

SANTA ANA COLLEGE

UNRESTRICTED GENERAL FUND

2015-16 TENTATIVE BUDGET ASSUMPTIONS

March 3, 2015

The following assumptions will be used in the development of the 2015/16 SAC Tentative Budget

- 1.** From a budget methodology perspective, SAC will be in implementation year four of the District's transition to the SB 361 Budget Allocation Model.
- 2.** The Tentative Base Budget for 2015/16 will begin with a rollover in total 2014/15 SAC Adopted Budget. The Tentative Budget will be balanced by using a portion of the District's Budget Stabilization Fund if necessary.
- 3.** SAC Tentative Budget Assumptions will be in alignment with the District's 15/16 Tentative Budget Assumptions.
- 4.** SAC Tentative Budget will be prepared in alignment with the established College Mission/Goals and Strategic Plan as well as the College budgeting priorities as developed by the SAC Planning & Budget committee.
- 5.** In alignment with the District's Tentative Budget Assumptions, the Cost of Living Allowance (COLA) is estimated at 1.58%.
- 6.** Restoration/Access/Growth is estimated at (1%) increase. SAC FTES target for FY 2015/16 20,495. SAC must first earn the FTES before any additional revenue will be realized.
- 7.** Step and Column movement is budgeted at an additional cost of approximately \$1.4 million including benefits.
- 8.** SAC portion of the \$2.1 million district cost will be budgeted to account for 10% increase in Health and Welfare benefit premium cost.
- 9.** SAC portion of the \$255,693 district cost will be budgeted to account CalPERS rate increase from 11.771% in FY 14/15 to 12.6% in FY 15/16.
- 10.** SAC portion of the \$1,048,025 district cost will be budgeted to account CalSTRS rate increase from 8.88% in FY 14/15 to 10.73% in FY 15/16.
- 11.** The College will budget for a total of twenty two (22) full time faculty positions (16 replacement and 6 new positions) to comply with District's FON statutory requirement. SAC total cost \$2,750,000
- 12.** Sabbatical costs will be budgeted for at SAC.
- 13.** Part-time hourly budgets will contain sufficient funds to meet SAC's FTES target in accordance with the class schedule. The current rate per Lecture Hour Equivalent (LHE) for hourly faculty is \$1,243 effective January 1, 2015. This represents a 5.88% increase from 2013/14.
- 14.** 5% increase in cost for utilities expenses and preventative and routine maintenance will be budgeted.
- 15.** A Technology-Innovation Fund will be budgeted for SAC.
- 16.** A Professional Development Fund will be budgeted at SAC.
- 17.** Scheduled Maintenance and Instructional Equipment will be budgeted at SAC.
- 18.** SAC will fund an Institutional Contingency Reserve of 20% of the total SAC carryover funds.

Approved 3/3/15