

To: Budget Managers and staff

From: Morris Rodrigue
Vice President, Administrative Services

Date: May 29, 2020

Subject: **BUDGET PROCESS TO REDUCE ONGOING DISCRETATIONARY BUDGETS FOR THE UNRESTRICTED GENERAL FUND**

Due to the effects of the COVID-19 pandemic, the Department of Finance (DOF) announced a \$54 billion statewide shortfall for the 2019-20 and 2020-21 fiscal years in the recently released Governor's May Revision budget. The May Revision reduces California Community Colleges' ongoing funding in 2020-21 by \$1.1 billion when compared to the Governor's January Proposal. Among several reductions, one of the significant proposed reductions is a \$593 million reduction to the Student Centered Funding Formula (SCFF). This reduction is estimated at \$16 million for Mt. San Antonio College. Another critical area is the proposal to establish deferrals to the College's Apportionment payments estimated at \$12.4 million (\$330.1 million statewide) from 2019-20 to 2020-21 and \$24.9 million (\$662.1 million statewide) from 2020-21 to 2021-22.

While our College is well-positioned to weather the storm, we need to work together to maintain fiscal stability. We need your help to review the "Ongoing Discretionary Budgets for the Unrestricted General Fund" with the goal of identifying budget reductions on this area. Enclosed, you will find the Budget and Expenditure Comparative report that will facilitate the completion of the Budget reduction process. It is important to note that we are currently reviewing several areas of the budget on separate processes. Therefore, this process **does not** include the review of budgets for regular employee vacancies (permanent employee vacancies), hourly faculty budget, benefits, one-time allocations, and carryover budgets.

Budget and Expenditure Comparative Report Process to Identify Budget Reductions:

The *Budget and Expenditure Comparative Report* will facilitate the analysis of budget line items that may be reduced. This report only includes Ongoing Discretionary Budgets for the Unrestricted General Fund for accounts in the range from 23XXXX to 24XXXX, 26XXXX, and 4XXXX to 76XXXX. This report also includes budget, actuals, and balances for the fiscal years 2016-17 through 2018-19. The information for the current fiscal year 2019-20 includes budgets, actuals, commitments (approved requisitions, purchase orders, and change orders), and balances as of May 7, 2020. The history of each budget line item (account string) is presented in chronological order. For updated information on account balances, please access the form FGIBDST (Organization Budget Status) in the Banner System.

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Using the *Budget and Expenditure Comparative Report*, please process the following:

- 1) Review the budget line items for each organization by filtering the spreadsheet by "ORG" (Column D). Please ensure all Orgs under your budget responsibility are reviewed.

B	D	E	F	G	I	J	K	L	M	N	O	P
FUN	ORG	MC	ACC	PRO	ACCT DESCRIPTION	ORG DESCRIPTION	FY	ADOPTED	REVISED BUDGET	YTD ACTUAL	ENCUMBR	BALANCE
11000	100000	2	231000	660000	Short-Term, Nonacad Salaries	President	2018/2019	-	9,100	9,100.00	-	-
11000	100000	2	236000	660000	Overtime, Noninstructional	President	2016/2017	14,000	14,000	14,330.36	-	(330.36)
11000	100000	2	236000	660000	Overtime, Noninstructional	President	2017/2018	14,000	13,658	13,657.45	-	0.55
11902	100000	2	236000	660000	Overtime, Noninstructional	President	2017/2018	-	265	265.02	-	(0.02)
11000	100000	2	236000	660000	Overtime, Noninstructional	President	2018/2019	14,000	17,672	23,478.43	-	(5,806.43)
11902	100000	2	236000	660000	Overtime, Noninstructional	President	2018/2019	-	-	154.18	-	(154.18)
11000	100000	2	236000	660000	Overtime, Noninstructional	President	2019/2020	14,000	14,000	15,507.57	-	(1,507.57)
11902	100000	2	236000	660000	Overtime, Noninstructional	President	2019/2020	-	-	70.13	-	(70.13)
11000	100000	4	421500	660000	Books, Magazines, Periodicals	President	2016/2017	1,600	1,600	1,452.16	-	147.84
11000	100000	4	421500	660000	Books, Magazines, Periodicals	President	2017/2018	1,600	1,600	1,585.41	-	14.59
11000	100000	4	421500	660000	Books, Magazines, Periodicals	President	2018/2019	1,600	1,700	1,653.77	-	46.23
11000	100000	4	421500	660000	Books, Magazines, Periodicals	President	2019/2020	1,600	1,600	1,470.48	-	129.52
11000	100000	4	451000	660000	Supplies	President	2016/2017	7,500	6,580	6,180.51	-	399.49
11000	100000	4	451000	660000	Supplies	President	2017/2018	7,500	4,832	3,999.19	-	832.81
11000	100000	4	451000	660000	Supplies	President	2018/2019	7,500	4,394	4,373.90	-	20.10
11000	100000	4	451000	660000	Supplies	President	2019/2020	7,500	7,500	5,594.62	1,467.58	437.80
11000	100000	4	451500	660000	Supplies-Computer Parts/Supp	President	2018/2019	-	-	65.69	-	(65.69)
11000	100000	4	453200	660000	Supplies-Promotional Items	President	2016/2017	-	2,742	2,305.51	-	436.49
11000	100000	4	453200	660000	Supplies-Promotional Items	President	2017/2018	-	160	109.92	-	50.08
11000	100000	4	466666	660000	Purchasing Card Default	President	2019/2020	-	-	(1,773.37)	-	1,773.37
11000	100000	4	471000	660000	Food Supplies	President	2016/2017	-	-	44.21	-	(44.21)

- 2) Each budget line item (account string) will show in chronological order. If the account balances have historically ended with a positive balance, please include your proposed budget reduction under "Budget Changes" (column Q), only in the budget line item that corresponds to the fiscal year 2019-20 (the line items for 2019-20 are in blue font).

B	D	E	F	G	I	K	L	M	N	O	P	Q
FUN	ORG	MC	ACC	PRO	ACCT DESCRIPTION	FY	ADOPTED	REVISED BUDGET	YTD ACTUAL	ENCUMBR	BALANCE	BUDGET CHANGE
11000	100000	4	451000	660000	Supplies	2016/2017	7,500	6,580	6,180.51	-	399.49	-
11000	100000	4	451000	660000	Supplies	2017/2018	7,500	4,832	3,999.19	-	832.81	-
11000	100000	4	451000	660000	Supplies	2018/2019	7,500	4,394	4,373.90	-	20.10	-
11000	100000	4	451000	660000	Supplies	2019/2020	7,500	7,500	5,594.62	1,467.58	437.80	200
							30,000	23,306	20,148.22	1,467.58	1,690.20	200

- 3) If you are unable to reduce your budget line item that have ended historically with positive budget balances, please provide an explanation as to why the particular budget cannot be reduced under "Explanation of Positive Budget Balance", this explanation is mandatory.

B	D	E	F	G	I	K	L	M	N	O	P	Q	S
FUN	ORG	MC	ACC	PRO	ACCT DESCRIPTION	FY	ADOPTED	REVISED BUDGET	YTD ACTUAL	ENCUMBR	BALANCE	BUDGET CHANGE	EXPLANATION OF POSITIVE BUDGET BALANCE
11000	100000	4	451000	660000	Supplies	2016/2017	7,500	6,580	6,180.51	-	399.49	-	
11000	100000	4	451000	660000	Supplies	2017/2018	7,500	4,832	3,999.19	-	832.81	-	
11000	100000	4	451000	660000	Supplies	2018/2019	7,500	4,394	4,373.90	-	20.10	-	
11000	100000	4	451000	660000	Supplies	2019/2020	7,500	7,500	5,594.62	1,467.58	437.80	-	Mandatory Explanation
							30,000	23,306	20,148.22	1,467.58	1,690.20	-	

Once the process of reviewing the budget line items is completed, submit the report to the President/Vice President of your area with a copy to their Executive Assistant **no later than June 12, 2020**. Your President/Vice President will review and take the proposed budget reductions to President's Cabinet for further discussion.

If you have questions on the completion of this report, please contact:

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