



GROSSMONT-CUYAMACA
COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Sue Rearic
FROM: Doug Jenson
DATE: 2015/2016 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 2015/2016 Adoption Budget, the following are the criteria for reduction of the EOS and the status:

<u>Criteria</u>	<u>Status</u>
All four criteria must be met	
2% COLA	Not met The State budget includes 1.02% COLA
2% Growth	Met The State budget includes 3% 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 because other criteria not met
Minimum 1% FTES growth at Grossmont	Not applicable because other criteria was not met

Outline of Strategy for 2015/2016 Adoption Budget:

- FTES goals were based on the State 2014/2015 CAP.
- Hold FTES split same as 2013/2014.
- Maintain the prior-year level Declining Economy of Scale factor.