



**SAN DIEGO**  
Community College District

# Mesa College Fall 2026 Budget Presentation

October 5, 2026

A decorative graphic on the left side of the slide, consisting of several overlapping, semi-transparent blue triangles and polygons of various shades, creating a dynamic, abstract geometric pattern.

# Mission

The San Diego Community College District uplifts diverse individuals and communities through culturally affirming teaching, learning, and work environments.

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# Principles and Commitments

- Everyone in our community is capable of achieving their educational goals
- We must confront the history of discrimination, exclusion, and marginalization in education as we pursue equity, belonging, and justice
- We must create belonging without othering
- Our success is measured by individual outcomes in individual interactions

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# California Community College Revenue Overview



# How We Earn Revenue

- Full-Time Equivalent Students (FTES) is the largest source of unrestricted general funds we earn
- FTES Funding Formula
  1. Number of students enrolled in a course section
  2. Number of contact hours scheduled for the course section
  3. Attendance accounting procedure for the section
  4. Term Length or Course Length Multiplier
- **FTES = Total Student Contact Hours ÷ 525**

# How We Earn Revenue

- **Number of contact hours:** actual time schedule of the course, number of class meetings each week, and the length of each session

| Clock Hours<br>(including passing time) | Contact Hours<br>(actual times) | Class<br>Hours | Days | Total<br>Contact<br>Hours |
|-----------------------------------------|---------------------------------|----------------|------|---------------------------|
| 8:00 AM – 9:00 AM                       | 8:00 AM – 8:50 AM               | 1.0            | MWF  | 3.0                       |
| 8:00 AM – 9:30 AM                       | 8:00 AM – 9:15 AM               | 1.5            | MW   | 3.0                       |
| 8:00 AM – 11:00 AM                      | 8:00 AM – 10:50 AM              | 3.0            | F    | 3.0                       |

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# How We Earn Revenue

- Attendance Accounting Procedures
  - Weekly Census / Weekly Student Contact Hours (WSCH)
  - Daily Census / Daily Student Contact Hours (DSCH)
  - Actual Hours of Attendance / Positive Attendance (includes all noncredit)
  - Alternative Attendance (independent study, work experience, most distance education) / based on course units rather than contact hours



# How We Earn Revenue

- Example: Weekly Census Credit Course FTES formula
  - College operating on 17.5 week length semester
  - Class meets each Wednesday 7:00 PM to 9:50 PM
  - 35 students enrolled as of census day
  - $WSCH = 35 \text{ students} \times 3 \text{ contact hours per week} = 105 \text{ weekly contact hours}$
  - $FTES = (WSCH \times \text{Term Length Multiplier}) \div 525$
  - $FTES = (105 * 17.5) / 525$
  - $FTES = 1,837.5 / 525$
  - $FTES = 3.5$



# How We Earn Revenue

- 2026-2027 Funding Rates
  - \$5,649.63 - Credit FTES
  - \$7,922.65 Incarcerated Credit
  - \$7,922.65 Special Admit Credit FTES
  - \$7,922.65 Career Development College Preparation (CDCP)
  - \$4,764.11 Noncredit
- **3.5 FTES \* \$5,649.63 = \$19,773.71**

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# How We Earn Revenue

- Supplemental Metric
- Annual headcount of students
  - AB 540 students
  - Pell Grant recipients
  - Promise Grant recipients
- Students count in each category they qualify
- **2026-2027 rate: \$1,335.96**

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# How We Earn Revenue

- Success Metric
- Student achievement of one of eight key success outcomes
  - 4 points - ADT awarded
  - 3 points - AA/AS awarded
  - 3 points - BA/BS awarded
  - 2 points - Credit Certificate awarded
  - 2 points - Transfer level Math and English completed
  - 1.5 points - Transfer to 4-year institution
  - 1 point - Nine or more CTE units completed
  - 1 point - Regional living wage obtained



# How We Earn Revenue

- Success Metric
- **2026-2027 funding rate: \$787.76 per point**
- Success headcount is a three-year average
- Students only count once, in the highest point value category earned
- Additional success funding applied for Pell Grant and Promise Grant recipients earning success outcomes
- **2026-2027 funding rate: \$198.70 per point**



# Districtwide Revenue Overview

- 2026-2027 Projections

| Revenue Category          | FTES Allocation      |
|---------------------------|----------------------|
| Basic Allocation          | \$34,725,556         |
| FTES Allocation           | \$240,381,667        |
| Supplemental Allocation   | \$51,724,254         |
| Success Allocation        | \$30,089,664         |
| <b>Total SCFF Revenue</b> | <b>\$356,921,141</b> |



# Campus Allocation Model

- **Revenue allocation starts with FTES targets for each college**
- Considerations
  - Prior year actuals
  - Enrollment management projections
  - State budget projections
    - Enrollment growth funding



# Campus Allocation Model

- **Revenue allocation starts with FTES targets**
- **FTEF budget allocations are roughly half of the total college allocation**
- FTES targets set the Full-Time Equivalent Faculty (FTEF) allocation to each college
- Formula
- Credit Colleges:  $\text{FTES target} \div 15$
- Target: one FTEF generates 15 FTES, \$84,745 in base credit revenue
- CCE:  $\text{FTES target} \div 18.5$  (higher student contact hour requirements per FTES)



# Campus Allocation Model

- FTEF allocation is a combination of current contract faculty FTEF and adjunct faculty FTEF to meet the full allocation
- **Mesa College**
- 13,705.85 FTES target
- 913.7 total FTEF allocation
- 360 current contract FTEF (\$24.8 M)
- 553.7 adjunct/overload FTEF allocation (\$17.2 M)
  - Additional funding provided to account for required release time, sabbaticals, etc.



**SAN DIEGO**  
Community College District

## **BUDGET WORKSHOP**



**SAN DIEGO MESA COLLEGE**

**OCTOBER 5, 2026**

**DAN TROY  
VICE CHANCELLOR  
FINANCE AND BUSINESS  
SERVICES**

## WORKSHOP GOALS



Where and how do we get our money?



What can we do with our money?



Who gets what?



Risks and opportunities



There will be no quiz!

WHERE DOES  
THE \$ COME  
FROM?

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We are creatures of the state

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We compete for funds with other state priorities

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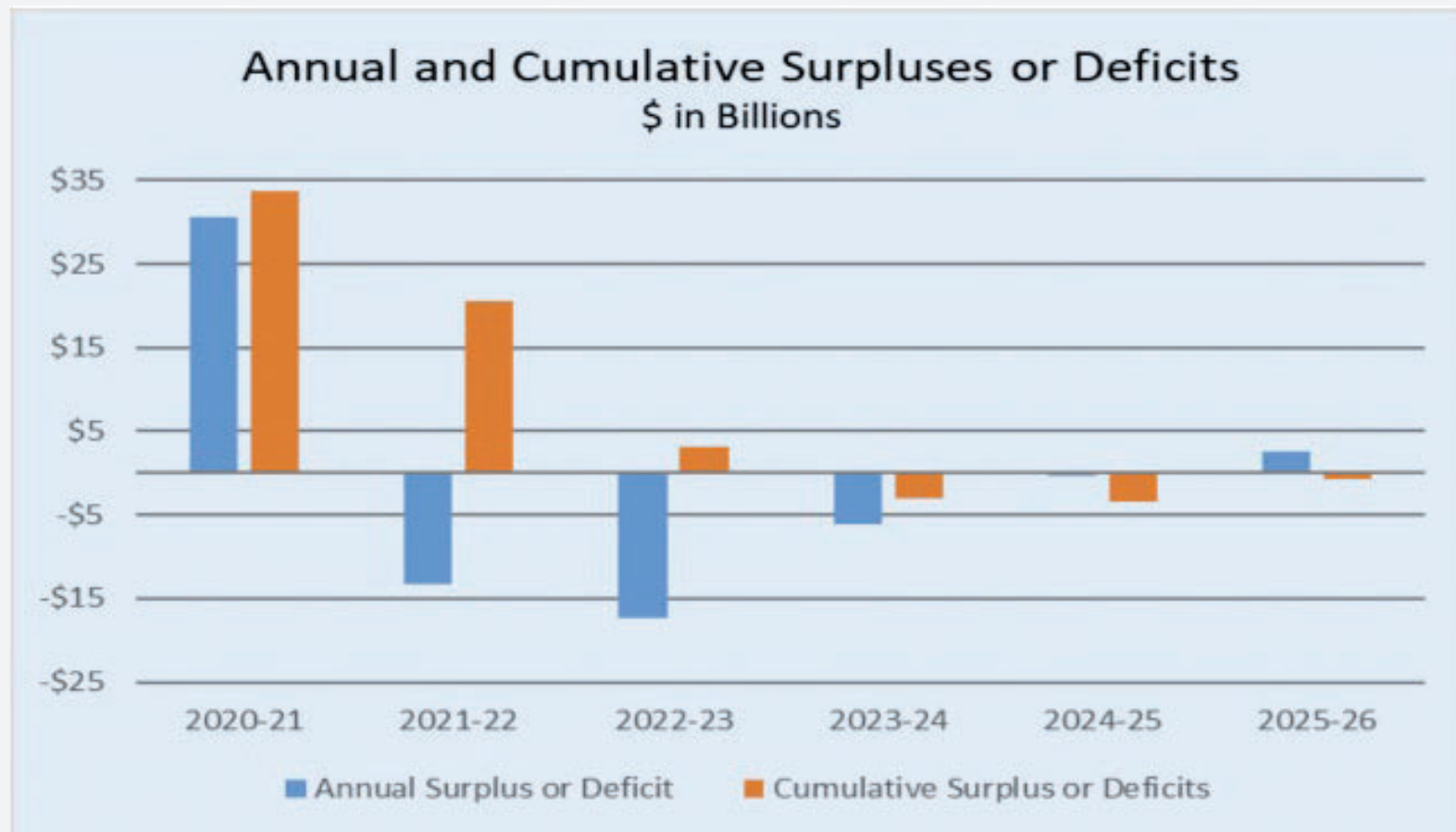
State revenues are highly volatile

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We have our priorities, Sacramento has theirs...

## BUDGET VOLATILITY

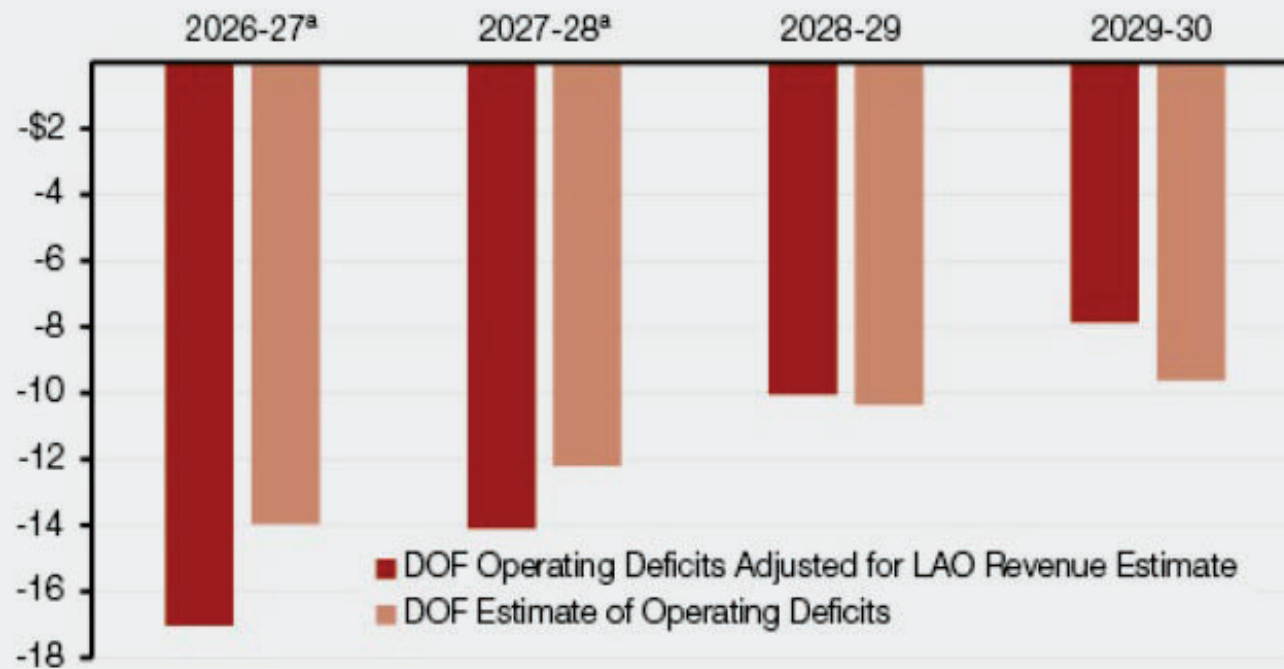
The state frequently faces deficits



# BUDGET VOLATILITY

## Structural Deficits Persist

(In Billions)

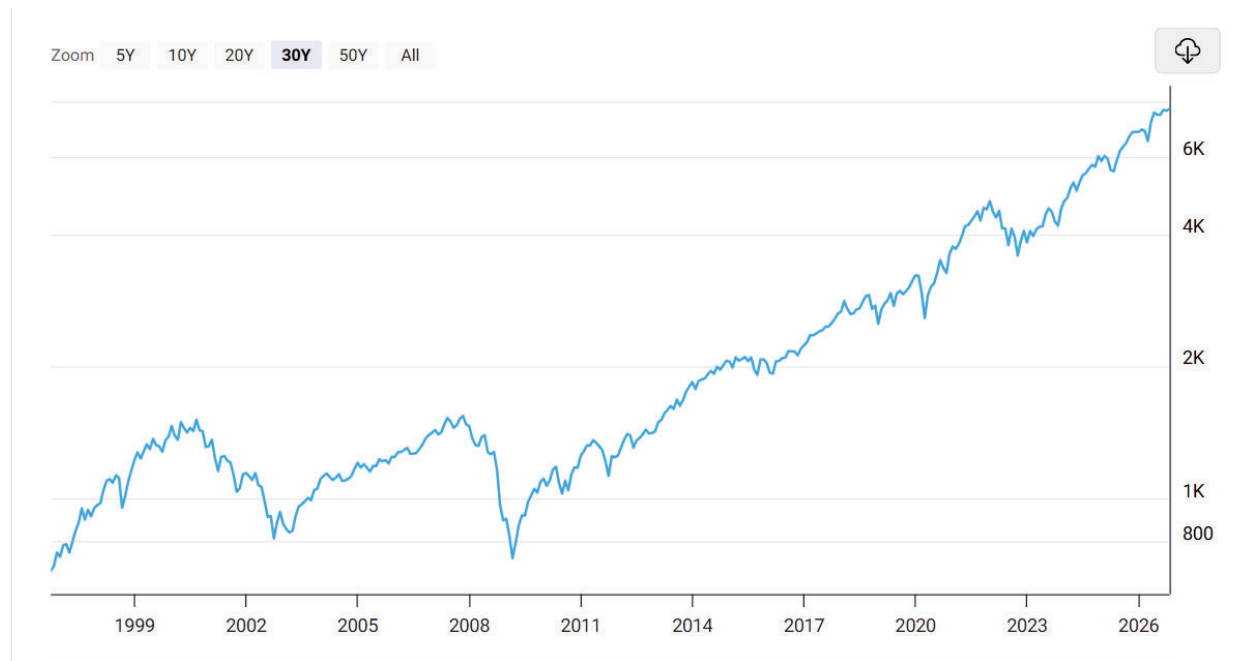


<sup>a</sup> Excludes transfers to the Temporary Surplus Holding Account (TSHA).

DOF = Department of Finance.

LAOA

# MARKET VOLATILITY = STATE REVENUE VOLATILITY

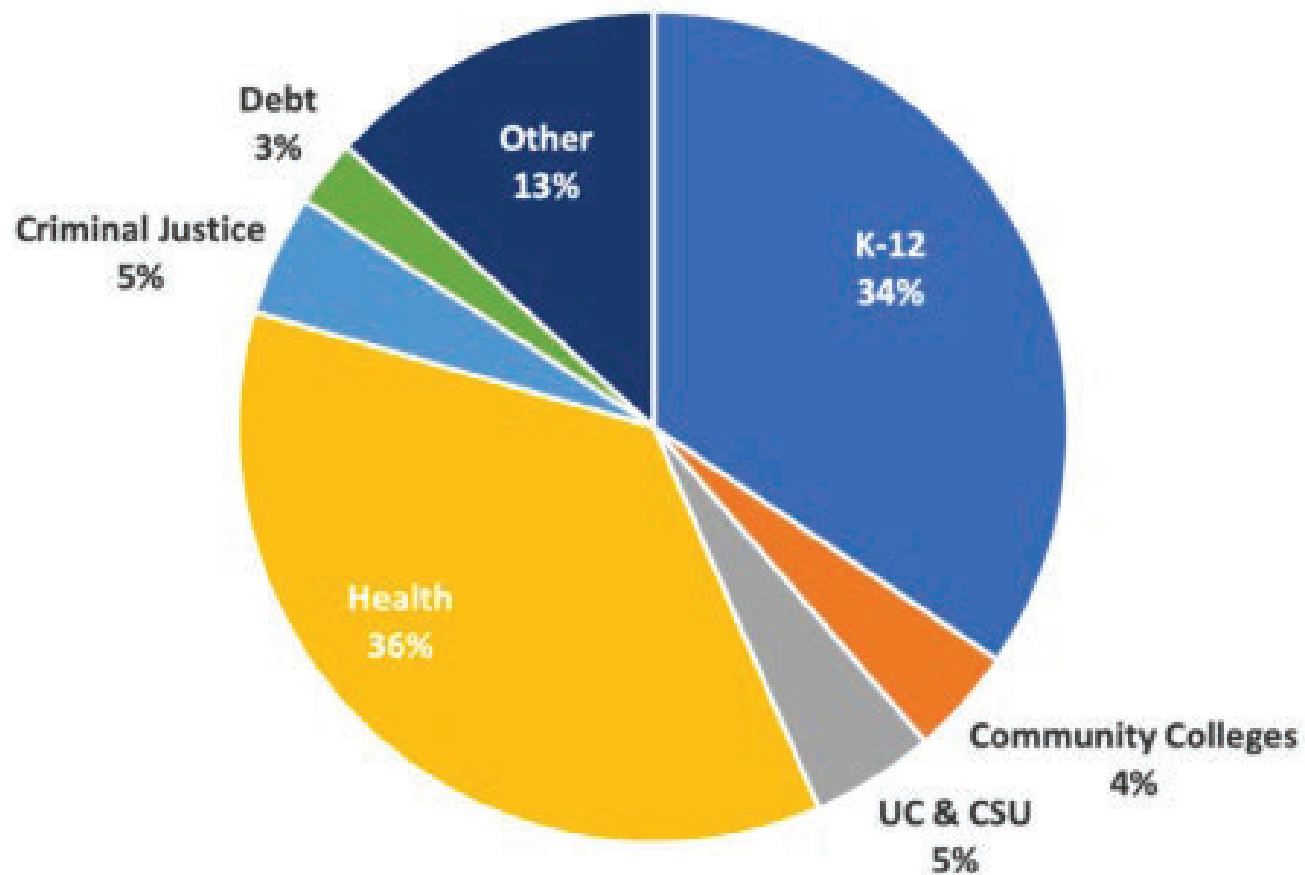


## WHERE COMMUNITY COLLEGES STAND

### FUNDS PER FTES

|         | 24-25    | 25-26    |
|---------|----------|----------|
| K-12 Ed | \$21,147 | \$20,489 |
| CCC     | \$13,714 | \$13,531 |
| CSU     | \$22,546 | \$22,990 |
| UC      | \$36,505 | \$36,968 |

## STATE BUDGET PRIORITIES



## CURRENT RISKS

Stock valuations are high

- AI bubble?

Inflation is elevated

Federal Government Actions

- Tariffs
- Iran War
- Threats to trading partners
- Targeting of blue states

## PROPOSITION 98

Passed by voters in November 1988

K-14 receives a share of state revenues collected

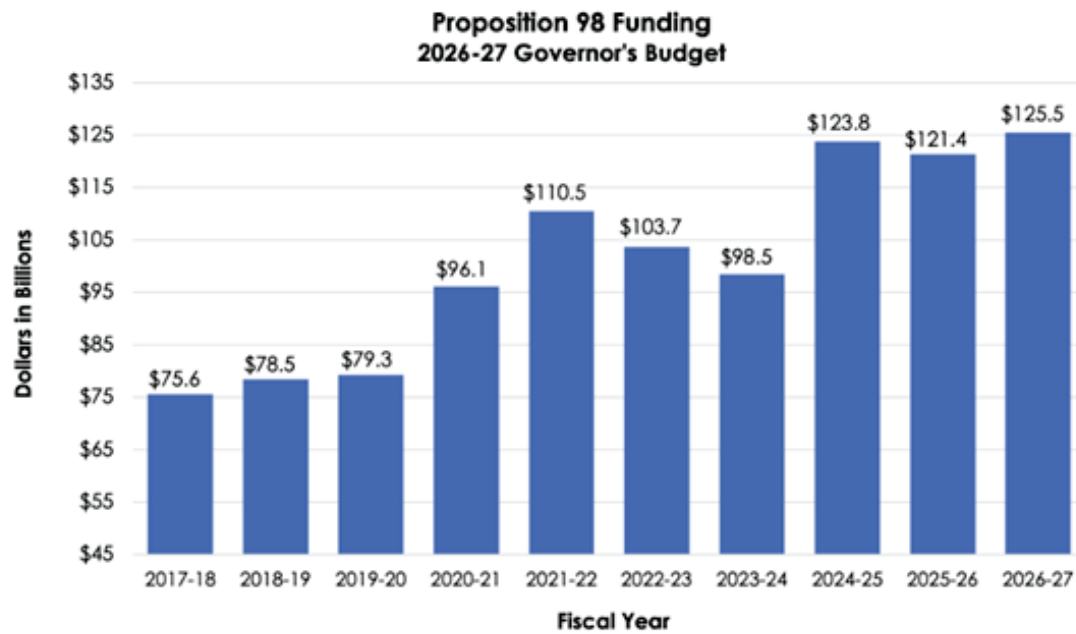
Minimum funding “guaranteed” by formula

- Three “tests”
- Legislature can suspend and fund at a lower level with 2/3rds vote

CCC share is approximately 11%

- However, that’s not a real guarantee...

Prop 98 revenues follows state economy



## PROPOSITION 98 HISTORY

## PARALLEL BUDGET PROCESSES

State

January  
Proposal

May 14  
Revision

June Budget

SDCCCD

Spring  
Preliminary

June Tentative

September  
Adopted

## OLD FORMULA

Previously...

- SB 361 Formula, through 2017-18
  - A “Growth Formula” - primarily just FTES
  - Predictable and simple
  - Equalized



## GENERAL APPORTIONMENT

Why the change?

- Criticized for “butts in seats” mentality
- Proper incentives to serve all populations?
- Did we need a fiscal carrot to care about success?
- Shifting Demographics
  - Declining enrollment/changing population
- Justification for funding increases

# STUDENT-CENTERED FUNDING FORMULA (SCFF)

SCFF enacted in the 2018-19 Fiscal Year with the stated intention to:

- Encourage access for underrepresented students and recognize the cost for additional support needed for low-income students
- Reward colleges for moving the metrics in student success (completion)
- Improve overall predictability of community college funding
  - 3-year average

# STUDENT-CENTERED FUNDING FORMULA (SCFF)

The SCFF includes 3 separate allocations:

- 70% Base allocation
  - FTES + college & center allocations
- 20% Supplemental allocation
  - Counts of AB 540, Pell, and Promise Grant recipients
- 10% Student success allocation
  - Completion metrics including degrees, certificates, transfers, etc.
  - 3-year average

# STUDENT-CENTERED FUNDING FORMULA (SCFF)

## FY 2026-27 FTES Rates Vary by Type

|                   |         |
|-------------------|---------|
| • Credit*         | \$5,650 |
| • CDCP            | \$7,923 |
| • Dual Enrollment | \$7,923 |
| • Incarcerated    | \$7,923 |
| • Non-Credit      | \$4,764 |

\*Had been funded as a 3-year average until this year. Now the greater of 3-year average or current year FTES.

# SUPPLEMENTAL ALLOCATION

Allocated to each district based on total prior year counts

- 1 point for each student who receives financial aid (Pell)
- 1 point for each student who is granted an exemption for non-resident tuition (AB540)
- 1 point for each student who receives a Promise/Board Of Governors (BOG) fee waiver

2026-27 point funded at \$1,336

# SUCCESS ALLOCATION

Allocated to each district based on 3-year average counts

| Completion Measures             | All Students |          |          | BOG/Promise Students |          |          | Pell Students |          |          |
|---------------------------------|--------------|----------|----------|----------------------|----------|----------|---------------|----------|----------|
|                                 | Points       | \$/Point | Total \$ | Points               | \$/Point | Total \$ | Points        | \$/Point | Total \$ |
| ADT                             | 4            | \$ 755   | \$ 3,200 | 4                    | \$ 190   | \$ 760   | 6             | \$ 190   | \$ 1,140 |
| AA/AS                           | 3            | \$ 755   | \$ 2,265 | 3                    | \$ 190   | \$ 570   | 4.5           | \$ 190   | \$ 855   |
| Baccalaureate                   | 3            | \$ 755   | \$ 2,265 | 3                    | \$ 190   | \$ 570   | 4.5           | \$ 190   | \$ 855   |
| Credit Certificates (16+ units) | 2            | \$ 755   | \$ 1,510 | 2                    | \$ 190   | \$ 380   | 3             | \$ 190   | \$ 570   |
| Transfer Math & English (Yr1)   | 2            | \$ 755   | \$ 1,510 | 2                    | \$ 190   | \$ 380   | 3             | \$ 190   | \$ 570   |
| Transfer                        | 1.5          | \$ 755   | \$ 1,133 | 1.5                  | \$ 190   | \$ 285   | 2.25          | \$ 190   | \$ 428   |
| 9+ CTE Units                    | 1            | \$ 755   | \$ 755   | 1                    | \$ 190   | \$ 190   | 1.5           | \$ 190   | \$ 285   |
| Regional Living Wage            | 1            | \$ 755   | \$ 755   | 1                    | \$ 190   | \$ 190   | 1.5           | \$ 190   | \$ 285   |

# TOTAL COMPUTATIONAL REVENUE (TCR)

## **SCFF TCR is the Greatest of:**

- A. SCFF Calculation
- B. Hold Harmless— Funding received in 2024-25 (no COLA)
- C. Stability — Prior Year SCFF adjusted by COLA

## TOTAL COMPUTATIONAL REVENUE EXAMPLE

|                                                                |    |                |
|----------------------------------------------------------------|----|----------------|
| Student Centered Funding Formula (SCFF) Calculated Revenue (A) | \$ | 340,890,603    |
| 2024-25 SCFF Calculated Revenue + COLA (B)                     |    | 336,866,961    |
| Hold Harmless Revenue (C)                                      |    | 329,293,217    |
| Stability Protection Adjustment                                |    | -              |
| Hold Harmless Protection Adjustment                            |    | -              |
| 2025-26 TCR (Max of A, B, or C)                                |    | \$ 340,890,603 |

| <b>Revenue Source</b>                  | <b>2025-2026<br/>Adopted Budget</b> | <b>2026-2027<br/>Adopted Budget</b> | <b>Change</b>       |
|----------------------------------------|-------------------------------------|-------------------------------------|---------------------|
| Basic Allocation                       | \$33,290,729                        | \$34,725,556                        | \$1,434,827         |
| FTES Allocation                        | \$231,530,934                       | \$240,381,667                       | \$8,850,733         |
| Supplemental<br>Allocation             | \$44,160,487                        | \$51,724,254                        | \$7,563,767         |
| Success Allocation                     | \$28,760,060                        | \$30,089,664                        | \$1,329,604         |
| <b>Total Apportionment<br/>Revenue</b> | <b>\$337,742,210</b>                | <b>\$356,921,141</b>                | <b>\$19,178,931</b> |

## DISTRICT SCFF FUNDING

# TIMING

SCFF funding is constantly in flux

- Advance Apportionment (Late July)
  - P1 – Period 1- (February)
  - P2 – Period 2 – (Late June)
  - R1 – Final Recalculation (Subsequent February)
- 
- The SCFF revenue numbers change throughout the year
  - Not final until 8 months after the fiscal year ends

## SCFF FUNDING SOURCES

### SDCCD SCFF TCR Funding Sources

|                                  |                      |
|----------------------------------|----------------------|
| Local property taxes and ERAF    | \$176,558,908        |
| Student Enrollment Fees          | \$8,938,632          |
| Education Protection Account     | \$74,099,877         |
| State General Fund Allocation    | \$80,154,240         |
| Total                            | \$339,751,657*       |
| <i>SDCCD FY 2025-26 SCFF TCR</i> | <i>\$340,890,603</i> |

\*Early Recal reflects Revenue Deficit of \$(1,138,946)

# DISTRICT FUNDING

- Unrestricted General Fund (GFU)
  - SCFF accounts for about 90%
  - Other funds include unrestricted lottery, PT faculty programs
  - Funds core District operations (instruction, maintenance, administration, e.g.)
- Restricted General Fund (GFR)
  - Categorical program entitlements (SSSP, DSPS, Student Equity, BFAP), federal and state grants, etc.
  - Restricted by laws, regulations, etc.
  - Often based on FTES and headcounts

# TOTAL DISTRICT BUDGET BY FUND 2025-26 TO 2026-27

## DISTRICT BUDGET ALL FUNDS

| Funds                           | 2025-2026<br>Total Budget<br>Adopted | 2026-2027<br>Total Budget<br>Adopted | Changes<br>Over\Under |
|---------------------------------|--------------------------------------|--------------------------------------|-----------------------|
| <b>General Funds</b>            |                                      |                                      |                       |
| General Fund Unrestricted       | 479,941,785                          | 504,296,499                          | 24,354,714            |
| General Fund Restricted         | 183,333,395                          | 180,605,638                          | (2,727,757)           |
| <b>Total General Funds</b>      | <b>\$ 663,275,180</b>                | <b>\$ 684,902,137</b>                | <b>\$ 21,626,957</b>  |
| <b>Other Funds</b>              |                                      |                                      |                       |
| Bond Interest & Redemption Fund | 304,706,114                          | 418,121,343                          | 113,415,229           |
| Child Development Fund          | 5,226,479                            | 5,074,812                            | (151,667)             |
| Other Special Revenue Fund      | 598,980                              | 617,129                              | 18,149                |
| Capital Outlay Projects Fund    | 59,081,369                           | 50,912,413                           | (8,168,956)           |
| Measure HH                      | 885,781,481                          | 769,944,994                          | (115,836,487)         |
| Enterprise Funds                | 13,853,270                           | 15,888,500                           | 2,035,230             |
| Internal Services               | 110,897,041                          | 182,884,809                          | 71,987,768            |
| Associated Students             | 435,372                              | 452,697                              | 17,325                |
| Student Representation Fee      | 651,307                              | 673,833                              | 22,526                |
| Student Financial Aid Fund      | 73,145,370                           | 71,805,749                           | (1,339,621)           |
| Scholarship / Loan              | 59,027                               | 59,027                               | -                     |
| Trust and Agency                | 2,556,437                            | 2,758,217                            | 201,780               |
| Retiree Benefit Trust           | 14,493,772                           | 20,973,408                           | 6,479,636             |
| <b>Total Other Funds</b>        | <b>\$ 1,471,486,019</b>              | <b>\$ 1,540,166,931</b>              | <b>\$ 68,680,912</b>  |
| <b>Grand Totals</b>             | <b>\$ 2,134,761,199</b>              | <b>\$ 2,225,069,068</b>              | <b>\$ 90,307,869</b>  |

## RECENT GFU ENDING BALANCES

|                   | FY 2022-23   | FY 2023-24   | FY 2024-25   | FY 2025-26   |
|-------------------|--------------|--------------|--------------|--------------|
| GFU Revenue       | \$331.6 M    | \$370.6 M    | \$373.5 M    | \$401.5 M    |
| GFU Expenditures  | \$316.6 M    | \$343.9 M    | \$366 M      | \$397 M      |
| Ending Balance    | \$50.3 M     | \$77 M       | \$94 M       | \$98.5 M     |
| % of Expenditures | <b>15.9%</b> | <b>22.4%</b> | <b>25.8%</b> | <b>24.8%</b> |

# GFU REVENUE TREND

|                        | 2024-25<br>Actuals | 2025-26<br>Actuals | 2026-27<br>Adopted | 2027-28<br>Projected | 2028-29<br>Projected | 2029-30<br>Projected |
|------------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|
| Total Revenue          | \$373.5 M          | \$401.5 M          | \$405.8 M          | \$417.9 M            | \$429.6 M            | \$441.2 M            |
| Beginning Fund Balance | \$86.8 M           | \$94.3M            | \$98.4 M           | \$98.5M              | \$100.2 M            | \$102.2 M            |
| Total Resources        | \$460.3 M          | \$495.8 M          | \$504.2 M          | \$516.4 M            | \$529.8 M            | \$543.5 M            |

# GFU BALANCE TREND

|                       | 2024-25<br>Actuals | 2025-26<br>Actuals | 2026-27<br>Adopted | 2027-28<br>Projected | 2028-29<br>Projected | 2029-30<br>Projected |
|-----------------------|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|
| Total Revenue         | \$373.5 M          | \$401.5 M          | \$405.8 M          | \$417.9 M            | \$429.7 M            | \$441.3 M            |
| Total Expenditures    | \$365.9 M          | \$397.3 M          | \$405.8 M          | \$416.3 M            | \$427.7 M            | \$441.3 M            |
| Surplus               | \$7.6 M            | \$4.1 M            | \$0                | \$1.7 M              | \$2.0 M              | \$23 K               |
| Ending Fund Balance % | 25.8%              | 24.8%              | 24.3%              | 24.1%                | 23.9%                | 23.2%                |

# RESERVES/BALANCES

- Ending balances demonstrate fiscal health
  - Reviewed by Chancellor's Office, ACCJC, ratings agencies
- Evidence of structural balance, preparation for contingencies, cashflow, etc.
- Minimum requirement = 2 months of expenditures (16.7%)
  - \$67.6M for SDCCCD
- SDCCCD projected balance (\$98.5M) equates to less than 3 months of expenditures
  - As a percent (24.2%), we are below statewide average (30.6%)

# SDCCD PROCESSES

District GFU is projected the Budget Allocation Model (BAM)

- The BAM projects total revenues and expenditures, both one-time and ongoing.
- Includes projected expenditures for colleges, districtwide services, and the District Office
- Incorporates contingencies, set asides, and transfers not built into the budget (e.g., collective bargaining, backfilling shortfalls in certain accounts)
- Calculates reserve and ending balance
- Reviewed by Budget Development and Planning Council

# SDCCD PROCESSES

GFU allocations to the colleges are projected through the Campus Allocation Model (CAM)

- The CAM projects expenditures for contracted positions and other CBA provisions (e.g., release time)
- The majority of college funding is based on FTES targets – funds provided to support direct instruction assume FTES:FTEF ratio of 15 (credit colleges)
- Colleges also receive discretionary funds bases on FTES

Colleges develop their own budgets based on these assumptions, priorities, and goals, though much of the funding is already committed.

## CAMPUS ALLOCATION MODEL

|             | City         | Mesa         | Miramar      | CE           | Total         |
|-------------|--------------|--------------|--------------|--------------|---------------|
| Revenue     | \$62,563,707 | \$86,523,545 | \$59,533,982 | \$54,874,733 | \$263,495.967 |
| Share       | 24%          | 33%          | 23%          | 21%          | 100%          |
| FTES Target | 7,875        | 13,706       | 9,057        | 9,477        | 40,115        |

# CONTEXT FOR BUDGET CHANGES/REQUESTS

- Availability of revenues
- First recognize cost increases
- Meet minimum reserve
- Meet the 50% Law – major constraint on items outside of direct instruction
- Awareness of Board goals and objectives
- Caution against using one-time revenues for ongoing costs

# FINAL NOTES

- Approximately 86% of GFU is expended on compensation
- Opportunities for discretion are limited
- SDCCD SCFF funding is below state average (\$8,673 vs \$9,354)
  - Disequalized funding
- GFU cannot absorb significant GFR
- Is CAM reflective of SCFF?
- It all comes from one pot. Intentionality is key.

