



# Board of Trustees

Los Angeles Community College District

**ACTION**

Com No. BF4

Division: BUSINESS AND FINANCE

Date: June 13, 2012

**Subject: AMENDMENT TO BUDGET ALLOCATION MECHANISM**

Approve the District Budget Committee (DBC) recommendations to amend the Budget Allocation Mechanism, adopted by the Board of Trustees on February 07, 2007 (Board Communication BF2, dated 02/07/2007), to increase the College Basic Allocation to include minimum administrative staffing and maintenance and operations (M&O) costs as delineated in Phase I, as follows:

**PHASE I - Increase the College Basic Allocation to include minimum administration staffing and maintenance and operations (M&O) costs (Attachment I)**

**A. Each college shall receive an annual base allocation to fully fund the following:**

1. Minimum Administrative Staffing:
  - a. (1) President,
  - b. (3) Vice Presidents,
  - c. (1) Institutional Research Dean,
  - d. (1) Facilities Manager,
  - e. Deans
    - i. (4) Deans => small colleges (FTES < 10,000),
    - ii. (8) Deans => medium colleges (FTES >= 10,000 and < 20,000),
    - iii. (12) Deans => large colleges (FTES >= 20,000);
2. Maintenance and Operations costs based on average cost per gross square foot

After allocating the minimum base allocation in items 1 and 2 above, all remaining revenue (except non-resident tuition, dedicated revenue, and apprenticeship revenue) shall be distributed to colleges based on their proportion of the District's funded FTES.

**B. Transition Funding:** The Committee recommends that the District set aside necessary funds from the District's reserve ( or new revenue) in order to mitigate the adverse effect on any college that experiences a reduction in its allocation as a result of the implementation of this change. The reduction will be implemented as follows:

1. No reduction in the first year (2012-13) to any college
2. One-third of the allocation reduction in the second year
3. Two-thirds of the allocation reduction in the third year
4. The full allocation reduction in the fourth year

**C. The Committee also committed to addressing the remaining allocation issues in PHASE II for implementation in the 2013-14 fiscal year.**

**D. There will be an annual assessment of the allocation model**

Recommended by:

Adriana D. Barrera  
Adriana D. Barrera, Deputy Chancellor

Approved by

Daniel J. LaVisa  
Daniel J. LaVisa, Chancellor

Chancellor and Secretary of the Board of Trustees

By: \_\_\_\_\_ Date \_\_\_\_\_

Candaele _____	Santiago _____
Field _____	Svonkin _____
Park _____	Veres _____
Pearlman _____	Campos _____
	Student Trustee Advisory Vote

# Board of Trustees

Los Angeles Community College District

Com No. BF4	Division: BUSINESS AND FINANCE	Date: June 13, 2012
-------------	--------------------------------	---------------------

## BACKGROUND:

On March 6, 2012, the District Budget Committee (DBC) passed a motion recommending a change in the budget allocation process for the District. The recommendation increases the College Basic Allocation to include minimum administrative staffing and maintenance and operations (M&O) costs. Additionally, the recommendation outlines 5 areas of further study and a timeline for review and recommendation(s) to be forwarded to the Chancellor for consideration.

Since 2007, the District has allocated funds to colleges using the current District Budget Allocation model which is based on the State SB 361 funding model. It is a revenue model based on enrollment and decentralized funding in which colleges receive their allocations and set their own budget priorities to meet their program and service needs. It has served the District well by providing the colleges with an incentive to grow in order to generate revenue from funded enrollment growth over the years. State general revenue earned by colleges is distributed to colleges less assessments to pay for centralized expenditures, district office functions and services, and set-aside funds for contingency reserve.

While the current allocation mechanism has helped the District to capture available growth funding, it has also contributed to a widening gap in the fiscal conditions of the colleges. Only two colleges, East Los Angeles College and Pierce College, have been able to accumulate healthy balances; the other colleges have all struggled to keep their heads above water. The balance at East Los Angeles College has grown to almost half of the LACCD's entire \$90 million 2010-11 ending balance, and because "East's balance is really the District's balance," East Los Angeles College has had very limited access to its very large balances.

Changes to the SB 361-based model have been made in the past to provide additional funding to increase college basic allocations for small colleges (Harbor, Mission, Southwest, and West). There was also an increase to the basic allocation of Los Angeles Trade-Technical College in recognition of the college's high proportion of high-cost Career Technical Education programs.

**In August 2010**, the Chancellor met with the Fiscal Policy and Review Committee (FPRC), to address the state budget reduction impact on the District for fiscal years 2010-11 and 2011-12 and discuss the Committee's review of the budget allocation model.

**During January 2011 - June 2011**, the Chancellor discussed with the Committee his plan to review the entire District committee structure, including reviewing the FPRC and District Budget Committee (DBC) charges to ensure that budget planning policies and recommendations are consistent with the District's Strategic Plan. The revised FPRC and DBC charges were recommended to the DBC in February for review. The FPRC name was also changed to "Executive Committee of the District Budget Committee" (ECDBC). The revised ECDBC and the DBC charges were approved by the DBC in June 2011.

# Board of Trustees

## Los Angeles Community College District

Com No. BF4

Division: BUSINESS AND FINANCE

Date: June 13, 2012

From March 2011 through January 2012, the Committee spent a considerable amount of time reviewing the District's current allocation formula and other multi-campus districts' budget allocation formulas in order to determine if there is a better way to allocate funding to the colleges. The Committee has recommended maintaining the basic framework of the current SB 361 funding allocation mechanism and has identified the following possible changes to the existing model to provide more adequate funding for colleges to sustain operations:

1. To increase the basic allocation to cover minimum administrative costs and Maintenance & Operations costs.
2. To set a maximum percentage of future college balances allowed to be carried forward.
3. To review the funding assessment methodology for the District Office, District-wide Centralized Services, and the Contingency Reserve.
4. To fund colleges using a differential growth rate based on factors inclusive of population density and participation rate, as well as on the need to grow to achieve greater economies of scale.
5. To insist that the operating costs of colleges reflect efficiency and improvement in productivity by management of non-instructional staffing through a well thought-out and conservative staffing plan.
6. To treat operating deficits as a loan in the first year, but not allow deficits to be accumulated.

On November 28, 2011, the ECDBC decided that it would be too drastic to implement all the suggested changes at once. Instead, Recommendation #1 should be implemented in PHASE I and other recommended changes should be deferred for future discussion in PHASE II.

On January 5, 2012, the Committee voted 7 to 2 to recommend PHASE I to DBC for review and subsequent recommendation to the Chancellor for implementation.

### RATIONALE TO SUPPORT CHANGES

The Committee found that the current funding model has not been adequate to address the needs of the smaller colleges and has contributed in part to the extreme variations in the fiscal conditions of the individual colleges, with some colleges carrying massive balances, and several other colleges chronically in debt. These differences make District decision-making more difficult. Although the model has provided a clear and simpler distribution of funds received from the state, over time this model has disproportionately impacted college operations in the following key ways:

1. The basic (minimum) allocation does not cover the minimum administrative staff and Maintenance & Operations costs, disadvantaging smaller colleges and colleges with more square footage.

# Board of Trustees

Los Angeles Community College District

Com No. BF4	Division: BUSINESS AND FINANCE	Date: June 13, 2012
-------------	--------------------------------	---------------------

2. Under the current mechanism, the growth cap for all colleges is the same. There is no mechanism for assigning different growth caps to different colleges based on service area density, participation rates, or the need to grow to achieve greater economies of scale.

**PHASE I** - Increase the College Basic Allocation to include minimum administrative staffing and maintenance and operations (M&O) costs

<u>BASIS FOR ALLOCATION</u>	<u>TIMELINE AND TASKS</u>
<p><b>A. Each college shall receive an annual base allocation to fully fund the following:</b></p> <ol style="list-style-type: none"> <li>3. <b>Minimum Administrative Staffing:</b> <ol style="list-style-type: none"> <li>a. (1) President,</li> <li>b. (3) Vice Presidents,</li> <li>c. (1) Institutional Research Dean,</li> <li>d. (1) Facilities Manager,</li> <li>e. Deans                             <ol style="list-style-type: none"> <li>i. (4) Deans =&gt; small colleges (FTES &lt; 10,000),</li> <li>ii. (8) Deans =&gt; medium colleges (FTES &gt;= 10,000 and &lt; 20,000),</li> <li>iii. (12) Deans =&gt; large colleges (FTES &gt;= 20,000);</li> </ol> </li> </ol> </li> <li>4. <b>Maintenance and Operations costs based on average cost per gross square footage</b></li> </ol> <p>After allocating the minimum base allocation in items 1 and 2 above, all remaining revenue (except non-resident tuition, dedicated revenue, and apprenticeship revenue) shall be distributed to colleges based on their proportion of the District's funded FTES.</p> <p><b>B. Transition Funding:</b> The Committee recommends that the District set aside necessary funds from the District's reserve (or new revenue) in order to mitigate the adverse effect on any college that experiences a reduction in its allocation as a result of the implementation of this change. The reduction will be implemented as follows:</p> <ol style="list-style-type: none"> <li>5. No reduction in the first year (2012-13) to any college</li> <li>6. One-third of the allocation reduction in the second year</li> <li>7. Two-thirds of the allocation reduction in the third year</li> <li>8. The full allocation reduction in the fourth year</li> </ol> <p><b>C. The Committee also committed to addressing the remaining allocation issues in PHASE II for implementation in 2013-14 fiscal year</b></p> <p><b>D. There will be an annual assessment of the allocation model</b></p>	<p><b>August 2010– Feb 2011</b> -            --ECDBC reviewed "Analysis of Small Colleges and Resources Allocation Mechanism" by Larry Serot.            --ECDBC revised ECDBC and DBC Charges (adopted June 2011).</p> <p><b>March 2011– January 2012</b>            -- ECDBC reviewed other multi-campus districts' budget allocation models and developed recommendations.</p> <p><b>January 2012 – March 2012</b>            -- DBC and colleges reviewed and approved <b>PHASE I</b> recommendation - to increase college basic allocations</p> <p><b>April 2012 – May 2012</b>            -- Board Notice and Adoption of <b>PHASE I Allocation Changes effective July 1 (FY2012-13)</b></p>

# Board of Trustees

Los Angeles Community College District

Com No. BF4	Division: BUSINESS AND FINANCE	Date: June 13, 2012
-------------	--------------------------------	---------------------

## Phase II – Planning Timeline

Following is the proposed planning timeline for the Executive Committee of the District Budget Committee to study the remaining allocation agenda for allocation changes that identify college needs (including M&O), provide funding for colleges to deliver equitable access for students, and ensure that colleges are provided with sufficient funding to maintain quality instruction and student services.

	Planning Timeline	Implementation date
<b>1. Growth Formula</b> – <i>(Study the population density and participation rate in each college service area and other factors and develop a growth funding formula that uses a differential growth rate based on these factors, as well as on the need for a college to grow to achieve greater economies of scale).</i>	Feb. – June 2012	2013-14 Academic year
<b>2. Review the current use of balance policy</b> – <i>(Set a limited percentage of future college balances allowed to be carried forward. Under the current policy, colleges retain their balances. The policy also allows colleges to use \$2 million or up to 25% of their balances, whichever is lesser, and more beyond that with the Chancellor's approval).</i>	April – June 12	2013-14 Academic year
<b>3. Assessments</b> – <i>(Review funding assessment methodology for the District Office, District-wide Centralized Services, and the Contingency Reserve).</i>	April – June 2012	2013-14 Academic year
<b>4. Productivity and Efficiency</b> – <i>(The operating costs of colleges should reflect efficiency and improvement in productivity by management of non-instructional staffing through a well thought-out and conservative staffing plan).</i>	May-July 2012	2013-14 Academic year
<b>5. College Debts and Operating Deficits</b> – <i>(Operating deficits may be treated as a loan in the first year, but deficits should not be accumulated)</i>	June-August 2012	2013-14 Academic year
<b>Report and Recommendations to DBC and Colleges for inputs and comments</b>	August 2012	
<b>Final Report and Recommendations to Chancellor</b>	Sept.-October 2012	
<b>Board Review and Adoption</b>	December 2012	January 2013

**2012-13 PROPOSED BUDGET ALLOCATION  
UNRESTRICTED GENERAL FUND**

	2011-2012	2012-2013		TRANSITIONAL FUNDING ADJUSTMENT - First Year -	PROP BUDGET ALLOC INCLUDING TRANSITIONAL FUNDING ADJUSTMENT	DIFFERENCE BETWEEN CURRENT AND NEW MODEL (W/ \$75 Million Proposed Minimum Base Funding)
	FINAL BUDGET (w/ 6.21% Workload Reductn) NO DISTRIB BALANCES	REVISED PRELIM BUD (W/7.08% Workload Reduction) Current Allocation Model	PROP BUDGET ALLOC (W/7.08% Workload Reduction) New Allocation Model			
City	54,876,252	50,231,968	50,874,951		50,874,951	642,983
East	83,609,415	76,851,897	72,944,989	3,906,908	76,851,897	0
Harbor	27,693,863	25,411,215	26,067,086		26,067,086	655,871
Mission	25,073,412	22,971,426	23,450,864		23,450,864	479,438
Pierce	55,639,261	50,885,436	50,209,216	676,220	50,885,436	0
Southwest	20,372,945	18,579,556	20,543,759		20,543,759	1,964,203
Trade-Tech	47,246,426	43,289,355	44,458,275		44,458,275	1,168,920
Valley	48,964,568	44,722,636	44,353,668	368,968	44,722,636	0
West	28,417,008	26,133,357	26,496,354		26,496,354	362,997
ITV	1,368,020	1,272,260	1,171,109	101,151	1,272,260	0
<b>College Total</b>	<b>393,261,170</b>	<b>360,349,106</b>	<b>360,570,271</b>	<b>5,053,247</b>	<b>365,623,518</b>	<b>5,274,412</b>
District Office	21,988,946	20,124,138	20,124,138		20,124,138	0
Information Technology	10,190,171	9,386,597	9,386,597		9,386,597	0
Centralized & Other	47,945,973	47,943,084	47,943,084		47,943,084	0
Contingency Reserve	25,390,368	23,877,095	23,877,095		23,877,095	0
LA Cnty Sheriff's Contr	14,879,106	14,879,106	14,879,106		14,879,106	0
Funding for New Costs	(6,830,205)	0	0		0	0
Restricted Program Deficit	0	0	0		0	0
Funds for Legal Reserve	0	0	0		0	0
Undistributed COLA (-0.38%)	0	0	0		0	0
College Reserve	0	13,803,465	13,803,465		13,803,465	0
Van de Kamp Innovation	968,772	968,772	968,772		968,772	0
Student Success Initiatives	0	0	0		0	0
Undistributed Balance	90,106,926	52,223,707	52,002,542	(5,053,247)	46,949,295	(5,274,412)
<b>TOTAL</b>	<b>597,901,227</b>	<b>543,555,070</b>	<b>543,555,070</b>	<b>0</b>	<b>543,555,070</b>	<b>0</b>

**Base Allocation Study  
Proposed Minimum Base Funding**

**Revised M&O Cost based on FY 2010-11**

Assumption <sup>(1)</sup>	City	East	Harbor	Mission	Pierce	S-west <sup>(2)</sup>	Trade-Tech	Valley	West	Total
<b>President</b>	210,092	210,092	210,092	210,092	210,092	210,092	210,092	210,092	210,092	1,890,831
<b>Academic Affairs VP</b>	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	1,443,660
<b>Student Services VP</b>	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	1,443,660
<b>Administrative Services VP</b>	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	160,407	1,443,660
<b>Facilities Manager</b>	122,838	122,838	122,838	122,838	122,838	122,838	122,838	122,838	122,838	1,105,546
<b>Institutional Research Dean</b>	139,762	139,762	139,762	139,762	139,762	139,762	139,762	139,762	139,762	1,257,861
<b>Total Funding for Presidents and VPs</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$953,913</b>	<b>\$8,585,217</b>
<b>Estimated Benefits for Presidents/VPs/FM <sup>(7)</sup></b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>269,357</b>	<b>2,424,216</b>
<b>Deans</b>										
<b>Current Number of Deans funded from 10100 <sup>(3)</sup></b>	5.0	12.5	5.0	4.0	9.0	5.0	8.0	6.0	2.5	57.0
<b>FTE Faculty (teaching)</b>	318	418	174	158	342	111	260	315	170	2,266
<b>FTEs (Student)</b>	13,621	24,755	7,388	7,008	15,489	5,610	12,793	13,328	7,541	107,532
<b>Number of Faculty per Dean</b>	64	33	35	39	38	22	32	53	68	40
<b>Number of FTEs per Dean</b>	2,724	1,980	1,478	1,752	1,721	1,122	1,599	2,221	3,016	1,887
<b>Proposed Number of Deans - (per # of FTEs)</b>	7	13	4	4	8	3	7	7	4	57
<b>Proposed Number of Deans - (per # of FTEF)</b>	8	11	4	4	9	3	7	8	4	57
<b>Proposed Number of Deans <sup>(4)</sup></b>	8	12	4	4	8	4	8	8	4	60
<b>Average Dean Salary <sup>(5)</sup></b>	139,762	139,762	139,762	139,762	139,762	139,762	139,762	139,762	139,762	139,762
<b>Total Funding for Deans Position</b>	<b>\$ 1,118,099</b>	<b>\$ 1,677,148</b>	<b>\$ 559,049</b>	<b>\$ 559,049</b>	<b>\$ 1,118,099</b>	<b>\$ 559,049</b>	<b>\$ 1,118,099</b>	<b>\$ 1,118,099</b>	<b>\$ 559,049</b>	<b>8,385,739</b>
<b>Estimated Benefits for Deans <sup>(6)</sup></b>	<b>245,534</b>	<b>368,302</b>	<b>122,767</b>	<b>122,767</b>	<b>245,534</b>	<b>122,767</b>	<b>245,534</b>	<b>245,534</b>	<b>122,767</b>	<b>1,841,508</b>
<b>M&amp;O Costs by Square Footage (2010-11)</b>										
<b>Gross Square Footage</b>	949,910	986,563	530,319	447,851	834,695	527,433	920,875	739,584	514,641	6,451,871
<b>Average Cost per sq. ft.</b>	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36	\$8.36
<b>Total funding for M&amp;O Costs</b>	<b>\$7,943,637</b>	<b>\$8,250,148</b>	<b>\$4,434,801</b>	<b>\$3,745,161</b>	<b>\$6,980,150</b>	<b>\$4,410,667</b>	<b>\$7,700,832</b>	<b>\$6,184,783</b>	<b>\$4,303,693</b>	<b>\$53,953,872</b>
<b>Total Proposed Minimum Base Funding</b>	<b>\$10,530,541</b>	<b>\$ 11,518,868</b>	<b>\$ 6,339,888</b>	<b>\$ 5,650,248</b>	<b>\$ 9,567,053</b>	<b>\$ 6,315,754</b>	<b>\$ 10,287,735</b>	<b>\$ 8,771,686</b>	<b>\$ 6,208,780</b>	<b>\$ 75,190,552</b>

- (1) Source: Salary (10th step) for Presidents (\$17,507.69), VPs and Facilities Manager (\$13,367.22)
- (2) Southwest has a position of Executive VP, which combining responsibilities of Academic Affairs and Student VPs.
- (3) Current number of Deans is based on result of college survey
- (4) Proposed Number of Deans is 4 for small colleges (FTEs < 10,000 - H,M,S,W), 8 for medium (FTEs < 20,000 - C,P,T,V) and 12 for large (FTEs > 20,000 - E).
- (5) Average Dean Salary is \$11,646.86 (15th step)
- (6) Benefits are estimated based on current rates - 43.10% for classified (Administrative Services VP and Facilities Manager) and 21.96% for certificated (Presidents, other VPs and Deans)

**2012-13 PROPOSED BUDGET ALLOCATION  
UNRESTRICTED GENERAL FUND  
CALCULATION OF BASE REVENUE FUNDS REMAINING  
(For Information Purposes Only)**

	CITY	EAST	HARBOR	MISSION	PIERCE	SOUTHWEST	TRADE-TECH	VALLEY	WEST	ITV	Wkld Adj	BASE REVENUE FUNDS REMAINING
TOTAL STATE BASE REVENUE	61,083,889 13.91%	92,150,445 20.98%	30,554,023 6.96%	27,705,625 6.31%	62,484,743 14.23%	23,479,928 5.35%	52,519,086 11.96%	55,986,961 12.75%	31,627,099 7.20%	1,808,338 0.41%	(237,093) -0.05%	439,163,044
TOTAL PROJECTED REVENUE												477,541,893
Less:												
Nonresident Tuition												(12,600,000)
Dedicated revenue												(5,930,080)
Apprenticeship												(83,709)
Net Revenue Available												458,928,104
Funds for Minimum Base												(75,190,552)
REMAINING FOR DISTRIBUTION	53,374,669	80,520,405	26,697,889	24,208,979	54,598,725	20,516,594	45,890,805	48,921,009	27,635,535	1,580,113	(207,170)	383,737,552



2012-13 PROPOSED BUDGET ALLOCATION

	Minimum Base Rev	Base Rev Remaining For Distrib	COLA 0.00%	Growth Revenue	Apprenticeship	Non-Resident	Dedicated Revenue	TOTAL REVENUES	Budget For Assessmnts	Basic Alloc & Fac OvrBse	1st Year Sal Incr	Budget For Sheriff's Cont	Centri at Collogos	ITV Redistrib.	BUD ALLOC w/o BAL	Balances	Redistrib Bal ITV,DO,DW	Budget For Open Orders	BUDGET ALLOCATION
City	10,530,539	53,374,669				2,846,814	563,202	67,315,224	(14,746,385)		0	(1,693,888)	0	0	50,874,951				50,874,951
East	11,518,868	80,520,405				4,877,523	733,602	97,650,398	(22,586,058)	36,019	0	(2,155,361)	0	0	72,944,989				72,944,989
Harbor	6,339,888	26,697,889				441,034	768,796	34,247,607	(6,800,105)		0	(1,380,416)	0	0	26,067,086				26,067,086
Mission	5,650,246	24,208,979				580,506	364,834	30,804,567	(6,125,332)		0	(1,306,415)	78,044	0	23,450,864				23,450,864
Pierce	9,567,053	54,598,725				1,637,823	895,758	66,899,359	(14,739,726)		0	(1,750,417)	0	0	50,209,216				50,209,216
Southwest	6,315,754	20,516,594				158,519	164,337	27,155,204	(4,991,557)		0	(1,619,888)	0	0	20,543,759				20,543,759
Trade-Tech	10,287,735	45,890,805			83,709	375,128	618,022	57,255,399	(12,047,501)	778,793	0	(1,528,416)	0	0	44,458,275				44,458,275
Valley	8,771,686	48,921,009				934,597	271,325	58,896,617	(12,996,396)		0	(1,676,417)	127,864	0	44,353,668				44,353,668
West	6,208,780	27,635,535				719,434	564,128	35,127,877	(7,102,256)	16,620	0	(1,545,887)	0	0	26,496,354				26,496,354
ITV	0	1,580,113				28,622	17,304	1,626,039	(454,930)		0	0	0	0	1,171,109				1,171,109
<b>COLLEGE TOTAL</b>	<b>75,190,551</b>	<b>383,944,722</b>	<b>0</b>	<b>0</b>	<b>83,709</b>	<b>12,600,000</b>	<b>4,961,308</b>	<b>476,780,290</b>	<b>(102,580,246)</b>	<b>831,423</b>	<b>0</b>	<b>(14,657,105)</b>	<b>205,908</b>	<b>0</b>	<b>360,570,270</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>360,570,271</b>
District Office								0	20,348,139		0	(222,001)		0	20,124,138				20,124,138
Information Technology								0	9,386,597		0			0	9,386,597				9,386,597
Centralized Svs								0	48,148,992		0		(205,908)	0	47,943,084				47,943,084
Contingency Reserve								0	24,708,518	(831,423)	0			0	23,877,095				23,877,095
LA Cnty Sheriff's Contr								0			0	14,879,106		0	14,879,106				14,879,106
Funding for New Costs								0			0			0	0				0
Restricted Prog Deficit								0			0			0	0				0
Funds for Legal Reserve								0			0			0	0				0
College Reserve								0			0			0	0	13,803,465			13,803,465
Van de Kamp Innovation							968,772	968,772			0			0	968,772				968,772
Student Success Initiat								0			0			0	0				0
Undistrib (Proj'd Bal)		(207,170)						(207,170)			0			0	(207,170)	42,209,712		10,000,000	52,002,542
<b>TOTAL</b>	<b>75,190,551</b>	<b>383,737,552</b>	<b>0</b>	<b>0</b>	<b>83,709</b>	<b>12,600,000</b>	<b>5,930,080</b>	<b>477,541,892</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>477,541,892</b>	<b>56,013,177</b>	<b>0</b>	<b>10,000,000</b>	<b>543,555,070</b>

(1) Includes distribution for Part-Time Office Hours Reimbursement

**Projected Source of Funds**  
**Unrestricted General Fund**  
**2012-13 Proposed Budget Allocation**

**STATE GENERAL REVENUES**

State Apportionment	
Base	463,082,735
Workload Reduction (-5.56%)	(23,919,691)
COLA (est. @ 0.00%)	0
Growth (est. @ 0.00%)	0
Total State Apportionment	439,163,044

TOTAL GENERAL REVENUES	439,163,044
PART-TIME FACULTY COMPENSATION	2,203,448
LOTTERY	14,300,000
NON-RESIDENT TUITION	12,600,000
APPRENTICESHIP	83,709
OTHER STATE	1,652,112
INTEREST	1,609,500
OTHER LOCAL	0
DEDICATED REVENUE	5,930,080
INCOMING TRANSFER	0
LESS INTRAFUND w/in UNRESTRICTED	0

<b>TOTAL UNRESTRICTED GF INCOME</b>	<b>477,541,893</b>
-------------------------------------	--------------------

TRANSFER FROM RETIREMENT BENEFITS RESERVE	0
OPEN ORDERS	10,000,000
BEGINNING BALANCE	56,013,177

<b>TOTAL FUNDS AVAILABLE FOR APPROPRIATION</b>	<b>543,555,070</b>
--	--------------------

# 2012-2013

## Workload Measures

BF4 - Attachment I  
Page 6 of 8

2012-2013 BASE WORKLOAD MEASURES (REDUCED BASE OF 1.52%)				
	Credit FTES	Non-Credit FTES	Enh'd NonCr FTES	Total FTES
City	12,228	558	1,000	13,785
East	19,442	1,107	341	20,890
Harbor	6,273	74	0	6,347
Mission	5,475	190	94	5,760
Pierce	13,435	267	0	13,702
Southwest	4,418	113	268	4,800
Trade-Tech	10,965	148	325	11,438
Valley	11,685	81	501	12,267
West	6,419	225	16	6,661
ITV	419	0	0	419
Wrklid Adj	(28)	410	(387)	(4)
<b>Total</b>	<b>90,732</b>	<b>3,173</b>	<b>2,160</b>	<b>96,065</b>

2012-2013 WORKLOAD REDUCTION -5.564%    -5.564%    -5.564%			
Credit FTES	Non-Credit FTES	Enh'd NonCr FTES	Total FTES
(680)	(31)	(56)	(767)
(1,082)	(62)	(19)	(1,162)
(349)	(4)	0	(353)
(305)	(11)	(5)	(320)
(748)	(15)	0	(762)
(246)	(6)	(15)	(267)
(610)	(8)	(18)	(636)
(650)	(5)	(28)	(683)
(357)	(13)	(1)	(371)
(23)	0	0	(23)
2	(23)	22	0
<b>(5,049)</b>	<b>(177)</b>	<b>(120)</b>	<b>(5,345)</b>

2012-2013 REDUCED FUNDED BASE FTES			
Credit FTES	Non-Credit FTES (Adj)	Enh'd NonCr FTES	Total FTES
11,547	527	944	13,018
18,360	1,045	322	19,728
5,924	70	0	5,993
5,171	179	89	5,439
12,688	252	0	12,940
4,172	107	253	4,533
10,355	140	307	10,802
11,035	77	473	11,585
6,062	213	15	6,290
396	0	0	396
(27)	388	(365)	(4)
<b>85,683</b>	<b>2,997</b>	<b>2,040</b>	<b>90,720</b>

### WORKLOAD REDUCTION CALCULATION

	Credit Revenue	NonCr Revenue	Enhanced NonCredit (CDCP)	Total Workload Reduction
City	(3,105,882)	(85,172)	(179,866)	(3,370,920)
East	(4,938,401)	(169,057)	(61,383)	(5,168,841)
Harbor	(1,593,380)	(11,244)	0	(1,604,624)
Mission	(1,390,788)	(29,010)	(16,990)	(1,436,788)
Pierce	(3,412,694)	(40,769)	0	(3,453,463)
Southwest	(1,122,251)	(17,308)	(48,237)	(1,187,796)
Trade-Tech	(2,785,169)	(22,595)	(58,481)	(2,866,255)
Valley	(2,968,043)	(12,424)	(90,126)	(3,070,593)
West	(1,630,523)	(34,409)	(2,921)	(1,667,853)
ITV	(106,553)	0	0	(106,553)
Wrklid Adj	7,178	(62,694)	69,511	13,995
<b>Total</b>	<b>(23,046,506)</b>	<b>(484,662)</b>	<b>(388,503)</b>	<b>(23,919,691)</b>

C:\My Documents\MS Excel\2012-13\2012-13ALLOCMODEL-Scen211-7.08.xls\base2

3/20/2012

### 2012-2013 LACCD FUNDING RATES

Type	Base Rate	Growth Rate
Credit FTES	4,564.83	\$4,564.83
NonCredit FTES	2,744.96	\$2,744.96
Enhcd NonCr (CDCP)	3,232.07	\$3,232.07

## Calculation of College Allocation Base Revenue

	2012-2013 FUNDED BASE WORKLOAD				2012-2013 COMPUTED BASE REVENUE					2012-2013				
	Credit FTES	NonCredit FTES	Enhanced NonCr FTES	Total FTES	Basic Allocation	Funded Credit Base	Funded NonCred Base	Enhanced NonCr FTES	Total Base Rev	Base	Wkld Reduc -5.56%	COLA 0.00%	Growth	Total
City	12,227.54	557.62	1,000.11	13,785.28	3,875,136	55,816,589	1,530,656	3,232,418	64,454,809	64,454,809	(3,370,920)	0	0	61,083,889
East	19,441.98	1,106.82	341.31	20,890.11	4,428,727	88,749,251	3,038,172	1,103,135	97,319,286	97,319,286	(5,168,841)	0	0	92,150,445
Harbor	6,272.98	73.61	0.00	6,346.59	3,321,545	26,635,040	202,062	0	32,158,647	32,158,647	(1,604,624)	0	0	30,554,023
Mission	5,475.39	189.93	94.47	5,759.76	3,321,545	24,994,198	521,340	305,331	28,142,413	28,142,413	(1,436,788)	0	0	27,705,625
Pierce	13,435.43	266.82	0.00	13,702.35	3,875,136	61,330,398	732,672	0	65,938,206	65,938,206	(3,453,463)	0	0	62,484,743
Swest	4,418.19	113.31	268.21	4,799.71	3,321,545	20,168,262	311,044	866,873	24,667,724	24,667,724	(1,187,796)	0	0	23,479,928
Trade	10,964.93	147.93	325.23	11,438.09	3,875,136	50,052,982	406,065	1,051,159	55,385,341	55,385,341	(2,866,255)	0	0	52,519,086
Valley	11,684.89	81.34	501.13	12,267.36	3,875,136	53,339,461	223,280	1,619,677	59,057,554	59,057,554	(3,070,593)	0	0	55,986,961
West	6,419.20	225.27	16.24	6,660.72	3,321,545	29,302,536	618,368	52,502	33,294,952	33,294,952	(1,667,853)	0	0	31,627,099
<b>Coll Tot</b>	<b>90,340.53</b>	<b>2,762.76</b>	<b>2,546.70</b>	<b>95,649.99</b>	<b>33,215,451</b>	<b>412,388,726</b>	<b>7,583,660</b>	<b>8,231,095</b>	<b>461,418,932</b>	<b>461,418,932</b>	<b>(23,827,133)</b>	<b>0</b>	<b>0</b>	<b>437,591,799</b>
ITV	419.49	0.00	0.00	419.49	0	1,914,891	0	0	1,914,891	1,914,891	(106,553)	0	0	1,808,338
DO/Centri									0	0	0	0	0	0
Unadj Base*	(28.17)	410.46	(386.50)	(4)		(128,563)	1,126,684	(1,249,209)	(251,088)	(251,088)	13,995	0	0	(237,093)
<b>Total</b>	<b>90,731.85</b>	<b>3,173.22</b>	<b>2,160.19</b>	<b>96,065.26</b>	<b>33,215,451</b>	<b>414,175,054</b>	<b>8,710,344</b>	<b>6,981,886</b>	<b>463,082,735</b>	<b>463,082,735</b>	<b>(23,919,691)</b>	<b>0</b>	<b>0</b>	<b>439,163,044</b>

\*To hold the colleges harmless from decline. Colleges remain at the reduced funded base as of 2009-10.

\*On 1/7/09, DBC approved a \$500,000 increase to Trade-Tech's basic allocation to compensate the college for high-cost programs.

# COMPUTED STATE GENERAL REVENUE BY LOCATION

	2012-2013 FUNDED BASE WORKLOAD				2012-2013 COMPUTED BASE REVENUE					2012-2013					
	Credit FTES	NonCredit FTES	Enhanced NonCr FTES	Total FTES	Basic Allocation	Funded Credit Base	Funded NonCred Base	Enhanced NonCr FTES	Total Base Rev	Reduced Base of 1.52%	Wkld Reduc -5.56%	COLA 0.00%	Growth	Total	% of Total
City	12,227.54	557.62	1,000.11	13,785.28	3,875,136	55,816,599	1,530,656	3,232,418	64,454,809	64,454,809	(3,370,920)	0	0	61,083,889	13.91%
East	19,441.98	1,106.82	341.31	20,890.11	4,428,727	88,749,251	3,038,172	1,103,135	97,319,286	97,319,286	(5,168,841)	0	0	92,150,445	20.98%
Harbor	6,272.98	73.61	0.00	6,346.59	3,321,545	28,635,040	202,062	0	32,158,647	32,158,647	(1,604,624)	0	0	30,554,023	6.96%
Mission	5,475.39	189.93	94.47	5,759.79	3,321,545	24,994,198	521,340	305,331	29,142,413	29,142,413	(1,436,788)	0	0	27,705,625	6.31%
Pierce	13,435.43	266.92	0.00	13,702.35	3,875,136	61,330,398	732,672	0	65,938,206	65,938,206	(3,453,463)	0	0	62,484,743	14.23%
Swest	4,418.19	113.31	268.21	4,799.71	3,321,545	20,168,262	311,044	866,873	24,667,724	24,667,724	(1,187,796)	0	0	23,479,928	5.35%
Trade	10,964.93	147.93	325.23	11,438.09	3,875,136	50,052,982	406,065	1,051,159	55,385,341	55,385,341	(2,866,255)	0	0	52,519,086	11.96%
Valley	11,684.89	81.34	501.13	12,267.36	3,875,136	53,339,461	223,280	1,619,677	59,057,554	59,057,554	(3,070,593)	0	0	55,986,961	12.75%
West	6,419.20	225.27	16.24	6,660.72	3,321,545	29,302,536	618,368	52,502	33,294,952	33,294,952	(1,667,853)	0	0	31,627,099	7.20%
Coll Tot	90,340.53	2,762.76	2,546.70	95,649.99	33,215,451	412,388,726	7,583,660	8,231,095	461,418,932	461,418,932	(23,827,133)	0	0	437,591,799	99.64%
ITV	419.49	0.00	0.00	419.49	0	1,914,891	0	0	1,914,891	1,914,891	(106,553)	0	0	1,808,338	0.41%
DO/Centrl									0	0	0	0	0	0	0.00%
Unadj Base*	(28.17)	410.46	(386.50)	(4)		(128,563)	1,126,684	(1,249,209)	(251,088)	(251,088)	13,995	0	0	(237,093)	-0.05%
Total	90,731.85	3,173.22	2,160.19	96,065.26	33,215,451	414,175,054	8,710,344	6,981,886	463,082,735	463,082,735	(23,919,691)	0	0	439,163,044	100.00%

\*\*To hold the colleges harmless from decline. Colleges remain at the reduced funded base as of 2009-10.

\*On 1/7/09, DBC approved a \$500,000 increase to Trade-Tech's basic allocation to compensate the college for high-cost programs.

**2012-13 PROPOSED BUDGET ALLOCATION  
UNRESTRICTED GENERAL FUND**

	2011-2012		2012-2013		DIFFERENCE BETWEEN CURRENT AND NEW MODEL (W/ \$75 Million Proposed Minimum Base Funding)
	FINAL BUDGET (w/ 6.21% Workload Reductn) NO DISTRIB BALANCES	REVISED PRELIM BUD (W/7.08% Workload Reduction) Current Allocation Model	PROP BUDGET ALLOC (W/7.08% Workload Reduction) New Allocation Model		
City	54,876,252	50,231,968	50,874,951	642,983	
East	83,609,415	76,851,897	72,944,989	(3,906,908)	
Harbor	27,693,863	25,411,215	26,067,086	655,871	
Mission	25,073,412	22,971,426	23,450,864	479,438	
Pierce	55,639,261	50,885,436	50,209,216	(676,220)	
Southwest	20,372,945	18,579,556	20,543,759	1,964,203	
Trade-Tech	47,246,426	43,289,355	44,458,275	1,168,920	
Valley	48,964,568	44,722,636	44,353,668	(368,968)	
West	28,417,008	26,133,357	26,496,354	362,997	
ITV	1,368,020	1,272,260	1,171,109	(101,151)	
<b>College Total</b>	<b>393,261,170</b>	<b>360,349,106</b>	<b>360,570,271</b>	<b>221,165</b>	
District Office	21,988,946	20,124,138	20,124,138	0	
Information Technology	10,190,171	9,386,597	9,386,597	0	
Centralized & Other	47,945,973	47,943,084	47,943,084	0	
Contingency Reserve	25,390,368	23,877,095	23,877,095	0	
LA Cnty Sheriff's Contr	14,879,106	14,879,106	14,879,106	0	
Funding for New Costs	(6,830,205)	0	0	0	
Restricted Program Deficit	0	0	0	0	
Funds for Legal Reserve	0	0	0	0	
Undistributed COLA (-0.38%)	0	0	0	0	
College Reserve	0	13,803,465	13,803,465	0	
Van de Kamp Innovation	968,772	968,772	968,772	0	
Student Success Initiatives	0	0	0	0	
Undistributed Balance	90,106,926	52,223,707	52,002,542	(221,165)	
<b>TOTAL</b>	<b>597,901,227</b>	<b>543,555,070</b>	<b>543,555,070</b>	<b>0</b>	