

Dallas County Community College District

Board of Trustees Planning and Budget
Committee Meeting

College Budget Allocations

November 17, 2009

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Dallas County
Community College District

IT ALL BEGINS HERE.

According to Wikipedia...

“In strategic planning, resource allocation is a plan for using available resources, for example human resources, especially in the near term, to achieve goals for the future. It is the process of allocating resources among the various projects or business units.”



In the DCCCD, the Budget Allocation

- divides available general fund resources (money) amongst the colleges using a formula
- Resources include (but not limited to):
 - state appropriations (enrollment driven; subject to state budget constraints)
 - ad valorem taxes (rate set by Board, subject to legal limits, processes; tax base subject to fluctuation)



General Fund Resources Available for Allocation (continued)

- Tuition (enrollment driven; rates set by Board)
 - Credit
 - Non Credit
 - Distance Learning
- Other Resources:
 - Installment Plan revenue (participation driven)
 - “Three-peat” revenue (participation driven)
 - Investment revenue (market & corpus driven)
 - Work Study (participation driven subject to federal & state funding)



Objectives for College Budget Allocation

- Be fair; be equitable
- Provide objectivity and accountability for budget development and college operations
- Provide college administrations with a predictable and reliable bottom line
- Provide resources & incentives for fulfillment of DCCCD mission and pursuit of priorities



DCCCD Mission

**To equip students for
successful living and
responsible citizenship in a
rapidly changing local,
national and world
community.**



Components of the Allocation formula

- Flat Amount Allocations: provides each college with the same starting point – regardless of size
 - “Fixed Allocation” first line on allocation
 - “Landscaping” line



Components of the Allocation formula (continued)

- Variables in Allocation based on size:
 - Enrollments (based on prior calendar year – a “base year” per se)
 - Contact hours
 - Anticipated State Reimbursement
 - Enrollment Growth Provision
 - Square Footage



Components of the Allocation formula (continued)

- Variables based on projected, and eventually, actual revenues:
 - Net Continuing Education Income
 - Fees (i.e. installment plan)
 - Miscellaneous Income
 - Work Study (federal & state)



Components of the Allocation formula (continued)

- Variables based on projected, and eventually, actual costs:
 - Salary Adjustments (Current & Prior Yr)
 - Staff Benefits
 - Prior Yr Carryforwards – PO's & Req's



Components of the Allocation formula (continued)

- Variables to encourage pursuit of priorities:
 - Visiting Scholar funding
 - Retention Initiative funding
 - Faculty Market Disparity Stipends
 - SECC matching funds



Components of the Allocation formula (continued)

- Variables to ensure equity, stabilize shifts in enrollment or cost patterns:
 - “Hold Harmless” provision
 - DART-Free funding
 - Allocations to fund or subsidize technology investments



Components of the Allocation formula - summarized

Each of these aforementioned components are expressed in dollar values across the lines and down the columns reflected on the **BUDGET ALLOCATION** and provide each college with its resource allocation, its “bottom line”, with which to fund its operations.



Is the bottom line “fair”?

- The 2009-10 Fall-Revised Budget Allocation provides an average of \$10.05 per contact hour generated in calendar year 2008.
- College-by-College, resources provided per contact hour are:

BHC	\$ 9.86
CVC	\$11.14
EFC	\$ 9.85
ECC	\$10.26
MVC	\$10.57
NLC	\$10.28
RLC	\$ 9.48



Is the bottom line “fair”?

- The 2008-09 Spring-Revised Budget Allocation provides an average of \$9.82 per contact hour generated in calendar year 2007.
- College-by-College, resources provided per contact hour are:

BHC	\$ 9.63
CVC	\$10.85
EFC	\$ 9.86
ECC	\$ 9.88
MVC	\$10.67
NLC	\$10.02
RLC	\$ 9.14



Is the bottom line “fair”?

- The 2007-08 Final Budget Allocation provides an average of \$9.34 per contact hour generated in calendar year 2006.
- College-by-College, resources provided per contact hour are:

BHC	\$ 9.20
CVC	\$10.72
EFC	\$ 9.02
ECC	\$ 9.88
MVC	\$ 9.97
NLC	\$ 9.20
RLC	\$ 8.72



Remember.....

- The bottom line is comprised of State Appropriations, Local Taxes, Tuition, Fees, Investment Revenue – all of the sources of DCCCD unrestricted revenue.
- The Budget Allocation is a means to match resources to college operations.



DCCCD Funding Constraints

- **Once set by a base year, state appropriations will not increase during a the biennium, even if DCCCD enrollments increase**
- **Upon certification of property values and adoption of a tax rate, tax revenue does not increase.**
- **Because tuition revenue is based on a projections, only enrollment increases that exceed the projected increase cause an increase in tuition revenue**



Revisions to the Budget Allocation

- Fall, Spring and Year-end
- Salary Adjustments
- Carryforward prior yr encumbrances
- College-revised income projections
- District-revised income projections
- Distribution of Budgetary Provisions:
 - Enrollment Growth
 - Retention Initiatives
 - Technology



In Summary

- Properly managed, the Budget Allocation meets the objectives discussed on slide #5.
- As the budget and the allocation are developed and revised, communication with the Presidents increases transparency
- There's never enough money to fund **EVERYTHING**. We have to prioritize.

