, the Facilities Master Plan, the Information Technology Plan, Human Resources Staffing Plan, etc. The best practice is to incorporate all of the various planning documents of the institution into an integrated resource allocation process.

Program reviews include planning of the various institutional areas and requests for resources to meet goals and assessment. Integrating the program review process with the institution's resource allocation process ensures there is an understood, transparent and vetted process on how resources are allocated among the District. During the Budget Sustainability Workgroup meeting, there was an interest in looking at sample program review templates for operations. There was also an interest in reviewing samples of other district resource allocation processes. Best practice is having a proposal request process, scoring rubric that assigns points based on the institutional planning documents, Educational Master Planning Goals or Operational Outcomes, Board of Trustee Goals/President's Goals and measurability of assessing the outcome of allocating the necessary resources. It is also critical to have a method of communicating the results of the resource allocation process to the institution's constituent groups. The program review "cycle" is a critical component of fiscal sustainability.

Next Steps

1. Modify the program review template for programs of study and operation/support program areas to include (classroom and staffing) efficiency and financial trends.
2. Integrate the various goals and planning documents into a streamlined resource allocation process to include allocations of one-time and ongoing funding.
3. Develop a hiring rubric and position resource allocation tied to planning, one-time and ongoing funding so grants expiring and categorical funding moving to unrestricted fund is planned for in the annual budget cycle.

Conclusion

The District should identify which items would be best served by board policies, administrative procedures, institutional goals, desk manuals, standing reports, etc. when developing goals and plans to meet the recommendations in this report. Part of the policy development should include assessing classroom efficiency and setting targets or efficiency goals in by improving classroom scheduling procedures. Institutionalizing decisions and goals with clear documentation from the Board of Trustees and others improves continuity as personnel changes as many of these area goals will take time to meet.

The District has an infrastructure to support at least 18,761 FTES per 2009-2010 reported total resident and nonresident FTES. The 22-23 total resident and nonresident FTES is 11,665. With such a drop in FTES, the District should evaluate the efficiency of facility use and consolidate where possible. The District should also evaluate opportunities for unused space after consolidation. The district should evaluate staffing levels to support the student population.

The "funding floor" is expected to start in the 25-26 fiscal year. This means that the opportunity to grow back FTES lost due to the pandemic will need to occur by 24-25 fiscal year. Starting in 25-26, the growth will be contingent upon available growth funds at the Chancellor's Office.

The District also has been spending funds well above the 50% compliance for current cost of education requirements. After a salary study is conducted, it is anticipated that this figure will be higher due to exempted activities. This puts a strain on operational departments including facilities upkeep, maintenance and renovation.

By implementing the strategies and recommendations, it will help to reshape Santa Barbara City College to reflect current support needs and produce agility for changes in the future.

Appendix: Historical Trend

SBCCD : Enrollment/Staffing/Salary & Benefits/Revenue Comparison - Unrestricted GF ONLY

				2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23 Actuals	2023-24 Adopted Budget	9 Year (14-15 thru 22-23)
SANTA BARBARA	Produced FTES	Noncredit	Summer	108.31	37.16	0.00	50.64	82.12	301.78	95.84	222.58	127.33		18%
			Primary Terms Noncredit	219.39	110.43	2.74	239.91	597.03	557.33	478.94	400.10	519.84		137%
			Primary Terms CDCP	444.79	387.68	571.46	483.33	492.74	432.76	378.91	414.59	390.09		-12%
			Primary Terms ISA's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0%
			Primary Terms Incarcerated					12.05	13.80	0.31	39.52	18.68		0%
			Subtotal	772.49	535.27	574.20	773.88	1,183.94	1,305.67	954.00	1,076.79	1,055.94	1,250.00	37%
		Credit	Summer	1,739.65	1,431.97	735.73	667.00	666.18	892.10	847.08	1,236.88	1,018.99		-41%
			Primary Terms Credit	11,115.09	10,470.57	11,055.45	10,259.52	10,034.53	9,961.06	9,018.37	7,503.54	7,563.03		-32%
			Primary Terms Special Admit	718.60	772.45	0.00	726.65	724.06	826.80	3.50	791.70	908.98		26%
			Primary Terms ISA's	0.00	0.00	14.49	6.72	9.64	9.39	0.00	0.00	5.44	5.50	0%
			Primary Terms Incarcerated					6.69	11.76	9.33	9.17	3.59		0%
			Subtotal	13,573.34	12,674.99	11,805.67	11,659.89	11,441.10	11,701.11	9,878.28	9,541.29	9,500.03	9,300.00	-30%
			Total	**14,345.83**	**13,210.26**	**12,379.87**	**12,433.77**	**12,625.04**	**13,006.78**	**10,832.28**	**10,618.08**	**10,555.97**	**10,550.00**	-26%
		Credit Efficiency	Average Class Size (annual)	26.11	26.36	26.11	26.36	25.82	26.03	25.81	23.13	17.43		-33%
			FTES/FTEF (semester)	15.25	14.87	14.72	15.00	14.54	14.61	13.63	12.55	11.43		-25%
			Credit Section Counts	4,605.00	4,797.00	4,466.00	4,278.00	4,141.00	4,044.00	3,452.00	3,747.00	4,326.00		-6%
			Non Credit Section Counts	642.00	642.00	717.00	997.00	1,544.00	1,583.00	1,361.00	1,512.00	1,743.00		171%
			Total Section Counts	5,247.00	5,439.00	5,183.00	5,275.00	5,685.00	5,627.00	4,813.00	5,259.00	6,069.00		16%
		FON	Compliance/Advanced FON					213.10	198.10	195.10	205.10	197.10		0%
			Reported FON	233.45	247.50	238.00	228.00	231.00	212.20	198.30	206.10	213.00		-12%
			Reported PT Faculty	193.01	201.80	200.00	211.20	203.40	162.90	172.00	186.40	173.00		-3%
	Staffing	All Teaching FTEF	Contract (full-time)*	211.30	213.70	210.76	204.30	192.55	191.99	179.80	169.00	166.00	177.07	-21%
			Overload Dollars	1,197,419.60	2,624,417.32	2,445,790.00	2,972,324.94	2,309,794.75	2,412,991.09	2,300,705.03	2,869,754.10	2,124,469.40		77%
			Overload FTEF	54.35	50.53	47.84	44.11	44.29	46.06	42.05	54.53	59.26		9%
		# of Positions	Non-Contract (part-time)	89.79	99.30	98.15	133.34	124.25	132.64	117.87	116.86	110.27	106.00	23%
		Unrestricted Gen Fund FTE	Management	53.22	49.38	47.08	44.39	48.75	51.42	48.22	54.24	55.36	61.65	4%
			Staff	246.43	268.42	262.79	249.15	254.44	254.72	241.84	237.60	238.84	255.70	-3%
	Unrestricted General Fund Salary & Benefits	Revenues	Revenues	96,222,908	110,629,196	96,286,212	93,808,372	98,485,923	100,190,970	93,295,861	103,243,264	113,736,632	118,954,796	18%
		89XX	Other Financing Sources	106,451	257,213	348,203	451,566	800,826	420,101	7,211,612	4,789,591	266,768	400,000	151%
			Total	**96,329,359**	**110,886,409**	**96,634,415**	**94,259,938**	**99,286,749**	**100,611,071**	**100,507,473**	**108,032,855**	**114,003,400**	**119,354,796**	**18%**
		Salaries	Subtotal	64,893,405	64,522,938	63,802,259	60,558,190	66,149,546	66,614,745	59,475,707	66,265,625	69,845,985	76,157,058	8%
		Benefits	CalPERS (w/o on-behalf)	2,107,469	2,248,779	2,573,078	2,701,834	3,469,263	3,900,470	3,868,252	4,532,486	5,576,133	5,771,916	165%
			CalSTRS (w/o on-behalf)	3,135,342	3,644,916	4,348,166	4,324,911	5,317,404	6,165,248	5,307,121	5,851,588	6,918,549	6,627,129	121%
			Health Insurance	7,330,263	7,577,212	7,707,627	7,689,736	7,663,387	8,144,698	8,016,281	7,524,941	7,899,919	10,873,064	8%
			Other Benefits	3,819,806	3,767,233	3,747,002	4,443,533	4,778,593	4,742,326	4,736,399	4,407,019	6,121,602	4,832,360	60%
			Subtotal	16,392,880	17,238,140	18,375,873	19,160,014	21,228,647	22,952,742	21,928,053	22,316,034	26,516,203	28,104,469	62%
	Unrestricted General Fund Expenses	4000	Supplies	2,263,152	2,287,847	1,979,088	1,766,248	1,699,388	1,088,961	632,941	1,785,907	1,577,165	2,054,671	-30%
		5000	Other Operating	9,094,445	9,737,212	9,164,989	9,742,683	10,578,613	9,524,626	7,307,845	11,957,029	13,672,972	12,894,739	50%
		6000	Capital Outlay	269,583	263,508	267,964	173,800	428,688	493,804	319,607	774,570	567,354	528,970	110%
		7000	Other Outgo	1,346,630	19,301,639	4,097,676	875,600	1,366,140	2,268,612	1,250,764	3,722,951	3,789,042	3,200,000	181%
			Subtotal	12,973,810	31,590,206	15,509,717	12,558,330	14,072,829	13,376,003	9,511,157	18,240,457	19,606,533	18,678,380	51%
			Total	**$ 94,260,095**	**$ 113,351,284**	**$ 97,687,849**	**$ 92,276,534**	**$ 101,451,022**	**$ 102,943,490**	**$ 90,914,917**	**$ 106,822,116**	**$ 115,968,721**	**$ 122,939,907**	**23%**

Notes to Historical Trend:

- The CalSTRS figures do not include the on behalf figures in revenues or expenditures.

Per Fiscal Office:

- The decrease in CalSTRS for FY23-24 primarily reflects the impact of overpayments in FY22-23 for STRS. Additionally, a refund is expected in FY23-24 that has not been budgeted. The refund amount is $828,990.
- The additional budget amount in Health Insurance is for FY23-24 reflects $640K related to an 8.10% rate increase and $2.3 million budgeting of benefits relating to vacant positions and changes to the mix of benefits selected (insurance for family, 2 people, 1 person)
- The Other Benefits decrease in FY22-23 is $900K of retirement benefits that were recorded as prepayments but was related to FY21-22. This was part of the cleanup of the prepayment accounts.

References

[1]Association of Chief Business Officials, Association of California Community College Administrators, and the Community College League of California, *Joint Analysis Enacted 2023-2024 Budget, California Community Colleges,* July 10, 2023, https://www.cccco.edu/-/media/CCCCO-Website/College-Finance-and-Facilities/Budget-News/Budget-2023-2024/Joint-Analysis-Enacted-Budget-2023-24_Final.pdf?la=en&hash=217B13A37730845DA1481ACE154CE4489C9609FC

[2]School Services of California Inc., *SSC Community College Financial Projection Dartboard 2024-25 Governor's Budget,* January 22, 2024