

FY2020-2021 League Proposed Budget and Dues

Overview

The Proposed FY2020-21 League Budget has been developed to fund the strategic priorities of the League Board, to support advocacy, district services, professional and policy development in consultation with the CCCT and CEOCCC Boards, and to strengthen the capacity of the League to effectively support California's 73 districts and 115 community colleges. The spending plan includes the following components:

- Projected FY2019-20 Net Income
- YE2020-2021 Proposed Budget Summary
- Detail of the proposed YE2020-2021 Revenue and Expenditures in the League Operational Budget
- GASB 68 PERS Unfunded Liability
- YE2020-2021 League Dues

Proposed 2020-2021 Revenues and Expenditures

Proposed budget operational revenues for FY2020-2021 are \$4.00 million, an approximate decrease of \$500k from FY2019-20.

Revenue is based on 100% dues membership, educational and leadership development programs, and district services.

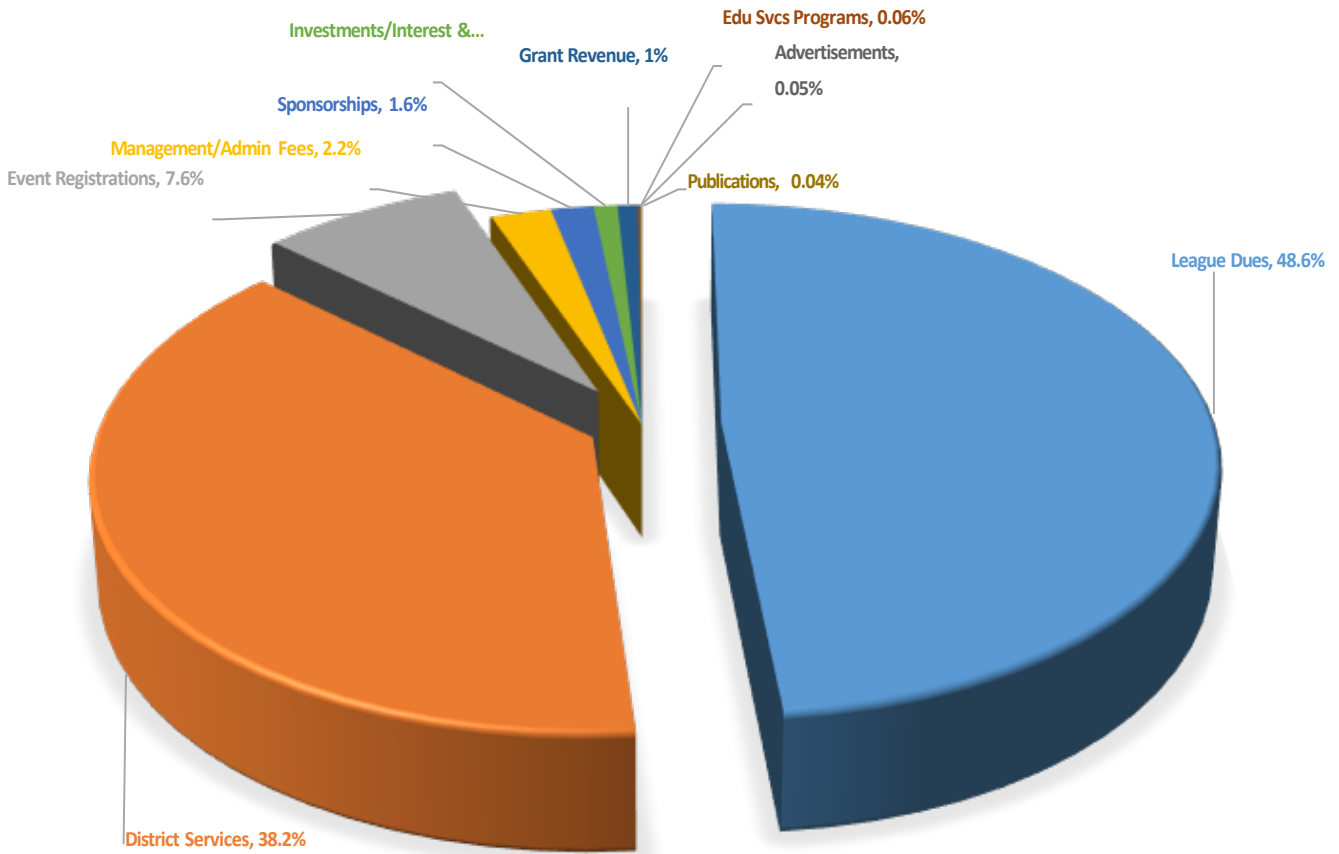
Proposed budget operational expenditures for FY2020-2021 are \$3.63 million, approximately \$725k less than FY2019-20.

The proposed FY2020-2021 League Operational Budget projects revenues to exceed expenditures, with a Net Income of \$376,220.

Jul '20 - Jun 21 % of Budget

Income

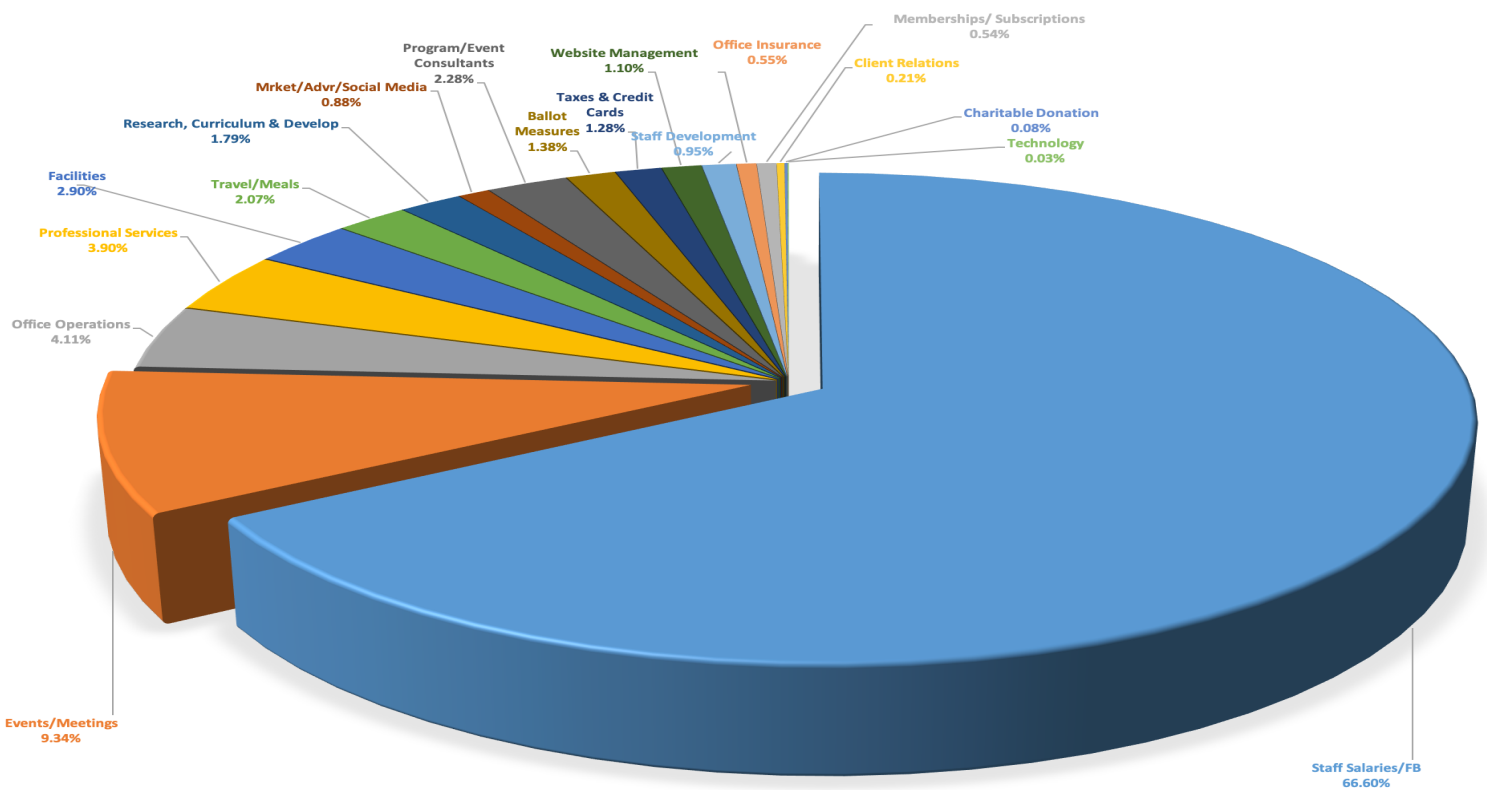
League Dues	\$ 1,947,642	48.60%
District Services	\$ 1,530,000	38.18%
Event Registrations	\$ 305,150	7.61%
Management/Admin Fees	\$ 89,550	2.23%
Sponsorships	\$ 63,500	1.58%
Investments/Interest & Dividends	\$ 35,500	0.89%
Grant Revenue	\$ 30,000	0.75%
Edu Svcs. Programs	\$ 2,500	0.06%
Advertisements	\$ 2,000	0.05%
Publications	\$ 1,765	0.04%
Total Income	\$ 4,007,607	100.00%



Jul '20 - Jun 21 % of Budget

League Expenses

Staff Salaries & FB	\$ 2,418,472	66.60%
Events & Meetings	\$ 339,330	9.34%
Office Operations	\$ 149,350	4.11%
Professional Services	\$ 141,500	3.90%
Facilities	\$ 105,200	2.90%
Travel/Meals	\$ 75,100	2.07%
Research, Curriculum & Develop	\$ 65,000	1.79%
Mrket/Advertising/Social	\$ 32,000	0.88%
Program & Event Consultants	\$ 82,750	2.28%
Ballott Measures	\$ 50,000	1.38%
Taxes & Credit Card	\$ 46,635	1.28%
Website Management	\$ 40,000	1.10%
Staff Development	\$ 34,350	0.95%
Office Insurance	\$ 20,000	0.55%
Memberships & Subscriptions	\$ 19,700	0.54%
Client Relations	\$ 7,800	0.21%
Charitable Donation	\$ 3,000	0.08%
Technology	\$ 1,200.00	0.03%
Total Expense	\$ 3,631,387	100.00%



League Operations

Proposed Income is \$128,815, which accounts for approximately 3.21% of the total revenues in the FY2020-2021 Proposed Budget.

Proposed expenditures are \$3,159,307, approximately 87.00% of the total expenditures in the FY2020-2021 Proposed Budget.

Salaries, Benefits, and Staff Development

Staff salaries and fringe benefits are \$2,452,822, which accounts for approximately 67.55% of the total expenditures in the FY2020-2021 Proposed Budget.

Staff salaries and benefits include:

1. Two and a half percent COLA
2. CalPERS Retirement Contributions
3. Projected healthcare increase of 10.00%

League employees are not paid based on a salary schedule with automatic step increases, nor is there a written program for merit pay or stipends. Below is a chart depicting the research for relevant salary comparisons and employment market conditions.

Position(s)	Compensation range	Positions used for comparable compensation: CalSAE
President/Chief Executive Officer	\$230,000-295,000	Community College Association Executives Compensation Survey. CA Association Detailed Compensation Budget > 5 million
Vice Presidents, Officers, and Directors	\$100,000-\$160,000	CA Association Detailed Compensation Budget > 5 million
Program Manager, Technical Directors, and Legislative Advocates	\$75,000-\$100,000	CA Association Detailed Compensation Budget > 5 million
Program Associates and Specialists	\$40,000-\$75,000	CA Association Detailed Compensation Budget > 5 million

The salary for the President and CEO is set by the League Board of Directors based on a comprehensive evaluation, including feedback from the policy boards, and employing relevant state and national comparators

League staff members participate in the California Public Employees Retirement System. Contribution percentages are based on the employee’s start date in the CalPERS System.

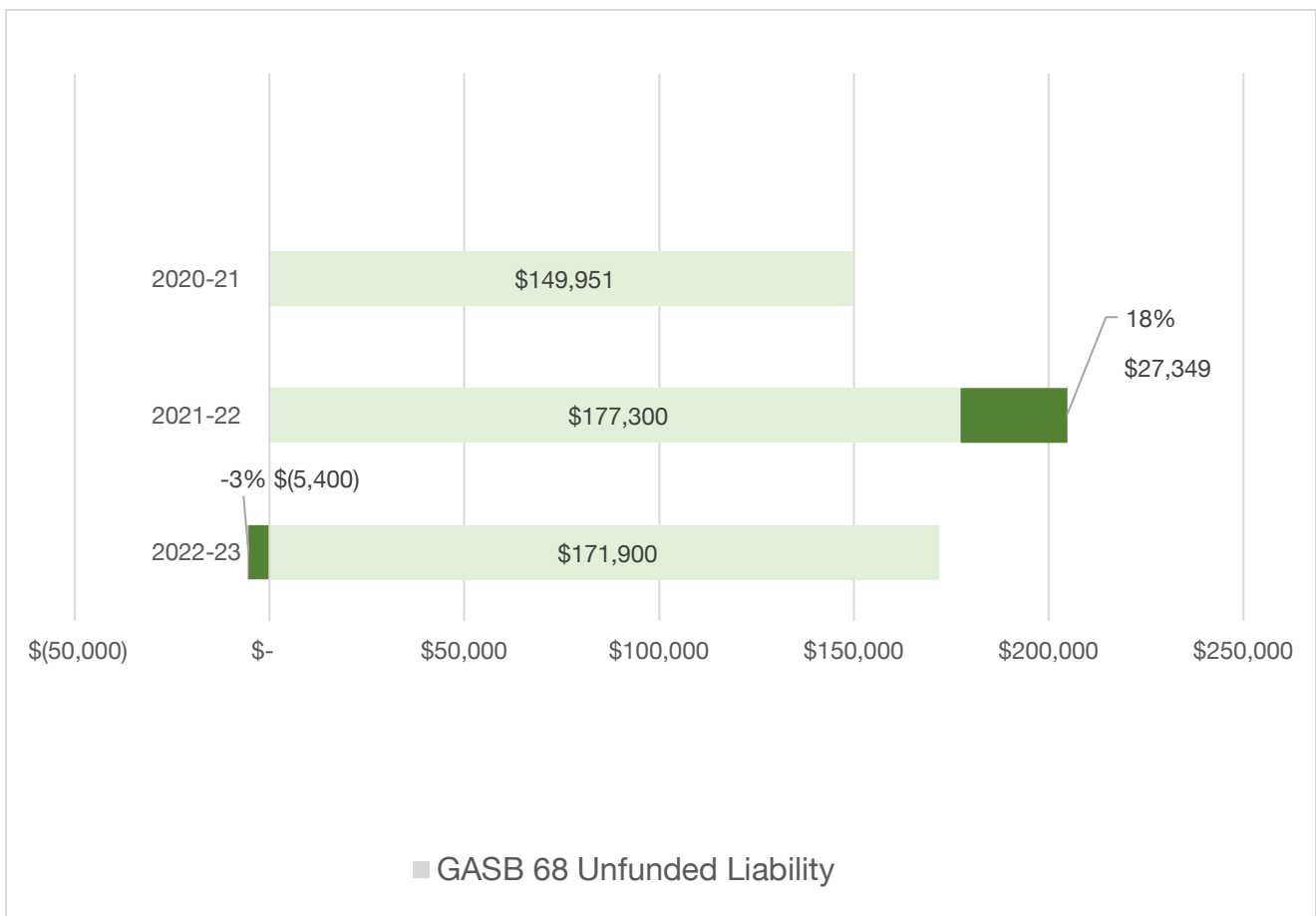
- Employer Contributions are the following:
 - Classic Members, 8.794%
 - PEPRA Members, 7.732%
- Employee Contributions are the following:
 - Classic Members, 7.0%
 - PEPRA Members, 6.75%

In lieu of a salary schedule with automatic step increases, over the past ten years the League Board has approved the following COLAs for League employees:

	California CPI	League
FY 2012	2.4%	1%
FY 2013	2.1%	2% <i>(effective Jan 1, following Prop 30)</i>
FY 2014	1.4%	2%
FY 2015	1.5%	5%
FY 2016	2.0%	0%
FY 2017	2.5%	2.5%
FY 2018	2.5%	2.5%
FY 2019	2.9%	3.0%
FY 2020	3.9%	4.0%
FY 2021	1.1%	2.5%

- Includes salaries within the above ranges
- Maintains fringe benefits based on present policies and includes CalPERS participation
- Provides a \$1,500 per person allocation for professional development (PD) activities based on each employee/supervisor PD Plan
- 2.5% COLA

GASB 68 PERS Unfunded Liability



- Fiscal Year 2020-2021 (projected), \$145,900, a 19% increase from Fiscal Year 2019-2020
- Fiscal Year 2021-2022 (projected), \$177,300 an 18% increase from Fiscal Year 2020-2021
- Fiscal Year 2022-2023 (projected), \$171,900 a 3% decrease from Fiscal Year 2021-2022

Facilities/Office Operations and Professional Services

Includes postage, telephones, supplies, equipment, utilities, security, building maintenance, rent and parking for the L Street Legislative office, legal services, charitable donations, accounting, payroll services, and consultants.

- Provides for the annual financial audit as required by board policy
 - Includes insurance at present levels (general liability; directors' and officers' liability, flood, fire, cyber, theft, and other multi-peril)
 - Maintains legal counsel with district services and legislation
 - Continues the policy of maintenance, equipment, and furnishings expenditures
- Proposed expenditures are \$449,500, which accounts for approximately 12.38% of the total expenditures in the FY2020-2021 Proposed Budget.

Meetings/Board Travel

This fiscal year, there will be four League board meetings, eight CEOCCC board meetings, one Statewide CEO meeting, and six CCCT board meetings. In addition, two meetings of the League's Advisory Committee on Education Services (ACES), five meetings of the Advisory Committee on Legislation (ACL), two meetings for the CEO Strategic Leadership Program (CSLP) committees, along with meeting for both the Consultation Council/Budget Advocacy Day and the new Joint CEOs/Trustees Task Force in regards to Student Trustees and ethnic studies issues.

The aforementioned meetings require staff time in the preparation of notices, agenda materials and minutes, as well as costs for staff travel, lodging and meals. For policy board meetings, travel costs are reimbursed to board members. Although travel costs are not reimbursed for committee members, meals and coffee breaks during the meetings are paid for by the League. *All of these are subject to change as meeting are moved to the Zoom platform.*

- Proposed direct meetings and board travel expenditures are \$40,350, which accounts for approximately 1.11% of the total expenditures in the FY2020-2021 Proposed Budget.

The FY2020-2021 Proposed Budget:

- Adjusts expenses for increasing software and personnel costs (overtime)
- Anticipates four League board meetings
- Anticipates eight CEO board meetings, which includes two joint meetings with the CCCT
- Anticipates six CCCT board meetings, which includes one two-day meetings and two joint meetings with the CEOCCC
- Includes costs for the anticipated advisory committees' meetings.

Publications

The League produces a variety of publications to assist boards, trustees and CEOs in fulfilling their roles and responsibilities. Our publications are regularly updated documents. These can be updated annually or as needed – but are consistently republished and/or reprinted for regular distribution to members.

- Proposed Income is \$1,765, which accounts for approximately 0.04% of the total revenues in the FY2020-2021 Proposed Budget.
- Proposed cost of producing and mailing publications and general communications is \$15,760 which accounts for approximately 0.43% of the total expenditures in the FY2020-2021 Proposed Budget.

Marketing and Advertising

The League's Communications and Marketing department keeps districts, colleges, legislators, and other state leaders informed on important issues impacting community colleges. The League connects with its many audiences through several communication channels to effectively disseminate information concerning current events, best practices, and policy recommendations to improve student success and enhance college governance.

League marketing allows us to share information about our work supporting California's community colleges through advocacy, education services/leadership development, and district services.

- Proposed expenditures are \$83,000, which accounts for approximately 2.29% of the total expenditures in the FY2020-2021 Proposed Budget.

Investment Income/ Categorical Reserves

League Investments are currently invested through Charles Schwab and managed and monitored by Moss Adams. Under League Board policy, categorical reserves are required to be at least 33% of the approved operational expense budget.

- Categorical Reserves at the beginning of FY2020-2021 are \$2,463,177. No Categorical Reserves were used for FY2019-2020.
- Proposed Income is \$35,500, which accounts for approximately 0.89% of the total revenues in the FY2020-2021 Proposed Budget.

Staff Travel by Division

Representatives of the League staff attend the following: Legislative seminars, ACCT Annual Convention, AACC Annual Convention, the annual conferences of the PIOs, CSSOs, CIOs, A2MEND, M2CS, Academic Senate, and the Student Success Conference.

In addition, staff members attend the regular meetings of the CBOs and the RP Group; local trustees' regional meetings, regional CEO meetings with the Chancellor, Consultation Council, meetings of the Board of Governors, presentations at local districts on local decision-making with the Academic Senate, and at local governing board meetings.

- Proposed expenditures are \$32,000, which accounts for approximately 0.88% of the total expenditures in the FY2020-2021 Proposed Budget.

Indirect Revenue: Management/Admin Fees: Fiscal Agency/Sponsor

The League provides organizational and fiscal resources as the fiscal agent for a variety of education-related organizations. The League agrees to maintain fiscal records and provide services including accounts payable and accounts receivable for all funds collected by or on behalf of these organizations. The League also provides quarterly financial reports on account activity and balance to these entities.

Fiscal Sponsor

- CCCAA
- EDGE Coalition

Fiscal Agent

- 4CS/CLI
- ACCT AA
- AACCTA
- APITA
- CCPRO
- CABSE
- CALCCTA
- CCAE formerly NCSACE
- Real #114
- Veterans

- Proposed Income is \$89,500, which accounts for approximately 2.23% of the total revenues in the FY20202021 Proposed Budget.

Website, Association Management & Technology

Aeronet Communications continues management and monitoring of the League's Website. The League's Website continues to be mobile-friendly, offers greater search and navigation possibilities, and permits a far more sophisticated set of functions and information than its prior iteration. The League provides the following to our members:

- A modern website interface that will be mobile-responsive and more user-friendly
 - Membership database and member account login
 - Online registration for conferences and events, as well as member invoicing and payment tracking
 - An Interactive, map-based directory search feature
 - Legislative tracking with Capitol Track
 - A Drupal/Mailchimp integration module for League email communications
 - Zoom Communications Platform
- Proposed expenditures are \$41,200, which accounts for approximately 1.13% of the total expenditures in the FY2020-2021 Proposed Budget.

League Programs/Services/Sponsorships

Proposed Income is \$1,933,150, which accounts for approximately 48.21% of the total revenues in the FY2020-2021 Proposed Budget. This includes \$30,000 of anticipated grant revenue. The IEPI grant helps with the League curriculum development and assessment.

Proposed expenditures are \$627,305, which accounts for approximately 17.27% of the total expenditures in the FY2020-2021 Proposed Budget.

Education and Leadership Development

The League hosts several annual conferences and events that offer professional development opportunities for California's community college Presidents, CEOs, Trustees, and administrator:

**=Virtual

*=Possibility Virtual

1. Annual Convention-**
2. Annual Trustees Conference
3. Asilomar Leadership Seminar
4. Board Chair Workshop(s)-*
5. CEO Leadership Academy
6. CEO Symposium
7. Effective Trustees Workshop-*
8. Executive Assistants' Workshop
9. Legislative Conference-*
10. New CEO Meetings-**
11. Phi Theta Kappa Luncheon
12. Student Trustees Workshop-**
13. Vineyard Symposium
14. Vineyard Symposium II
15. Washington DC Delegation Breakfast

- Proposed Income is \$305,150, which accounts for approximately 7.61% of the total revenues in the FY2020-2021 Proposed Budget.
- Proposed expenditures are \$401,480, which accounts for approximately 11.06% of the total expenditures in the FY2020-2021 Proposed Budget.

Research and Policy Development Projects

The League seeks to influence the policy-making process by investing in research partnerships that highlight and support community college quality and innovation. The project includes the following:

- CEO Dashboard
- History Project
- The RP Group
- Trustee Dashboard
- Proposed expenditures are \$66,500, which accounts for approximately 1.83% of the total expenditures in the FY2020-2021 Proposed Budget.

District Services

The League's district services and programs are designed to provide member districts with cost-effective, easy-to-use purchasing, fiscal and foundation services. The League works closely with Chief Business Officers (CBO) and other campus groups to offer programs that allow districts to benefit from the power of collaborative purchasing and competitive pricing, whether it be for services or commodities.

The District Services unit includes 8 district programs:

1. BoardDocs
2. Charitable Gift Annuity
3. Energy Services
4. Financing Authority
5. Library Consortium
6. Pension Rate Stabilization Program
7. Policy and Procedure Services
8. Retiree Health Benefits: JPA

- Proposed Income is \$1,530,000, which accounts for approximately 38.18% of the total revenues in the FY2020-2021 Proposed Budget.
- Proposed expenditures are \$142,375, which accounts for approximately 3.92% of the total expenditures in the FY2020-2021 Proposed Budget.

The League's Corporate Partner and Sponsorship programs offers private and non-profit enterprises the opportunity to demonstrate their commitment to serving the colleges by becoming actively engaged in building strong working relationships with leaders from the community college districts.

- Proposed Income is \$63,500, which accounts for approximately 1.84% of the total revenues in the FY2020-2021 Proposed Budget.
- Proposed expenditures are \$8,500, which accounts for approximately 0.23% of the total expenditures in the FY2020-2021 Proposed Budget.

Educational Leadership and Professional Development

The League provides leadership in the ongoing education and professional development of community college governing board members, chief executive officers, and district and college staff to ensure the continued strength, diversity, vitality and effectiveness of the colleges' educational programs and services.

The League offers the following services to our members:

- CEO Strategic Leadership Program
 - Excellence in Trusteeship Program
 - League on Call
 - Collegiality in Action, also known as Technical Assistance
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- Proposed Income is \$2,500, which accounts for approximately 0.06% of the total revenues in the FY2020-2021 Proposed Budget.
 - Proposed expenditures are \$8,450, which accounts for approximately 0.23% of the total expenditures in the FY 2021 Proposed Budget.

League Dues Formula

The dues formula policy mandated by the League Board automatically follows the California Community Colleges Recalculation Apportionment Reports obtained from the California Community Colleges Chancellor's Office.

Proposed Dues are \$1,947,642, accounting for approximately 48.60% of the total revenues in the FY2020-2021 Proposed Budget.

The 2020-2021 League Dues formula includes:

A basic service fee of \$800 for each district, plus \$800 for each college in a multi-college district;

Plus .000325 times the Property Taxes, Less Property Taxes Excess (if applicable), Student Enrollment Fees, State General Apportionment, Full-Time Faculty Hiring, and Education Projection Account, up to \$60 million for the preceding fiscal year (as reported in the Chancellor's Office 2018-2019 Recalculation Apportionment Reports, Exhibit C, District Revenue Source);

Plus .000175 (if in excess of \$60 million), times the Property Taxes, Less Property Taxes Excess (if applicable), Student Enrollment Fees, State General Apportionment, Full-Time Faculty Hiring, and Education Projection Account (as reported in the Chancellor's Office 2018-2019 Recalculation Apportionment Reports, Exhibit C, District Revenue Source);

For FY2020-2021, the calculation results in an average due increase of \$1,192, with all 72 districts paying higher dues based on 2019-2020 and Calbright paying the Median.