

# Budget Reductions for De Anza College

De Anza College's reduction amount is 50% (\$5M) over 3 years

- \$1M in FY17/18 – identify by June 30, 2018 and implement by July 1, 2019
- \$1.5M in FY18/19 - identify by June 30, 2018 and implement by July 1, 2019
- \$2.5M in FY19/20 - (dependent on enrollment trends)

## FY17/18 Plan

- No layoffs although vacant positions may not be filled
- Ending-fund balance will cover the FY17/18 \$1M pending identification & implementation of permanent cost reduction by July 1, 2019
- Shared governance process (PBTs) identify permanent ongoing reductions
- Identify cost-savings (e.g. software contracts)

# Proposed Budget Reductions by Division

	Proposed Reduction %	FY17/18 &18/19	FY19/20	Total
President	1%	25,000	25,000	50,000
Communications	1%	25,000	25,000	50,000
VP Finance & College Operations	9%	225,000	225,000	450,000
VP Instruction	45%	1,125,000	1,125,000	2,250,000
VP Student Services	32%	800,000	800,000	1,600,000
AVP, Student Outreach Services	12%	<u>300,000</u>	<u>300,000</u>	<u>600,000</u>
		2,500,000	2,500,000	5,000,000

## % of total General Fund budget at year-end close FY16/17

	"A" Budget		"B" Budget			Part-Time Faculty		Total		Percent of Total
	Budget	YTD Actual	Original Budget	Standard-ization*	YTD Actual	Budget	YTD Actual	Budget	YTD Actual	
President	815,853	815,853	131,863	-	94,366	-	-	947,716	910,219	1%
Less: Collective Bargain B/fill**	(343,800)	(343,800)	(12,528)	-	(12,528)	-	-	(356,327)	(356,327)	
Communications	929,252	929,252	302,453	125,574	360,650	-	-	1,357,279	1,289,902	2%
VP Finance & College Ops	3,559,895	3,559,895	466,935	318,739	554,669	-	-	4,345,569	4,114,564	5%
Collegewide	-1,264	-1,264	4,749,060	-	41,226	-10,382	-10,382	4,737,414	29,580	0%
Less: Carryforward Balance			(4,632,248)					(4,632,248)		
VP Instruction***	36,884,379	36,884,379	1,330,921	488,199	1,636,124	26,665,954	26,665,954	65,369,453	65,186,457	81%
VP Student Services	4,531,369	4,531,369	637,522	193,078	576,139	331,141	331,141	5,693,109	5,438,649	7%
AVP, Student Outreach Services	3,103,246	3,103,246	174,345	235,922	358,671	-	-	3,513,513	3,461,917	4%
<i>Total FY 2016-17</i>	<i>49,478,930</i>	<i>49,478,930</i>	<i>3,148,322</i>	<i>1,361,512</i>	<i>3,609,317</i>	<i>26,986,714</i>	<i>26,986,714</i>	<i>80,975,478</i>	<i>80,074,961</i>	<i>100%</i>

\* Additional standardized and supplement "B" budget    \*\* Collective bargaining backfill funded by District    \*\*\* Includes \$500,000 for PDL backfill funded by campus

# De Anza Carryforward Forecast

	<u>FY16/17</u>	<u>FY17/18</u>	<u>FY18/19</u>
Beginning Balance	\$5,400,000	\$5,394,082	
Less: General Reserve	(\$1,500,000)	(\$1,500,000)	
Less: Financial Aid Allocation		(\$97,766)	
Less: Restricted Revenue Funds	(\$91,927)	(\$60,895)	
Less: Accreditation Reserve	(\$38,134)	(\$51,986)	
Revised Beginning Balance	<u>\$3,769,939</u>	<u>\$3,683,435</u>	<u>\$1,897,703</u>
Additional Local Revenue	\$73,193	\$70,000	\$70,000
Salary Float/PAA/AAA/PG Backfill (net)	\$1,556,822	\$1,200,000	\$1,100,000
Used Lapse	(\$309,830)		
New Positions (approved FY15/16 - 5.5 positions)/Existing position backfill	(\$151,733)	(\$151,733)	(\$151,733)
Proposed Positions (to be reviewed FY16/17-1 positions)		(\$61,000)	(\$61,000)
Additional ongoing B due to position reorgs	<u>\$174,103</u>	<u>\$145,000</u>	<u>\$145,000</u>
B Budget Augmentation	(\$1,866,247)	(\$1,300,000)	(\$1,300,000)
FY16/17 Additional B Budget Request		(\$603,000)	(\$603,000)
Difference of B Actuals vs Budget	<u>\$641,698</u>		
Additional Financial Aid Allocation	\$97,766		
Recruitment Costs	(\$38,800)	(\$70,000)	(\$70,000)
One Time Costs	(\$37,829)		
Mandatory Budget cuts		(\$1,000,000)	(\$2,500,000)
Accreditation Reserve	(\$15,000)	(\$15,000)	(\$15,000)
Estimated Ending Balance:	<u><u>\$3,894,082</u></u>	<u><u>\$1,897,703</u></u>	<u><u>(\$1,488,030)</u></u>

# Proposed Timeline

## **October 26, 2017**

College Council approves proposed allocation of budget reduction amounts

## **October 27, 2017 – April 6, 2018**

PBTs charged with analyzing respective areas & identifying cuts totaling proposed amounts. Recommendation that PBTs do 3 year analysis. Cuts can be categorized in tiers e.g. year 1 (FY17/18) year 2 (FY18/19) and year 3 (FY19/20). PBTs submit recommendations to Finance Office for analysis & reconciliation by April 6, 2018.

## **April 24, 2018**

Campus Budget reviews rough draft proposal and provides recommendations to College Council.

## **May 8, 2018**

PBTs submit reconciled reduction plans to College Council for review and approval at May 10, 2018 meeting. If approved, College Council forwards reduction plan to Chancellor's Cabinet for review

## **May 25, 2018**

Deadline to submit College Council approved budget reduction plan to Chancellor's Cabinet for review and approval

## **June 1-17, 2018**

If necessary, De Anza uses this time to review and incorporate recommendations from Chancellor's Cabinet into reduction plan

## **June 18, 2018**

Deadline to submit finalized budget reduction plan to Chancellor's Cabinet and placed on July 9, 2018 Board agenda