

Grossmont-Cuyamaca Community College District

Income Allocation Model (IAM) Overview

History & Background:

- Budget Allocation Taskforce (BAT) was formed in Spring 2012 to serve as an advisory taskforce to the Chancellor for assessment, analysis, and recommendations regarding budget allocation between the sites. Tri-Chairs were the presidents from both colleges and the Vice-Chancellor of Business Services. The composition Included Academic Senate Representatives from both colleges, classified senate representative, and CBOs from both colleges.
- BAT reconvened in early 2023 and came up with new recommendations on the IAM calculations
- The IAM model will be continually assessed and reviewed every three years

Components of IAM:

- Unrestricted General Fund Revenue
- Beginning Balance
- Districtwide Commitments/Contingency Board Reserve
- District Services Allocations

Calculation of IAM:

- $\text{UGF Revenue} + \text{Beginning Balance} = \text{Total Funds Available}$
- $\text{Total Funds Available} - \text{Commitments} = \text{Site Allocations}$

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Unrestricted General Fund Revenue:

- **State Apportionment Revenue (SCFF)**
 - Basic Allocation: based on the size of college FTES
 - Grossmont College is a mid-size college $\geq 10,000$ FTES
 - Cuyamaca College is a small size college $<10,000$ FTES
 - FTES Allocation: based on **Resident FTES** 3-Year Average
- **Full-Time Faculty Hiring Funds**
 - 2015/16 : GC 10 / CC 5
 - 2018/19: GC 6 / CC 6
 - 2021/22: GC 11 / CC 13
- **Revenue Reduction – State Deficit**
 - In some years, District budget a revenue deficit (reduction to revenue) in anticipation of State not funding us for the total apportionment amount
 - Amount of deficit is split between the colleges based on **Resident FTES** percentage
- **Other State Revenue**
 - Revenue is split based on the % of State Apportionment and Full-Time Faculty Hiring Funds
 - Lottery
 - Part-Time Faculty Compensation (Parity)
 - ❖ District has one schedule for PT & Overload and PT are paid the same rate as the overload rate
 - Mandated Block Grant – based on FTES
 - College Promise Grants (BOG Fee Waivers Administration Fee)
 - Adjunct Office Hours Reimbursement
 - Adjunct Health Benefits Reimbursement

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- **Local Revenue**

- Each college estimates its local revenue and is dedicated to the site
- The following year budget is adjusted if actual revenue came in higher or lower
- Local revenue is defined as those revenues earned specifically by location and directly under the control of each college or District including but not limited to the following:
 - Non-Resident Tuition (International & Out of State)
 - Facility Rentals
 - Transcripts
 - Interest
 - Cellular Transmitters
 - 2% Pass Through Property Taxes from SDCOE
 - ❖ Split between colleges based on Assignable Square Footage
 - GC – 58.4%
 - CC – 41.6%

- **Transfers In**

- Transfers from Other Postemployment Benefits Fund (OPEB) to fund retiree health benefits
- Transfers from Restricted Fund for a specific allocation

- **Transfers Out**

- Transfers to Restricted Funds:
 - Parking Fund
 - Funding Technology and ESS Projects
 - College specific technology needs
 - Funding of unanticipated cost, legal settlement, fines
 - One-Time use

Beginning Balance

- Each site keeps their ending balance from prior year including Purchase Order Carryover (POCO)

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Districtwide Commitments Costs:

- Cost is deducted from the college allocation based on **Total FTES** percentages
- Expenditures considered to be regulatory or committed and of benefit to the entire District
- Budget is estimated on prior year expenditures and or on updated rates
- Districtwide expenditures includes:
 - Contingency Board Reserve
 - Board Election
 - IT system maintenance agreements and software
 - Property, casualty & liability insurance
 - Law enforcement – SD County Sheriff
 - Retirees health benefits
 - SERP payments – until 2025/26
 - Bargaining related commitments
 - Students credit card fees
 - Bank charges
 - Legal expenses
 - Election expenses
 - Personnel Commission
 - Memberships

District Services Allocations:

- Cost is deducted from the college allocation based on **Total FTES** percentages
- Budget is based on projected salaries and benefits plus a baseline budget for supplies and operating expenses:
 - Current baseline amount is \$1.4 million, this amount increases by the COLA % each year
- District Services allocation funds activities overseen by the District Office such as:
 - Governing Board & Chancellor
 - Human Resources
 - Public Safety/Risk Management
 - Information Technology
 - Research & Planning
 - Educational Support & Services
 - Marketing & Communication
 - Business Services