



GROSSMONT-CUYAMACA  
COMMUNITY COLLEGE DISTRICT

**MEMORANDUM**

**TO:** Sue Rearic  
**FROM:** Sahar Abushaban  
**DATE:** 2013/2014 Adoption Budget  
**SUBJECT:** Income Allocation Formula Criteria regarding Reducing the Economy of Scale

The Formula

The District's Income Allocation Model includes critical criteria in order for the Declining Economy of Scale (EOS) Formula to advance, thereby reducing the EOS. For the 2013/2014 Adoption Budget, the following are the criteria for reduction of the EOS and the status:

<u>Criteria</u>	<u>Status</u>
<b>All four criteria must be met</b>	
2% COLA	Not met The State budget includes 1.57% COLA
2% Growth	Not Met (restoration funding only) The State budget includes zero Growth
Adequate Growth dollars in Cuyamaca to earn more additional Growth-related income than the year's reduction related to the Economy of Scale factor	Not applicable (restoration funding only) Overall FTES split will not change
Minimum 1% FTES growth at Grossmont	Not applicable (restoration funding only) Overall FTES split will not change

Outline of Strategy for 2013/2014 Adoption Budget:

- FTES goals were based on the State 2013/2014 CAP.
- Hold FTES split same as 2012/2013.
- Maintain the prior-year level Declining Economy of Scale factor.