

COUNCIL ON BUDGET AND FACILITIES

October 13, 2025

2:00 p.m.

Anaheim Campus – Room 105

Videoconferencing of the meeting will be available at Cypress College President's Conference Room and the Fullerton College President's Conference Room B

AGENDA

- | | | |
|---|-----------------|------------------------------|
| 1. Approval of the September 8, 2025
Summary Notes | Fred Williams | Action |
| 2. Memberships | Fred Williams | Information |
| 3. Follow-Up Items | Fred Williams | Information |
| 4. Calendar for 2026-27 Budget | Erika Almaraz | Information |
| 5. Evaluation of the Resource Allocation
Model (RAM) | Erika Almaraz | Review/Discussion/
Action |
| 6. Facilities Updates | Budget Officers | Information |
| 7. Future Meeting Dates:
November 10
December 8 | | |

**Tentative meeting and will only take place if deemed necessary*

*** Holiday – will be rescheduled if deemed necessary*

NOTE: The numerical order of items on this agenda is for convenience of reference. To promote efficiency and as an accommodation to the parties involved, agenda items may be taken out of order upon request of the Chair or Members of the CBF.

Council on Budget and Facilities

As of: 10/10/2025

#	Member	Constituent Group
1	Jaclyn Magginiti	Academic Senate, CC
	Kathleen McAlister	Academic Senate, CC - AITERNATE
2	Michelle Patrick	Academic Senate, NOCE
3	Marlo Smith	AdFac
4	Terry Cox	Dir Admin Services, NOCE
5	Lourdes Valiente	Student Leader, NOCE
6	VACANT	Associated Students, CC
7	VACANT	Associated Students, FC
8	Leslie Tsubaki	Confidential
9	Belinda Allan	CSEA
10	Elaine Loayza	CSEA
11	Erika Almaraz	Dist Dir Fiscal Affairs
12	Karla Frizler	DMA
	Rosanna Islas	DMA - ALTERNATE
	Ziza Delgado	Faculty Senate, FC - ALTERNATE
13	Bridget Kominek	Faculty Senate, FC
14	Steven Estrada	UF
	Joel Salcedo	UF - ALTERNATE
15	Jennifer Vega La Serna	VC ES&T
	Fred Williams	VC Finance & Facilities - CHAIR
16	Irma Ramos	VC HR
17	Tony Jake	VPAS, CC
18	Henry Hua	VPAS, FC

	Alternate - Is considered a voting member only on the days in which they are an acting representative
	Committee Chair, non- voting

COUNCIL ON BUDGET AND FACILITIES
September 8, 2025

UNAPPROVED SUMMARY

Members Present: Erika Almaraz, Terry Cox, Danielle Davy, Monica Farias, Tony Jake, Bridget Kominek, Jaclyn Magginetti, Michelle Patrick-Norng, Jeremy Peters, Lourdes Valiente, Jennifer Vega La Serna, and Fred Williams

Members Absent: Belinda Allan, Karla Frizler, Henry Hua, Elaine Loayza, Irma Ramos, Marlo Smith, Kyle Sue, and Leslie Tsubaki

Guests Present: Cora Baldovino, Trustee Blount, Byron Breland, Yvonne Calderon, Khaoi Mady, Kathleen McAlister, Thu Nguyen, Debbie Shandy, Scott Thayer, and Richard Williams

Call to Order: The meeting was called to order at 2:05 p.m.

1. **Summary:** The summary notes of August 12, 2025, meeting were approved with abstentions from Bridget Kominek.
2. **Memberships:** Committee members reviewed the list of memberships. It was noted that Marlo Smith has taken on an interim dean position and will need to find a new AdFac representative. Student representative positions remain vacant at Cypress and Fullerton. Staff mentioned that there is a possible scheduling conflict with Associated Student meetings. Administration at each campus will follow up with Associated Students.
3. **Budget Update**

State Budget – Joint Analysis & Compendium: The state shifted from expecting a slight surplus to facing a \$12 billion budget deficit, primarily due to lower-than-expected revenues caused by stock market volatility, potential federal tariffs, and possible federal cuts to health and coastal services. These factors contributed to the projected deficit at the state level. Despite the deficit, the final enacted budget is balanced through a mix of reserves, program reductions, and deferrals. The positive news for community colleges is that there are no major reductions to core services.

Community College System Budget: The system budget remains focused on stability, with no cuts to core community college programs or services. A 2.3% COLA is being applied to the Student Centered Funding Formula (SCFF) rates and select categorical programs. The budget also includes funding for 2.35% enrollment growth over the next two years. A few notable investments include \$10 million ongoing funding for Rising Scholars and \$60 million one-time dollars for Student Support Block Grant.

Question/Comments:

1. *How is the funding for the Rising Scholars distributed. How do they determine how much funding is allocated to each site?* In the Chancellor's Office compendium, there are specifics about how the dollars are allocated. The last time we reviewed the compendium, the calculation was not included. Fred Williams will provide more information at the next meeting.

Board Policy Reserves: As of June 30, 2025, the Board Policy Reserve is \$47.6 million. According to Board Policy, the District must maintain a reserve equal to two months of

General Fund expenditures, which amounts to \$49.2 million for the 2025–26 fiscal year. To meet this required reserve level, the District will utilize 2025–26 Stability Protection funds.

Budgeted Revenues – Key Assumptions: The District expects to be funded at the prior year SCFF calculated revenue plus a 2.30% COLA, under the “Stability Protection” model. This includes \$1.57 million in Stability Protection funding, largely due to the phase-out of last year’s emergency conditions allowance, which had temporarily inflated the District’s credit FTES three-year average.

FTES and Budget Details: For 2025–26, the District’s FTES target is 32,840.40, reflecting a steady upward trend. Although funded FTES is declining due to the phase-out of emergency conditions in 2024–25, FTES continues to rise.

Budgeted Expenses: Expenses and Contingencies total \$291.3 million, covering all active positions and negotiated salary changes, with personnel costs making up \$264.7 million or 91% of the budget, a 6.5% increase from the prior year. At the time of budget development, 98.54 FTE positions were vacant and budgeted at \$15.54 million; as of September 2, 48.69 FTE remain vacant, budgeted at \$7.70 million. Some savings on personnel costs are expected at the end of the year due to the timing of when positions are filled.

General Fund: The general fund is composed of three main components: ongoing funds through the Resource Allocation Model (RAM), prior year funds which include the ending fund balance, and restricted dollars. Together, these make up the District’s total general fund. As of year-end, the general fund includes \$83.65 million in ending fund balance and contingencies.

Other Considerations: The District committed to completing a Job Families Study, with completion expected by December 2025, though its impact is still unknown. A systemwide change in credit FTES calculation by 2026–27 may reduce FTES, especially in distance education and lab courses.

Plans are in place to modernize the enterprise resource planning (ERP) system by migrating to Banner SaaS, with an estimated cost of over \$5 million. Vice Chancellor Williams noted that Ellucian is no longer investing in support for older versions of Banner, and delaying upgrades puts the District further behind in adapting to system changes. The state is encouraging all colleges to move to a standardized ERP system to improve data sharing and reduce manual reporting. This shift will require removing custom modifications and adopting a baseline system. Interim District Director, IT, Khaoi Mady added that moving to Banner SaaS will also reduce the internal maintenance burden, allowing staff to focus on other priorities. While the transition isn’t happening this year, it’s important to plan with this future change in mind.

The District received a new actuarial report showing a shift from an asset to a liability position in its OPEB trust, now requiring contributions to fund a \$10 million shortfall—though the actual gap is closer to \$16 million before a recent \$6 million transfer. To avoid disrupting campus operations, the District plans to fund the liability gradually. The change was driven by updated actuarial assumptions, including rising medical costs and a change in firms. Additionally, the District will re-evaluate its Resource Allocation Model (RAM) this October through participatory governance, with potential changes affecting how funds are distributed to budget centers. As funding tightens post-Hold Harmless, there's growing concern about balancing budgets and sustaining ongoing expenditures.

While past budgets benefited from emergency conditions and Hold Harmless funding, if the District continues to stay out of Hold Harmless, no additional funding for General Apportionment is expected other than what is earned through the SCFF. With rising expenses and uncertain state budgets ahead, a new focus on operational efficiency is essential.

Mr. Williams pointed out that the District is focusing on operational efficiencies because salaries and benefits make up 91% of total expenses, leaving little flexibility in the budget. Current RAM revenue is \$289.5 million, but expenses are slightly higher at \$291.3 million, requiring \$1.8 million in one-time funding to balance. NOCE's budget is especially tight, with 98% of its funds going toward personnel costs and only 2% left for other expenses. While NOCE has used categorical funds to support operations, reductions in federal funding and past reliance on emergency condition dollars raise concerns about long-term sustainability.

Questions/Comments:

1. *What guidance does the District provide to campuses when hiring full-time faculty, especially in cases like NOCE, where 98% of the budget is already allocated to personnel costs and they've recently added new full-time faculty positions?* NOCE was approved to hire two new faculty members but instead used that funding to replace existing positions and support a specific program. They're closely monitoring their budget and focusing on improving efficiency, as emphasized during their opening day messaging. This situation highlights the need to re-evaluate the District's overall budget model, especially as balancing budgets becomes more difficult with limited flexibility in funding.

A list of examples of operational efficiencies across programs and departments were provided, as well as different metrics to measure efficiency. Vice Chancellor Williams also noted that utility costs have gone up significantly, and the District is exploring new options to reduce expenses. The current energy purchasing method is no longer cost-effective, and proposals for change will be brought to the Board for future consideration. The District is also reviewing reassigned time, which affects both costs and compliance with the 50% law. With over 10% of faculty on reassigned time, it's a major expense. These issues highlight the need to focus more on efficiency and involve budget officers and other groups in finding solutions.

Questions/Comments:

1. *At the last Institutional Effectiveness Coordinating Council (IECC) meeting there were discussions about a pilot program on the digital strategic management platform pilot that was supposed to show what programs each college is spending money on, and whether we could save by using shared or multi-year contracts. Are there results from that?* IT was recently moved under Administrative Services, so from an IT perspective, IT is reviewing software and services across campuses to find overlaps and eliminate redundant tools. By standardizing platforms, like switching to one phone system instead of two, the District can save money and improve efficiency. Discussions are starting to identify where improvements can be made.
2. *The budget line items and service catalogs vary significantly from one campus to the next, making it confusing for outsiders to understand what each campus is supporting. It was suggested that the District review and align these budget details across campuses to improve clarity and efficiency, especially when similar programs or services are being funded differently.* The District's current RAM gives campuses autonomy over planning and spending decisions. While revenue is distributed centrally, each campus decides how to use its funds, which leads to different approaches. This flexibility is why there's

interest in reviewing the model to see if more alignment or consistency is needed, especially as campuses test different strategies like the book program.

3. *Dr. Breland emphasized the importance of campus autonomy and noted that while the current resource allocation model has worked in the past, it was created before the pandemic. Since then, the District has relied heavily on one-time funding. Now, with tighter budgets, the focus must shift to operational efficiency—especially in staffing, which makes up 91% of expenses. He stressed the need for unified decision-making, thoughtful planning around enrollment, program priorities, and staffing, and being intentional about how resources are used to keep the District fiscally strong and student-focused.*

Four-Year Forecast: The following scenarios were provided each illustrating different impacts but using the 2025-26 budget expenses, 2024-25 FTES, variable increases to salaries, \$1,377,464 contribution to the Retiree Benefit Trust, and CPI percentage increases to nonpersonnel costs:

- Scenario 1 – No Growth with COLA: a \$2,402,026 budget deficit in 2026-27, a \$1,182,102 budget deficit in 2027-28, and a \$8,393,896 budget surplus in 2028-29. Vice Chancellor Williams noted that all employee agreements end in 2026–27, so there are no set negotiations for 2027–28 and 2028–29 yet. Any salary increases for those years are based on contingency language, and full negotiations will need to take place for all groups.
- Scenario 2 – Target FTES with COLA: a \$2,296,071 budget surplus in 2026-27, a \$2,506,853 budget surplus in 2027-28, and a \$12,804,441 budget surplus in 2028-29.
- Scenario 3 – Annual 2% Decline in FTES with COLA: a \$6,804,053 budget deficit in 2026-27, a \$2,548,912 budget deficit in 2027-28, and a \$2,584,370 budget surplus in 2028-29.
- Scenario 4 – 2% Annual Decline with No COLA: an \$11,459,326 budget deficit in 2026-27, a \$12,161,423 budget deficit in 2027-28, and a \$13,086,423 budget deficit in 2028-29.

The District plans to reevaluate its RAM, including the potential addition of a districtwide deficit factor and centralized budgeting for negotiations. It will also explore alternative funding sources for new construction, IT infrastructure, and ongoing maintenance. A district-level workgroup may be formed to review enrollment planning recommendations, track key efficiency metrics, and provide regular updates to Chancellor's Staff. In 2026–27, the District will begin negotiations for 2027–28 with bargaining units and continue reviewing enrollment and efficiency data. This review will also continue into 2027–28 to support informed planning and decision-making.

Campus Budget Forums: Each campus will host a budget forum to answer any questions related to campus specific budget processes. Final dates will be announced once they are confirmed. A live Zoom option will be available, however in-person attendance is strongly encouraged.

Questions/Comments:

1. *On one of the slides it states, consider alternative funding sources for new construction, IT infrastructure and on-going maintenance. What would be an alternative funding source?* We use state funds, carryover dollars, and sometimes redevelopment funds to maintain and update facilities. We still have some bond money and capital outlay funds for upcoming projects, but we should start thinking about a future bond.

4. District-wide IT Expenses

Khaoi Mady shared a District-wide spreadsheet identifying software implementations and cost reduction efforts. Discussions centered around the planned adoption of Course Dog for curriculum and catalog management, though there was confusion about whether this decision had been finalized, as some campus representatives were unaware of the decision. Dr. Vega La Serna will follow-up with communications to the campuses on a status update after reviewing the details with her team.

Questions/Comments:

1. *Course Dog also has a course scheduling feature. Is the intent to replace Civitas College Scheduler with Course Dog?* The plan is to replace College Scheduler with Banner's registration and scheduling tool. We've informed stakeholders, shared updates in newsletters, and are holding a demo this week. Testing will happen this month, with a go-live planned for October, aligning with our move to Banner 9.

5. Facilities Updates

Cypress College – Dr. Tony Jake provided an update on behalf of the campus.

- Fine Arts Renovation – The project is 70% complete and is on track for an anticipated completion date of fall 2026.
- Health and Wellness Center Renovation – 90% complete. Anticipated completion date is late September with an occupancy date of November 3.
- Softball field – In the process of getting DSA approval with a targeted date of November 17. Project is currently on track for a targeted completion date of summer 2027.
- Learning Library Resource Center (LLCR) Tutoring Reconfiguration – Project is complete.
- LLRC Exterior Patio Upgrades – Currently in the schematic design phase and looking into cost reduction options. Project targeted completion date is scheduled for spring 2027.

Fullerton College – Rick Williams and Fred Williams provided an update on behalf of the campus.

- Chapman-Newell Student Center & M&O Building – Student Center move was completed in July. The new M&O building is being occupied. The groundbreaking for the two buildings is scheduled for Friday, September 19 at Fullerton College.
- Fine Arts Renovation – The project is underway with fencing up. A public hearing is scheduled for the upcoming meeting to address the easement with Southern California Edison.
- 300 Building – Currently on schedule. Unexpectedly, the building needed to be repainted and will give the building a fresh new look.
- Wilshire Chiller Relocation – Final equipment installations are underway. Staff are coordinating the power transition with the Fine Arts Building and is scheduled to happen in October.
- Softball field – Staff are looking for more cost-effective solutions and making modifications to meet DSA submittal deadlines in October.
- STEM Building – RFP for the architect is scheduled sometime next week.

Anaheim Campus – Rick Williams provided an update on behalf of the campus.

- East lot portables are being dismantled. Plans to restore the parking lot were approved to begin in the fall/early winter. Bidding for the project is expected before the end of September.
- Outdoor Patio – Project is fully complete and 100% operational. Staff are still in the beginning planning stages of installing a canopy to connect the patio with the building. More information will be shared as this progresses.
- Board Room Renovation – Punch list was completed. An agenda item has been submitted to the Board for further discussion on space aesthetics and equipment placement.
- Community Green Space & ADA Plan – Staff have not received comments back from DSA, but the geotechnical report came back clean.
- Elevator Renovation Project – Contractor is working on the concept drawings. The project is expected to start later this year.

Capital Projects

- Detailed updates on each of the campus projects can be found in the Citizens' Oversight Report: [Capital Projects Updates](#)
- The Citizens' Oversight Community Report was approved and will be mailed out to the surrounding communities within the next few weeks.

Meeting was adjourned at 3:46 p.m.

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: **October 9, 2025**

From: **Fred Williams, Vice Chancellor, Administrative Services**

Re: **Agenda Item for Council on Budget and Facilities of October 13, 2025**

1. AGENDA ITEM NAME

Follow up discussion to the September 8, 2025 meeting.

2. AGENDA ITEM ACTION (Please check one)

- ☒ Information Only
- ☐ Review/Discussion
- ☐ Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

5 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

Provide information to the question on how funding for Rising Scholars is distributed and how funding to each site is determined.

[Compendium of Allocation and Resources](#)

5. RECOMMENDATION

Program Name	Program Contact	Ongoing or One-Time	Revenue Control	Allocation Methodology	Match Requirement	Expenditure Deadline	Reporting Requirements
				2019-20 FTES and 25% the decline in 2020-21 P1 FTES.			
Return to Title IV Reimbursement	Mario Garza MGarza@CCCCO.edu (916) 445-0487	Ongoing	Unrestricted 8610	Funding is available to reimburse community colleges for up to 98% of the amount required to be returned to the Title IV federal student financial aid programs. Participation is optional.	N/A	N/A	Colleges will complete the Return to Title IV reimbursement request form in November of each year.
Rising Scholars Network – 1.0 Grant	Lisa Gallardo LGallardo@CCCCO.edu (916) 342-4612	Ongoing	Restricted 8620	Competitive grant award.	N/A	July 31, 2025	Grantee must submit progress and final reports bi-annually in NOVA.
Rising Scholars Network – Juvenile Justice Grant	Lisa Gallardo LGallardo@CCCCO.edu (916) 342-4612	Ongoing	Restricted 8620	Each grantee will receive an equal amount of \$312,500.	N/A	Dec. 31, 2025	Grantees must submit annual fiscal reports and a final fiscal report in NOVA.
Rising Scholars Network – Textbooks/Digital Course Content (RSN-TDCC)	Lisa Gallardo LGallardo@CCCCO.edu (916) 342-4612	Ongoing	Restricted 8620	This is a reimbursement program. Colleges are reimbursed on a first-come, first-served basis, contingent upon eligibility, state budget appropriations, and available program funds.	N/A	N/A	N/A

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 10/13/2025

From: Erika Almaraz, Executive Director, Fiscal Affairs

1. AGENDA ITEM NAME

Calendar for 2026-27 Budget

2. AGENDA ITEM ACTION (Please check one)

- ☒ Information Only
- ☐ Review/Discussion
- ☐ Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

5 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

The calendar for the 2025-26 budget highlights significant dates related to budget preparation, including dates for presentations of the tentative budget, required public hearings, Board study sessions, and approval of the final budget. The schedule will be shared with the Board at its October 14, 2025 Board meeting.

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

Members are asked to review the information.

Calendar for FY 2026-27 Budget

January 15, 2026	P-1 Apportionment Attendance Report Submission Due
January 27, 2026	Board review of Governor's January Budget and discussion on Priorities
February 18, 2026	Budget Centers are requested to start Position Clean up
February 28, 2026*	First Principal Apportionment Report Issued by State Chancellor's Office
March 09, 2026	CBF review of Tentative Budget Assumptions and Board Priorities
March 23, 2026	DCC review of Tentative Budget Assumptions and Board Priorities
April 13, 2026	CBF review of Tentative Budget Assumptions and Board Priorities
April 20, 2026	P-2 Apportionment Attendance Report Submission Due
April 20, 2026	Budget Centers are requested to start Faculty Position Clean up
April 27, 2026	DCC review of Tentative Budget Assumptions and Board Priorities
April 30, 2026	Personnel Change Forms due to Human Resources for Tentative Budget
May 08, 2026	HR to complete processing all submitted Personnel Changes related to Tentative Budget (further changes are to be held until the data is rolled over to the Budget Tables (See May 19 below)
May 11, 2026	CBF review of Tentative Budget Assumptions and Board Priorities
May 19, 2026	• HR & District Fiscal Affairs to clean up Position Control budget information related to Tentative Budget • District Fiscal Affairs to roll Position Budget data over to the Budget Tables • Budget Centers to start budget input for NONPOS phase
May 26, 2026	Report provided to Board on Governor's May Budget Revisions
June 01, 2026	Final changes for Position Control due to HR for Proposed Budget
June 04, 2026	Budget Centers to be complete with Budget inputs of NONPOS phase and reconciliation of budgets for Tentative Budget
June 04, 2026	Prepare GASB 54 Agenda item to be taken to the Board (if needed for Committed fund balance)
June 08, 2026	CBF review of Governor's May Budget Revisions and Proposed Budget Assumptions (if needed)
June 08, 2026	Completion of the Tentative Budget
June 09, 2026	HR to complete Personnel Changes related to Proposed Budget
June 20, 2026	HR & District Fiscal Affairs to clean up Position Control budget information related to Proposed Budget. (further permanent changes to NYSPBUP are to be held until the Tentative Budget is rolled over to the finance tables (See June 24 below)
June 22, 2026	DCC review of Proposed Budget Assumptions (if needed)
June 23, 2026	Board approval of the Tentative Budget
June 24, 2026	• District Fiscal Affairs to Feed Tentative Budget (TENTAT) to Operating Ledger to start the fiscal year • District Fiscal Affairs to roll Position Budget over to the Budget Tables. • HR can resume making permanent changes to NYSPBUP • Budget Centers can access NONPOS for updated budget input
June 30, 2026*	Second Principal Apportionment Report issued by State Chancellor's Office
July 15, 2026	Annual Apportionment Attendance Report Submission Due
July 31, 2026*	Year-end closing completed for District and Campus accounts
August 07, 2026*	Carryover balances completed and distributed
Aug. 11 or 25, 2026	Board review of the Proposed Budget Assumptions
August 14, 2026*	Budget Centers to complete Budget input of NONPOS phase and reconciliation of budgets for Proposed Budget
August 20, 2026*	Completion of Proposed Budget and close FINAL phase in Banner
August 21, 2026*	Public Notice published in the Orange County Register
Sept. 04-08, 2026	Proposed Budget available for public inspection
September 08, 2026	Public Hearing on the Proposed Budget at Board Meeting
September 09, 2026	District Fiscal Affairs to Feed Proposed Budget (FINADJ) to the Operating Ledger.

*Estimated Date

(as of 10/14/2025)

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 10/13/2025

From: Erika Almaraz, Executive Director, Fiscal Affairs

1. AGENDA ITEM NAME

Evaluation of the Resource Allocation Model (RAM).

2. AGENDA ITEM ACTION (Please check one)

- ☐ Information Only
☒ Review/Discussion
☒ Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

20 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

The RAM Handbook was approved by DCC at its September 27, 2021 meeting. Per the Handbook:

“In October of each year, the Council on Budget and Facilities will evaluate the allocation model for both the process and those allocations that are formula driven and will prepare a report to the District Consultation Council.”

This information has been prepared in response to that requirement.

Proposed changes for fiscal year 2026-2027:

- The District and Campuses charge an indirect cost rate on categoricals and grants ranging from 0% to 32.70% in order to offset the administrative cost of supporting these programs. In the past, these funds were split 50-50 between the District and the Campus, and used to offset overall expenses in the current year. To improve budget and accounting support for categoricals and grants, it is proposed that we shift 100% of indirect cost funds from the District and the Campuses, to Districtwide and utilize these dollars to fund a post-award grants team. A grants team would assist with invoicing; drawdowns; reporting; reconciliations; developing and maintaining a grants database; training project personnel; keeping abreast of new state and federal compliance requirements; updating budgets for new allocations and carryovers; reviewing expense and budget transfers; preparing fiscal-year closing entries and audit schedules.

Forward this form with all backup material to the office of the Vice Chancellor, Finance & Facilities.

Indirect cost funds over the last two years were: \$750K (FY'25) and \$765K (FY'24). About 36%-38% came from federal funds. The estimated cost of a grants team (1 manager and 3 staff) is about \$720K. Offset by indirect cost, the net cost of a grants team is estimated to be -\$30K.

- The following departments serve all four budget centers (Cypress, Fullerton, NOCE, and District Services). It is proposed that all four budget centers share in the cost of funding these departments (Estimated total: \$1.4M).
 - District Campus Safety (Org 1327) about \$169K - **New**
 - District Diversity, Culture, Inclusion (Org 1130) about \$277K
 - EEO & Compliance (Org 1425) about \$502K
 - Districtwide Staff Development (Org 1420) about \$448K
- It is proposed that a contingency equaling 3.0% of permanent positions in the Ongoing and Self-Supporting Funds be budgeted annually to cover the cost Districtwide increases (e.g. new investments in programs, employees, technology, facilities, etc.). The estimated contingency is about \$6.4M using 2025-26 permanent positions.
- It is proposed that beginning Fiscal Year 2026-27 any current year surplus at District Services flow to the three campuses (Cypress, Fullerton, NOCE) based on the percentage of RAM revenue each generated during the fiscal year. Existing and 2025-26 carryovers at District Services would be utilized to complete committed projects and purchases. District Services surpluses over the last two years were: \$4.6M (FY'25) and \$3.1M (FY'24).

5. **RECOMMENDATION** (Required for all action items; encouraged for all review/discussion items)

It is recommended that CBF evaluate the model, and the proposed changes noted above, and recommend any additional information that would provide an appropriate evaluation report on the application of the RAM.

Furthermore, it is recommended that CBF also reach consensus to provide this evaluation report, with any amended information, to DCC.

North Orange County Community College District

Using 2025-26 Proposed Budget

Proposed Changes: (Adding New Grants Team, DW Positions Changes, Plus 3% Contingency, No DS Carryover)

October 7, 2025

	DW	DS	CC	FC	NOCE	Total
SCFF Revenues	\$ -	\$ 24,598,975	\$ 96,106,214	\$ 116,879,516	\$ 28,350,155	\$ 265,934,860
Other Revenues	-	2,503,844	9,080,476	9,333,435	2,633,945	23,551,700
Funding for Districtwide Expenses	8,116,218	(759,678)	(2,949,434)	(3,538,671)	(868,435)	(0)
Net Chargebacks	-	803,724	324,124	305,283	(1,433,131)	-
Total RAM Revenue (excl Stability Protection)	8,116,218	27,146,865	102,561,380	122,979,563	28,682,534	289,486,560
Expenses	7,991,218	25,841,532	104,941,421	122,108,632	29,045,047	289,927,850
Contingencies	125,000	654,199	-	1,571,403	-	2,350,602
Contingencies (3.0% of Permanent Positions 25-26)		651,133	2,339,623	2,851,987	541,322	6,384,065
	8,116,218	27,146,865	107,281,043	126,532,022	29,586,369	298,662,517
Net Available Revenue	-	-	(4,719,663)	(3,552,459)	(903,835)	(9,175,957)
Net Transfers In/(Out) to Supplement Operations	-	-	1,835,567	-	-	1,835,567
Balance before Hold Harmless Funding	\$ -	\$ -	\$ (2,884,096)	\$ (3,552,459)	\$ (903,835)	\$ (7,340,390)
Prior Year TCR Stability Protection▲	-	-	-	-	-	-
Balance	-	-	(2,884,096)	(3,552,459)	(903,835)	(7,340,390)
Balance using based on Current Model	-	-	-	-	-	-
Difference	-	-	(2,884,096)	(3,552,459)	(903,835)	(7,340,390)

▲ 2024-25 SCFF Calculated Revenue + COLA (2.30%). Set aside to fund required increase to Board Policy Reserve (\$1,566,097).

North Orange County CCD
Using 2025-26 Proposed Budget
Resource Allocation Model Budget Calculations
October 7, 2025

	Districtwide		District Services		Cypress College		Fullerton College		N. Orange Cont. Education		Total
	\$	%	\$	%	\$	%	\$	%	\$	%	\$
Revenues											
SCFF 2025-26 Estimated State Apportionment	\$ -	0.00%	\$ -	0.00%	\$ 105,902,164	39.82%	\$ 128,792,856	48.43%	\$ 31,239,840	11.75%	\$ 265,934,860
Revenue Allocation to District Services, 9.25%	\$ -	0.00%	\$ 24,598,975	9.25%	\$ (9,795,950)	40.09%	\$ (11,913,340)	48.10%	\$ (2,889,685)	11.81%	\$ -
Subtotal Revenue, 1	\$ -	0.00%	\$ 24,598,975	9.25%	\$ 96,106,214	36.14%	\$ 116,879,516	43.95%	\$ 28,350,155	10.66%	\$ 265,934,860
Other Unrestricted Revenue	\$ -	0.00%	\$ 358,470	1.52%	\$ 10,006,034	42.49%	\$ 10,284,777	43.67%	\$ 2,902,419	12.32%	\$ 23,551,700
Revenue Allocation to District Services, 9.25%	\$ -	0.00%	\$ 2,145,374	9.25%	\$ (925,558)	40.09%	\$ (951,342)	48.10%	\$ (268,474)	11.81%	\$ -
Subtotal Revenue, 2	\$ -	0.00%	\$ 2,503,844	10.63%	\$ 9,080,476	38.56%	\$ 9,333,435	39.63%	\$ 2,633,945	11.18%	\$ 23,551,700
Subtotal Revenue, 3	\$ -	0.00%	\$ 27,102,819	9.36%	\$ 105,186,690	36.34%	\$ 126,212,951	43.60%	\$ 30,984,100	10.70%	\$ 289,486,560
Contribution towards Districtwide Expenditures	\$ 8,116,218	100.00%	\$ (759,678)	-9.36%	\$ (2,949,434)	-36.34%	\$ (3,538,671)	-43.60%	\$ (868,435)	-10.70%	(0)
Subtotal Revenue, 4	\$ 8,116,218	2.80%	\$ 26,343,141	9.10%	\$ 102,237,256	35.32%	\$ 122,674,280	42.39%	\$ 30,115,665	10.40%	\$ 289,486,560
Chargebacks between budget centers											
FC Chargebacks	\$ -						\$ 305,283		\$ (305,283)		\$ -
CC Chargebacks	\$ -				\$ 536,832				\$ (536,832)		\$ -
NOCE Chargebacks	\$ -		\$ (284,526)		\$ (62,702)				\$ 347,228		\$ -
DS Chargebacks	\$ -		\$ 1,088,250		\$ (150,006)				\$ (938,244)		\$ -
Net Chargebacks	\$ -		\$ 803,724		\$ 324,124		\$ 305,283		\$ (1,433,131)		\$ -
Final Revenue Allocation	\$ 8,116,218	2.80%	\$ 27,146,865	9.38%	\$ 102,561,380	35.43%	\$ 122,979,563	42.48%	\$ 28,682,534	9.91%	\$ 289,486,560
Expenditures											
Position Control Expenses	\$ -	0.00%	\$ 21,070,306	9.89%	\$ 78,310,688	36.77%	\$ 95,358,986	44.77%	\$ 18,260,405	8.57%	\$ 213,000,384
Personnel Costs outside of Position Control	\$ 2,063,124	4.02%	\$ 1,336,832	2.61%	\$ 18,876,144	36.79%	\$ 18,842,438	36.73%	\$ 10,183,832	19.85%	\$ 51,302,370
Other Operating Expenses	\$ 6,053,094	21.64%	\$ 4,088,594	14.61%	\$ 7,754,589	27.72%	\$ 9,478,611	33.88%	\$ 600,810	2.15%	\$ 27,975,698
Total Expenditures	\$ 8,116,218	2.78%	\$ 26,495,732	9.07%	\$ 104,941,421	35.90%	\$ 123,680,035	42.32%	\$ 29,045,047	9.94%	\$ 292,278,452
Total Net Available Revenue	\$ -	0.00%	\$ 651,133	-23.32%	\$ (2,380,041)	85.25%	\$ (700,472)	25.09%	\$ (362,513)	12.98%	\$ (2,791,892)
Intrafund Transfers In/Out (To supplement Exp.)											
Intrafund Transfer In to 11200	\$ -		\$ -		\$ 1,835,567		\$ -		\$ -		\$ 1,835,567
Intrafund Transfer Out from 11200	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Intrafund Transfer In to Self-Supporting	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Intrafund Transfer Out from Self-Supporting	\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Total Intrafund Transfers	\$ -		\$ -		\$ 1,835,567		\$ -		\$ -		\$ 1,835,567
Final Net Available Revenue	\$ -	0.00%	\$ 651,133	-68.09%	\$ (544,474)	56.93%	\$ (700,472)	73.25%	\$ (362,513)	37.91%	\$ (956,325)

North Orange County CCD
Using 2025-26 Proposed Budget
Local and Other (Unrestricted) Revenue
October 7, 2025

	Districtwide		District Services		Cypress College		Fullerton College		N. Orange Cont. Ed.		Total
	\$	%	\$	%	\$	%	\$	%	\$	%	\$
State Revenue											
Enrollment Fee Waiver	\$ -	0.0%	\$ -	0.0%	\$ 118,320	37.2%	\$ 148,142	46.6%	\$ 51,388	16.2%	\$ 317,850
Full-Time Faculty Hiring Funds 2018-19	\$ -	0.0%	\$ -	0.0%	\$ 536,500	37.2%	\$ 671,720	46.6%	\$ 233,008	16.2%	\$ 1,441,228
Part-Time Faculty Office Hours	\$ -	0.0%	\$ -	0.0%	\$ 1,188,992	37.2%	\$ 1,488,666	46.6%	\$ 516,394	16.2%	\$ 3,194,052
Part-Time Faculty Compensation	\$ -	0.0%	\$ -	0.0%	\$ 270,458	37.2%	\$ 338,624	46.6%	\$ 117,463	16.2%	\$ 726,545
Lottery	\$ -	0.0%	\$ -	0.0%	\$ 2,273,743	37.2%	\$ 2,846,821	46.6%	\$ 987,514	16.2%	\$ 6,108,078
Mandated Costs	\$ -	0.0%	\$ -	0.0%	\$ 427,566	37.2%	\$ 535,329	46.6%	\$ 185,697	16.2%	\$ 1,148,592
Total	\$ -	0.0%	\$ -	0.0%	\$ 4,815,579	37.2%	\$ 6,029,302	46.6%	\$ 2,091,464	16.2%	\$ 12,936,345
Self-Supporting/Local Revenue											
Allocated from DW Activity											
Interest & Investment Income	\$ -	0.0%	\$ -	0.0%	\$ 1,116,755	37.2%	\$ 1,398,225	46.6%	\$ 485,020	16.2%	\$ 3,000,000
Miscellaneous DW	\$ -	0.0%	\$ -	0.0%	\$ 3,723	37.2%	\$ 4,660	46.6%	\$ 1,617	16.2%	\$ 10,000
Sub Total Alloc. From DW Acty	\$ -	0%	\$ -	0.0%	\$ 1,120,478	37.2%	\$ 1,402,885	46.6%	\$ 486,637	16.2%	\$ 3,010,000
Budget Center Activity											
Baccalaureate Degree Enroll. Fees	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Class Audit Fees	\$ -	0%	\$ -	0%	\$ 550	100%	\$ -	0%	\$ -	0%	\$ 550
Coin Operated Copier	\$ -	0%	\$ -	0%	\$ -	0%	\$ 500	100%	\$ -	0%	\$ 500
Community Service Classes	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Continuing Education Tuition Classe	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Contract Instructional Services	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ 18,000	100%	\$ 18,000
Contractor Commission	\$ -	0%	\$ -	0%	\$ 100,000	100%	\$ -	0%	\$ -	0%	\$ 100,000
Contrib, Gifts, Grants, & Endowment	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Enrollment Status Verification	\$ -	0%	\$ -	0%	\$ 5,000	100%	\$ -	0%	\$ -	0%	\$ 5,000
Gain(Loss) From Sale of Fixed Asset	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Graduation Application Fee	\$ -	0%	\$ -	0%	\$ 700	100%	\$ -	0%	\$ -	0%	\$ 700
Health Services	\$ -	0%	\$ -	0%	\$ 9,000	38%	\$ 15,000	62%	\$ -	0%	\$ 24,000
Instructional Materials Fees	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ 1,200	100%	\$ 1,200
International Student Appl. Fee	\$ -	0%	\$ -	0%	\$ 4,000	100%	\$ -	0%	\$ -	0%	\$ 4,000
Miscellaneous	\$ -	0%	\$ 310,000	48%	\$ 29,000	4%	\$ 305,827	48%	\$ 500	0%	\$ 645,327
Miscellaneous District Services	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Non-Resident Tuition	\$ -	0%	\$ -	0%	\$ 1,200,000	40%	\$ 1,800,000	60%	\$ -	0%	\$ 3,000,000
Other Contract Services (Funds 12xxx)	\$ -	0%	\$ -	0%	\$ 122,975	46%	\$ 17,842	7%	\$ 127,445	47%	\$ 268,262
Other Student Fees & Charges	\$ -	0%	\$ -	0%	\$ 8,000	62%	\$ 5,000	38%	\$ -	0%	\$ 13,000
Over/Short Miscellaneous	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Parking Meters & Fines	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Pepsi Commissions	\$ -	0%	\$ -	0%	\$ 120,000	71%	\$ 50,000	29%	\$ -	0%	\$ 170,000
Refund Processing Fees	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Rentals & Leases	\$ -	0%	\$ 48,470	3%	\$ 2,001,500	91%	\$ 132,050	6%	\$ 500	0%	\$ 2,182,520
Return Check Charges	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -	0%	\$ -
Student Records	\$ -	0%	\$ -	0%	\$ 52,000	46%	\$ 60,296	54%	\$ -	0%	\$ 112,296
Vending Commissions	\$ -	0%	\$ -	0%	\$ 45,000	75%	\$ -	0%	\$ 15,000	25%	\$ 60,000
Sub-Total Budget Center Acty	\$ -	0%	\$ 358,470	4%	\$ 3,697,725	57%	\$ 2,386,515	37%	\$ 162,645	2%	\$ 6,605,355
Total	\$ -	0.0%	\$ 358,470	4.0%	\$ 4,818,203	50.0%	\$ 3,789,400	39.0%	\$ 649,282	7.0%	\$ 9,615,355
Carry Over Revenue/Prior Year Adj.											
Interfund Transfers In	\$ -	0.0%	\$ -	0.0%	\$ 372,252	37.2%	\$ 466,075	46.6%	\$ 161,673	16.2%	\$ 1,000,000
Intrafund Transfers In	\$ -	0.0%	\$ -	0.0%	\$ -	37.2%	\$ -	46.6%	\$ -	16.2%	\$ -
Total	\$ -	0.0%	\$ -	0.0%	\$ 372,252	37.2%	\$ 466,075	46.6%	\$ 161,673	16.2%	\$ 1,000,000
Total Unrestricted Revenue	\$ -	0%	\$ 358,470	1.5%	\$ 10,006,034	42.5%	\$ 10,284,777	43.7%	\$ 2,902,419	12.3%	\$ 23,551,700

North Orange County Community College District
Using 2025-26 Proposed Budget
Districtwide (DW) Expenses in Fund 11200 (Ongoing Budget only)
October 7, 2025

	Actuals 2023-24	Budget 2024-25	Actuals 2024-25	Budget 2025-26
Sabbatical Replacement Costs	\$ -	\$ 300,000	\$ -	\$ 300,000
Related Activity (Additional Duty Days for Faculty)	\$ 442,561.68	350,000	439,540	350,000
Subtotal 10000's	\$ 442,561.68	650,000	439,540	650,000
 Grants Team (1 manager and 3 staff) - New				719,541
Grants Indirect (offset)				(749,543)
Net Cost	-	-	-	(30,002)
 District Campus Safety - New (Org 1327)				169,213
District Diversity, Culture, Inclusion (Org 1130)				276,745
EEO & Compliance (Org 1425)				502,250
Districtwide Staff Development (Org 1420)				447,853
Cost Share Positions	-	-	-	1,396,061
Subtotal 20000's	\$ -	-	-	1,366,059
 Retiree Medical Benefits	\$ 5,395,476.93	5,750,057	6,089,831	6,090,000
Contribution from Retiree OPEB Trust	\$ -	(5,750,057)	(6,000,000)	(6,000,000) ***
Net Retiree Medical Benefits Cost	\$ 5,395,476.93	-	89,831	90,000
Part-time Faculty Insurance reimbursement program	\$ 134,095.85	215,000	126,785	133,124
Part-time Faculty Insurance premiums	\$ 2,304,834.59	4,475,000	3,795,314	3,985,079
Expected Reimbursement	\$ (2,333,385.59)	(4,690,000)	(3,792,807)	(3,985,079) ◆
Net Part Time Health Insurance Program Expense	\$ 105,544.85	\$ -	\$ 129,291	\$ 133,124
Fringe Benefits Clearing	\$ 600,574.29	1,000,000	1,084,714	1,100,000
Adjustments/Fees from STRS	\$ 24,607.16	40,000	51,912	40,000
Fees from PERS	\$ -	10,000	1,950	10,000
Load Banking Benefits Accrual Adjustment	\$ 39,409.01	15,000	30,525	40,000
Subtotal 30000's	\$ 6,165,612.24	1,065,000	\$ 1,388,223	1,413,124
 Other (Memberships per Contracts for Employees)	\$ -	6,000	1,500	6,000
Recruiting Budget	\$ 43,761.55	55,000	50,350	55,000
Fingerprinting	\$ 19,595.00	25,000	22,909	25,000
Sabbatical Bond Reimbursements	\$ 4,446.50	4,500	8,784	4,500
Districtwide Memberships	\$ 142,042.22	143,000	146,395	150,000
Audit Expenses	\$ 121,800.00	133,500	180,100	140,000
Information & Emergency Communication System	\$ 47,481.28	51,280	-	-
Sewer Expenses	\$ 98,726.46	99,000	111,416	115,000
Additional Attorney Expenses	\$ 250,968.14	350,000	350,000	610,000
Waste Disposal	\$ 196,244.28	200,000	191,816	200,000
Election Expense	\$ -	300,000	459,102	150,000
Ride Share (AQMD)	\$ 100,432.78	120,000	100,964	120,000
Student Insurance	\$ 235,394.00	236,000	274,632	301,902
Employee Assistance Program	\$ 41,437.02	60,000	49,966	65,000
Interest	\$ 66,711.23	90,000	49,821	65,000
Life insurance	\$ 171,912.25	172,000	183,226	185,000
Mandated Fees from PERS (for reports)	\$ 350.00	350	1,020	1,500
County Payroll Postage Charges	\$ 5,513.42	5,700	6,293	6,400
DW IT Expenses	\$ 1,551,350.03	1,907,219	1,858,200	2,111,733
Subtotal 50000's	\$ 3,098,166.16	3,958,549	4,046,492	4,312,035
 FC Child Care Center Contribution (B/A 4/14/09)	\$ 250,000.00	250,000	250,000	250,000
Hospitality	\$ 211,696.85	-	-	- ✧
Subtotal 70000's	\$ 461,696.85	250,000	250,000	250,000
 EEO Plan Implementation	\$ -	25,000	-	25,000
Student Success	\$ -	100,000	-	100,000
Subtotal 79000's (Contingencies)	\$ -	125,000	-	125,000
 Total Districtwide Expenses	\$ 10,168,036.93	\$ 6,048,549	\$ 6,124,255	\$ 8,116,218
STRS on behalf payments from the State**	7,419,861.00			
Total	17,587,897.93			

** : STRS on behalf payments from the State are contributions made on behalf of schools towards the STRS liability and we are required to record our proportionate share as expense and matching revenues, resulting in a zero net effect on resources.

***: The Retiree Trust Board approved the use of trust fund assets for the pay-as-you-go annual costs for the health retiree benefits.

◆: We will be using the reimbursement from the state to cover the cost of the part-time faculty health insurance program.

✧: Beginning 24-25, hospitality will no longer be a districtwide shared expense. Hospitality will be budgeted at each budget center.