



Kern Community College District
2021-2022 Adopted Budget
September 9, 2021

**BAKERSFIELD
COLLEGE**

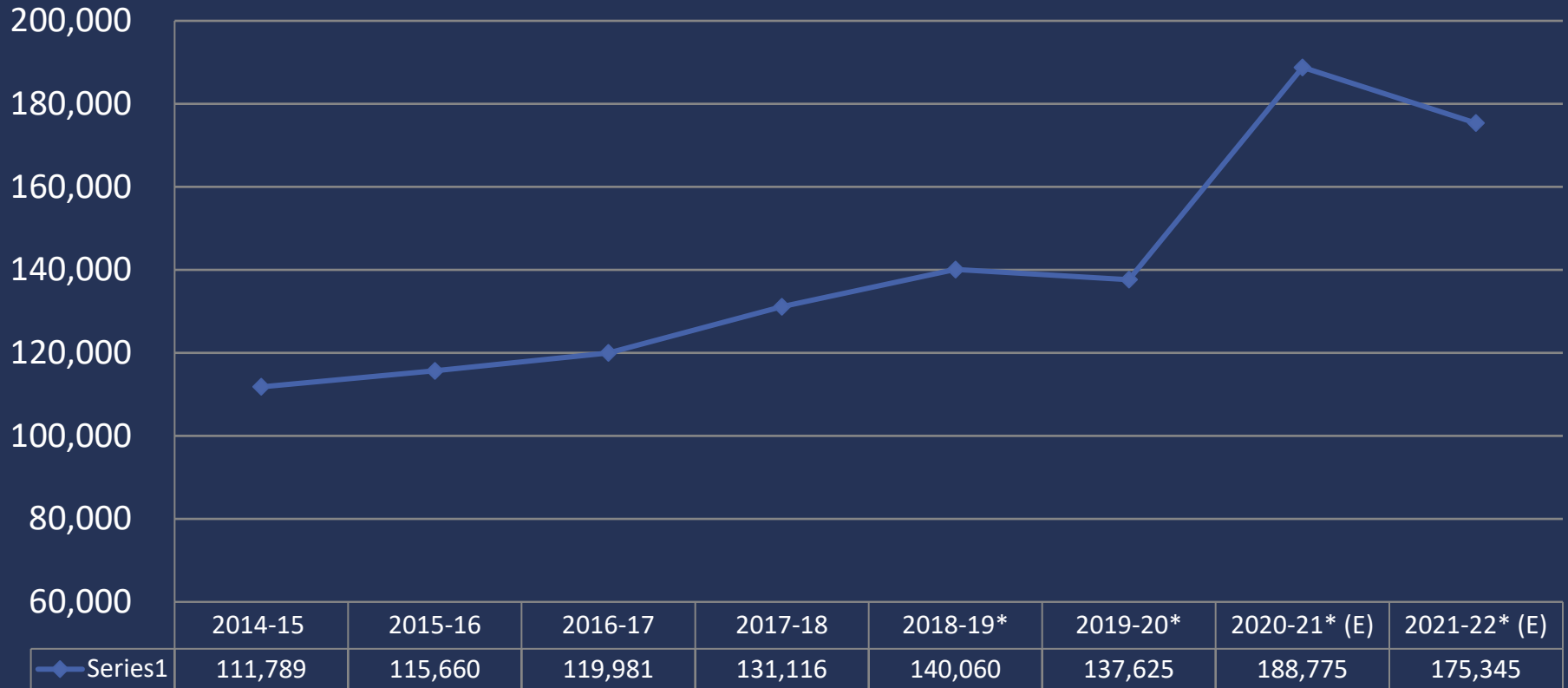


**PORTERVILLE
COLLEGE**



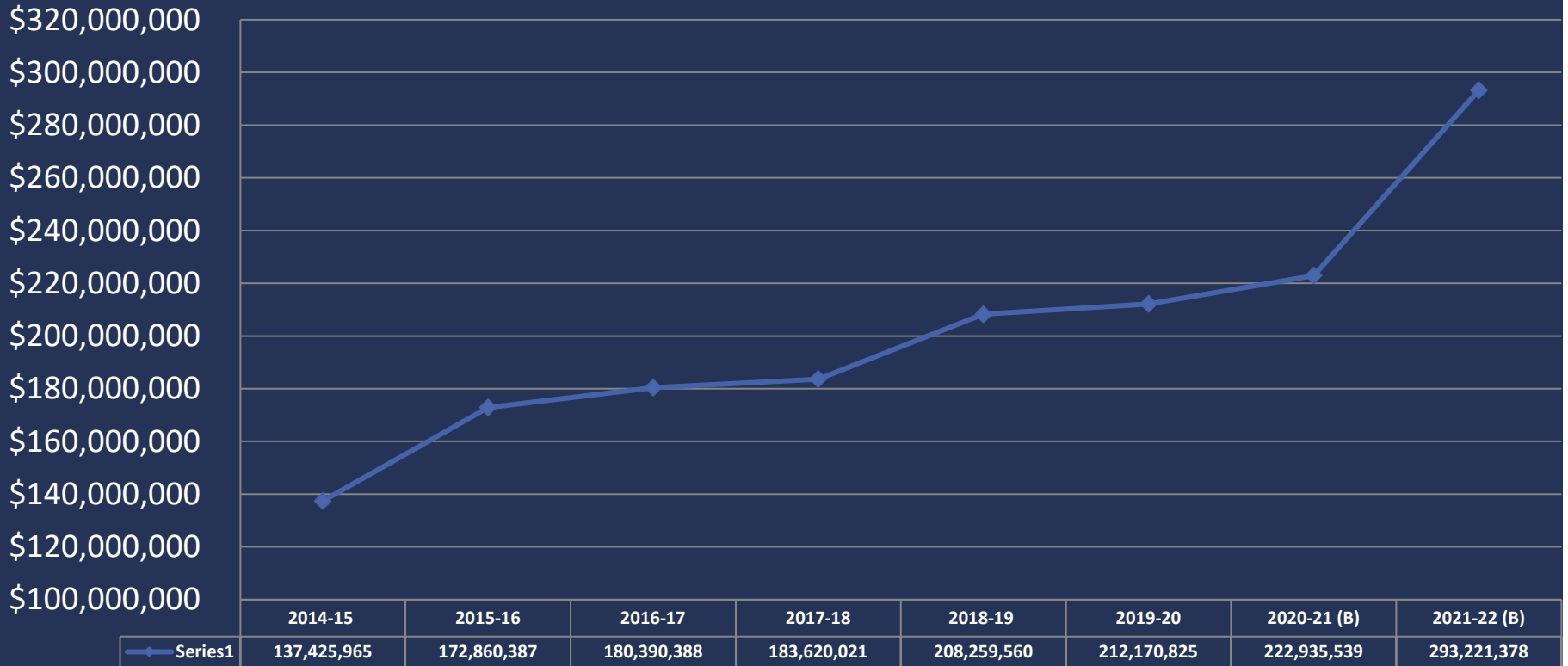
Kern Community College District

State General Fund Revenues & Transfers (\$ in millions)



Kern Community College District

Total KCCD General Fund Revenues



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- On July 12, 2021, Governor Newsom signed the 2021-22 budget for California. Additional trailer bills to implement various provisions of the budget will be considered over the next couple of months. Many of the new investments are one-time, focused on needs revealed or exacerbated by the pandemic.
- The Budget Act increases overall funding for community colleges by more than \$3.5 billion over 2020-21 levels through a combination of ongoing and one-time funds.

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Apportionments

- *COVID-19 Emergency Conditions Allowance* extended through 2021-22. Districts that opt in will be funded based on 2019-20 final FTES. Regardless of a district's election, actual FTES must be reported on the CCFS-320.
- Hold harmless extended by one more year from 2023-24 to 2024-25.
- The budget fully pays off the deferral from 2020-21. Also, the COLA was increased to 5.07% and is reflected in the KCCD Adopted Budget Allocation.

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Community College Investment Themes

Restore Institutional Resources

Diversity, Equity, and Inclusion

College Affordability and Basic Needs

Pathways

Workforce

Pandemic Recovery

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Statewide Categoricals

Ongoing - Stays the Same



Student Equity and Achievement Program

\$23.76 million



Enrollment Growth

\$23.61 million



CENIC Broadband

\$8 million



Dreamer Resources Center

\$5.8 million



Library Services Platform

\$4 million

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Statewide Categoricals

Ongoing - Stays the Same

COLA for select categorical programs

\$17.55 million

California Apprenticeship Initiative

\$15 million

Online tools

\$10.61 million

Adult Education Program technical assistance

\$1 million

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Statewide Categoricals

- **Guided Pathways** - The enacted budget includes \$50 million one-time to continue implementation allocated to colleges the same method used for the prior funding.
- **Dual Enrollment** – \$2.5 million one-time for instructional material for high school students enrolled in a community college course through a College and Career Access Pathways partnership.
- **Strong Workforce Program** - Provides an increase of \$42.4 million ongoing funding
 - **High Road Training Partnerships and Regional Partnerships** - \$10 million one-time to support CCC participation in High Roads.
 - **Partnership with California Workforce Development Board** \$10 million one-time for a regional workforce investment uses existing regional consortia.

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Statewide Categoricals Ongoing - Increases

Umoja

\$4.9*
million

Puente

\$7.33
million

MESA

\$8.19
million

EOPS

\$20
million

HBCU
Transfer

\$1.3
million

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Statewide Categoricals

- Student Housing - \$2 billion in one-time non-Proposition 98 General Funds to create a new fund for student housing split between CCC, CSU, and UC education segments.
- EEO Best Practices - \$20 million one-time Proposition 98 to support the implementation of best practices for success in promoting equal employment opportunity and faculty and staff diversity.
- Provides \$5.6 million in one-time funds for Chancellor's Office for the implementation of the new ethnic studies requirement in the CSU (AB 1460) and for the coordination of systemwide antiracism initiatives.

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Higher Education Emergency Relief Fund (HEERF)

- HEERF III provides KCCCD an additional one-time funds to support transitioning back toward in-person education.
- HEERF II and III requires institutions to prioritize students with exceptional need. Can be used to cover unpaid student accounts receivable or other student account debt.
- HEERF II and III can be used to defray expenses associated with coronavirus and cover lost revenues associated with the COVID-19, such as enrollment fees and charges.

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Other Provisions

- Provides \$511 million for deferred maintenance projects.
- Provides \$100 million for new full-time faculty hiring to increase meeting the 75% full-time faculty goal.
- Provides \$30 million for basic needs centers and coordinators.
- Additional \$100 million one-time for colleges to support basic needs, including to maintain food pantries, assist students with enrollment in CalFresh, support students in obtaining nutrition assistance, and assist homeless and housing-insecure students.
- Provides \$30 million for mental health solely, removed technology.

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Capital Outlay

- Approves Proposition 51 resources to support 9 new, 8 accelerated from FY22-23 Spending Plan, and 32 continuing capital outlay projects including the Delano Multi-purpose and Porterville Allied Health Buildings.
- Revised State Capital Outlay Program
 - Category A (Life and Safety)
 - Category M (Modernization)
 - Category G (Growth)
 - Revised scoring metrics
 - Requires local contribution or hardship waiver

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CalPERS/CalSTRS

CalPERS

2020-21 Prior Rate	New 2020-21 Rate	2021-22 Prior Rate	New 2021-22 rate
22.67%	20.7%	23.0%	22.91%

CalSTRS

2020-21 Prior Rate	New 2020-21 Rate	2021-22 Prior Rate	New 2021-22 rate
18.41%	16.15%	15.92%	16.92%

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Kern Community College District 2021-22 General Fund Budget Summary							
Location: District Total							
General Unrestricted (GU001 & CE)							
Description	2021-22 Adopted Budget	2020-21 Adopted Budget	Change Inc./(Dec.)	Pct. Change	2020-21 Projected	Change Inc./(Dec.)	Pct. Change
Beginning Balance	104,840,366	94,182,563	10,657,802	11.32%	96,235,599	8,604,767	8.94%
Revenues							
<i>Federal</i>	603,990	731,926	(127,936)	-17.48%	731,926	(127,936)	-17.48%
<i>State</i>	117,403,443	102,130,435	15,273,007	14.95%	110,238,491	7,164,952	6.50%
<i>Local</i>	72,478,212	73,305,996	(827,785)	-1.13%	73,850,090	(1,371,878)	-1.86%
<i>Other Financing Sources</i>	100,499	10,000	90,499	904.99%	1,142,540	(1,042,041)	-91.20%
Total Revenue	190,586,144	176,178,358	14,407,786	8.18%	185,963,047	4,623,097	2.49%
Expenditures							
<i>Academic Salaries</i>	67,565,378	65,094,539	2,470,839	3.80%	65,283,311.04	2,282,067	3.50%
<i>Classified & Other Non-academic Salaries</i>	36,669,104	31,527,009	5,142,095	16.31%	31,527,009.37	5,142,095	16.31%
<i>Employee Benefits</i>	40,350,659	38,348,575	2,002,083	5.22%	38,348,575.46	2,002,083	5.22%
<i>Supplies & Materials</i>	3,290,081	3,245,847	44,233	1.36%	3,245,847.28	44,233	1.36%
<i>Service/Utilities/Operating Exps.</i>	28,654,911	24,446,838	4,208,073	17.21%	25,741,758.01	2,913,153	11.32%
<i>Capital Outlay</i>	5,627,102	2,496,334	3,130,768	125.41%	5,071,685.75	555,416	10.95%
<i>Other Outgo</i>	6,084,246	6,080,964	3,282	0.05%	6,080,964	3,282	0.05%
<i>Transfers Out</i>	13,588,653	557,000	13,031,653	2339.61%	2,059,129	11,529,524	559.92%
Total Expenditures and Other Outgo	201,830,132	171,797,107	30,033,026	17.48%	177,358,280	24,471,852	13.80%
Ending Balance (Reserves)	93,596,378	98,563,815	(4,967,437)	-5.04%	104,840,366	(11,243,988)	-10.72%
Projected Change in Fund Balance (Reserves)	(11,243,988)	4,381,251	(15,625,239)	-356.64%	8,604,767	(19,848,755)	-230.67%

* The Transfers Out reflects the Certificate of Participation (COP - \$6,704,362.70) and Other Post Employment Benefits (OPEB - \$5,500,000) contributions.

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2021-22 General Fund – Unrestricted Fund Balances

Unrestricted Reserve Analysis (GU & CE)	Beg Balance	End Balance	Net Change
GU001 Unrestricted			
Bakersfield College	23,662,394	24,432,864	770,470
Cerro Coso Community College	6,001,860	7,727,379	1,725,519
Porterville College	7,051,267	8,544,488	1,493,221
District Wide	67,680,954	52,595,573	(15,085,381)
Total GU001	104,396,475	93,300,304	(11,096,171)
Contract Education Unrestricted			
Bakersfield College	173,229	-	(173,229)
Cerro Coso Community College	400	-	(400)
Porterville College	-	-	-
District Operations	270,261	296,073	25,812
Total Contract Education	443,890	296,073	(147,818)
Total Unrestricted Fund Balances	104,840,365	93,596,377	(11,243,989)

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**Projected Unrestricted Ending Fund Balance
\$93.5 million or 46.37%**

- **Unallocated District Wide = \$52.6 million**
- **Colleges = \$40.9 million**

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Compliance Tests

- General Unrestricted Fund Salaries and Benefits
 - > Goal less than 80%; Projected 2021-22 = 71.6%
- Goal 15% Unallocated District wide Reserve (Does not include 5% per College Reserve)
 - > Projected 2021-22 = 26.39%

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Compliance Tests

• Projected 50% Law Calculation [^]	50.52%
• Projected Fall 2021 Full Time Faculty	457.00
Less FON*	<u>- 416.80</u>
Over/Under FON 2021	<u><u>40.20</u></u>

[^] The District will review the 50% Law actuals throughout the fiscal year to monitor for compliance.

*KCCD was allocated funding for an additional 27.0 new Full-Time Faculty to meet 75% goal to be hired in 2022.

*The compliance FON is the lower of the FON calculated at Advance or at the second principal apportionment.

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Potential Threats to KCCD Budget **Assumptions**

Fiscal Impact of Pandemic – COVID-19 Surge requiring a shut down resulting in decreased state revenue.