FY 2026-27 ADOPTED BUDGET

FOOTHILL – DE ANZA COMMUNITY COLLEGE DISTRICT

Audit and Finance Committee - September 10, 2026
Board of Trustees - September 14, 2026

Dr. Christopher Dela Rosa, Vice Chancellor, Business Services
Raquel Puentes-Griffith, Executive Director, Fiscal Services
Sirisha Pingali, Director, Budget Operations

A PERIOD OF TRANSITION

Foothill-De Anza's Fiscal Evolution to Community Supported (Basic Aid) Status

PHASE 1

SCFF Era

State Formula Allocation

- Funded via Student Centered Funding Formula (70% Base, 20% Supplemental, 10% Outcomes).
- Revenue bound to FTES enrollment & statewide metric adjustments.

PHASE 2

Hold Harmless

Revenue Floor Protection

- State provision guaranteed baseline funding during formula implementation.
- Provided critical buffer while enrollment shifted, preventing immediate cuts.

PHASE 3

One-Time Relief

Temporary Bridge Support

- Carryforwards, infusion of COVID relief grants, emergency block grants, and state stimulus.
- Helped offset escalating annual operational costs in the short-term, while longer-term structural budget challenges remained.

CURRENT STATUS

Basic Aid Status

Community Supported Funding

- Local property taxes exceeded state general apportionment limits.
- Unlocks revenue growth and flexibility (over time) tied to local property tax yield rather than FTES caps.
- Introduces immediate exposure for local property tax potential declines; similar to non-resident revenue.

AGENDA OVERVIEW

- Final Results of Fiscal 2025-26 and Impacts
- FY 2026-27 Adopted Budget and Key Markers
- Resident FTES and Student Centered Funding Formula (SCFF) Metrics
- Basic Aid vs. SCFF Calculated Revenue Assumptions
- Nonresident Revenue Assumptions
- Multi-Year Projections Future Fiscal Planning Summary

A RECAP OF FISCAL YEAR 2025-2026

FY 2025-26 FINANCIAL RESULTS & KEY MARKERS

$252.27M Revenues
+ $3.36M Net Increase from FY 2024-25

$259.95M Expenditures & Transfers
+ $13.34M Net Increase from FY2024-25

50% Law Met!
50.83%, nearly the same from PY (50.76%)

DEFICIT

-$7.67M Deficit
Net revenue increase nearly $10M below increased expenses.

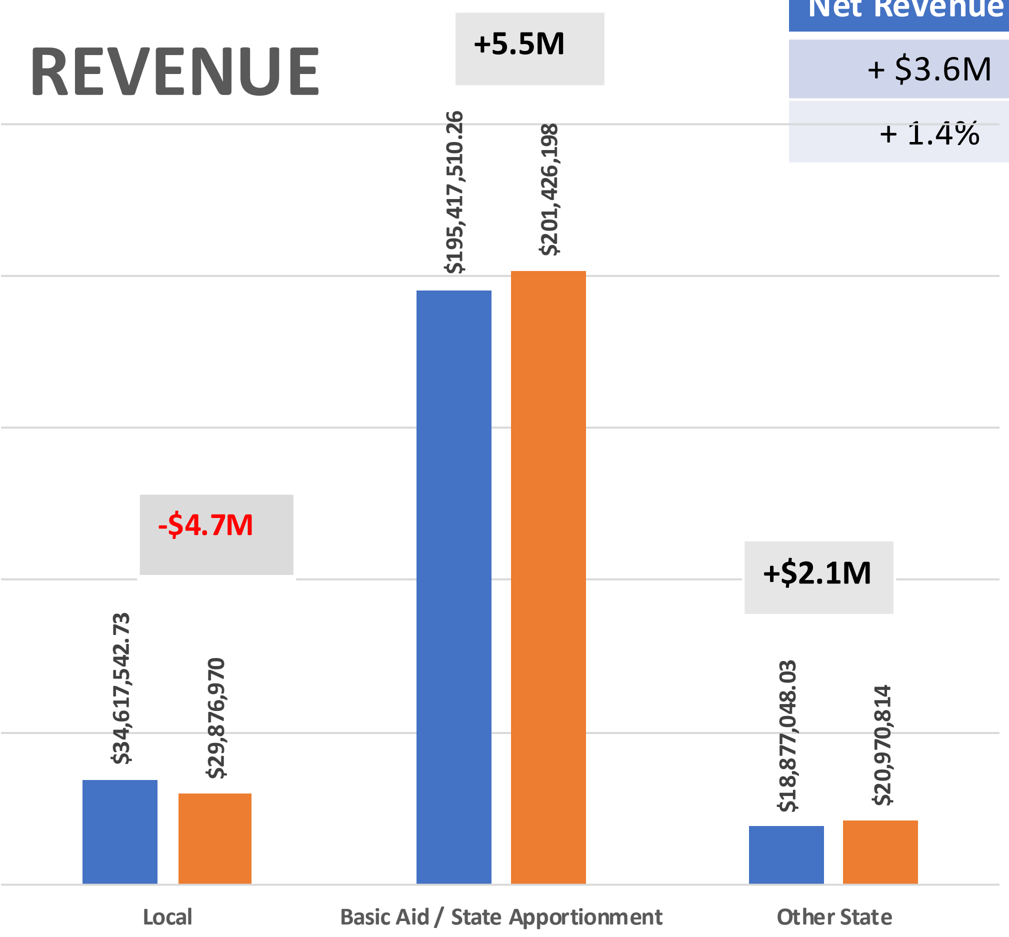
CARRYFORWARDS = $6.63M
Exhaustive use of Carryforward funds to support increasing operational expenditures.

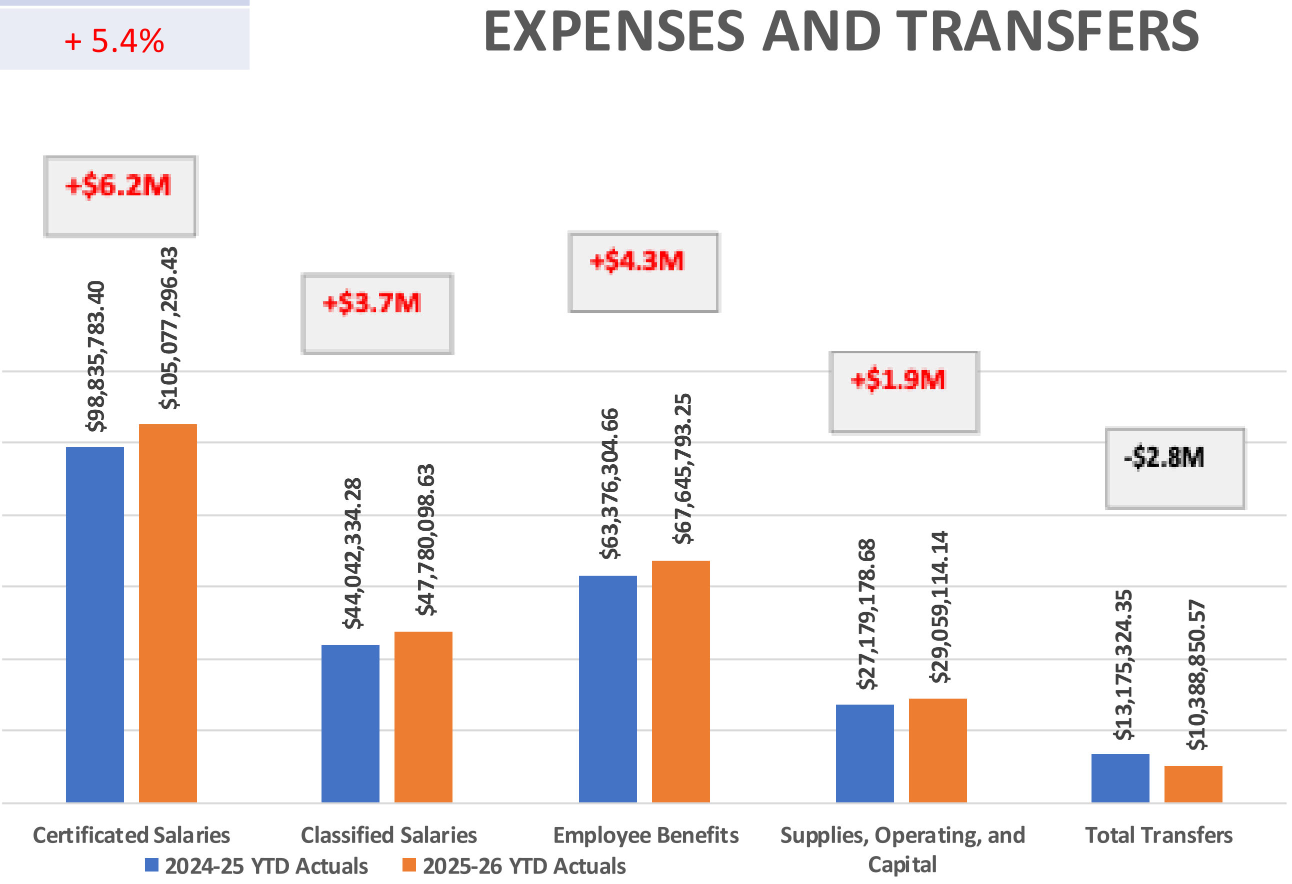
FUND BALANCE = $30.67M
STABILITY FUND = $9.67M
11.8% as a percentage of Expenditures and Transfers

2025-26 REVENUE AND EXPENSES

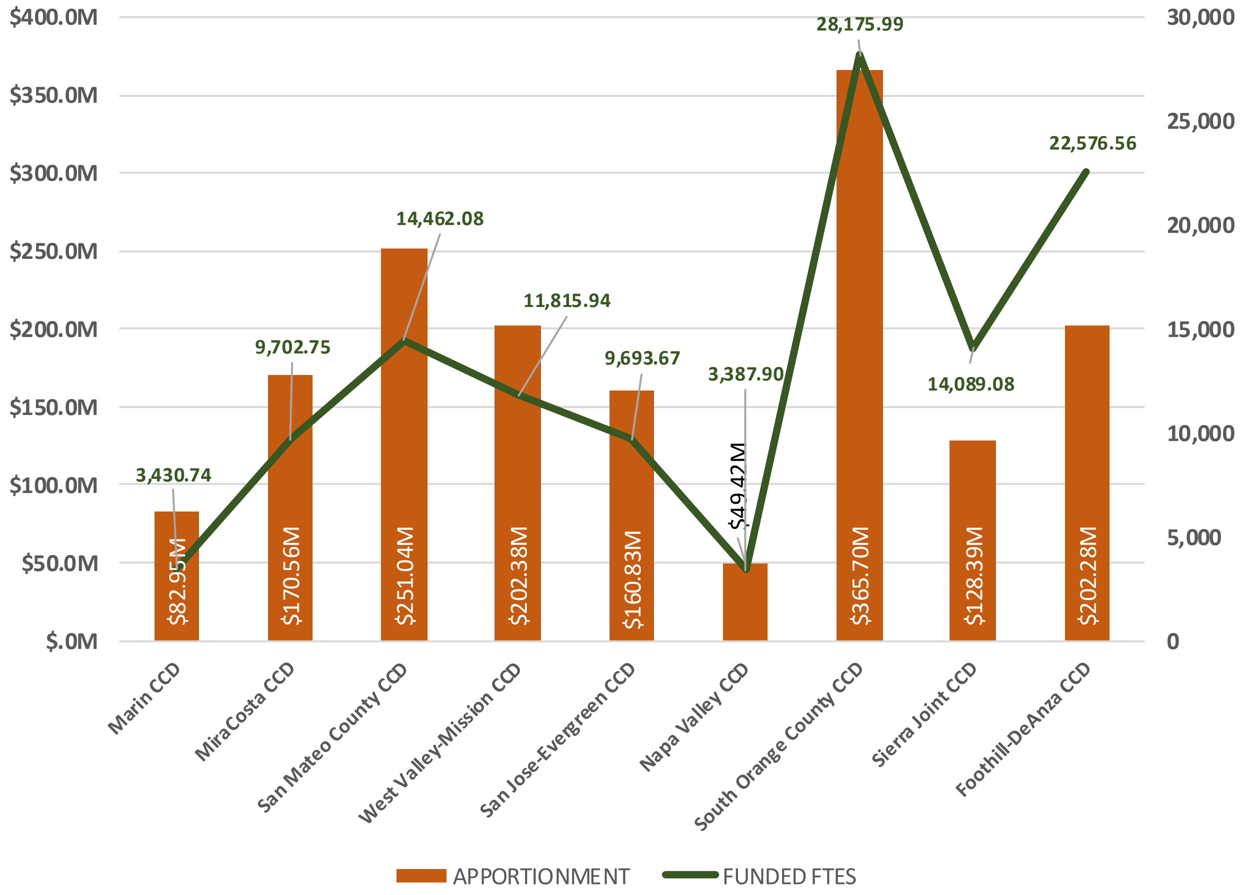
YEAR OVER YEAR NET CHANGES

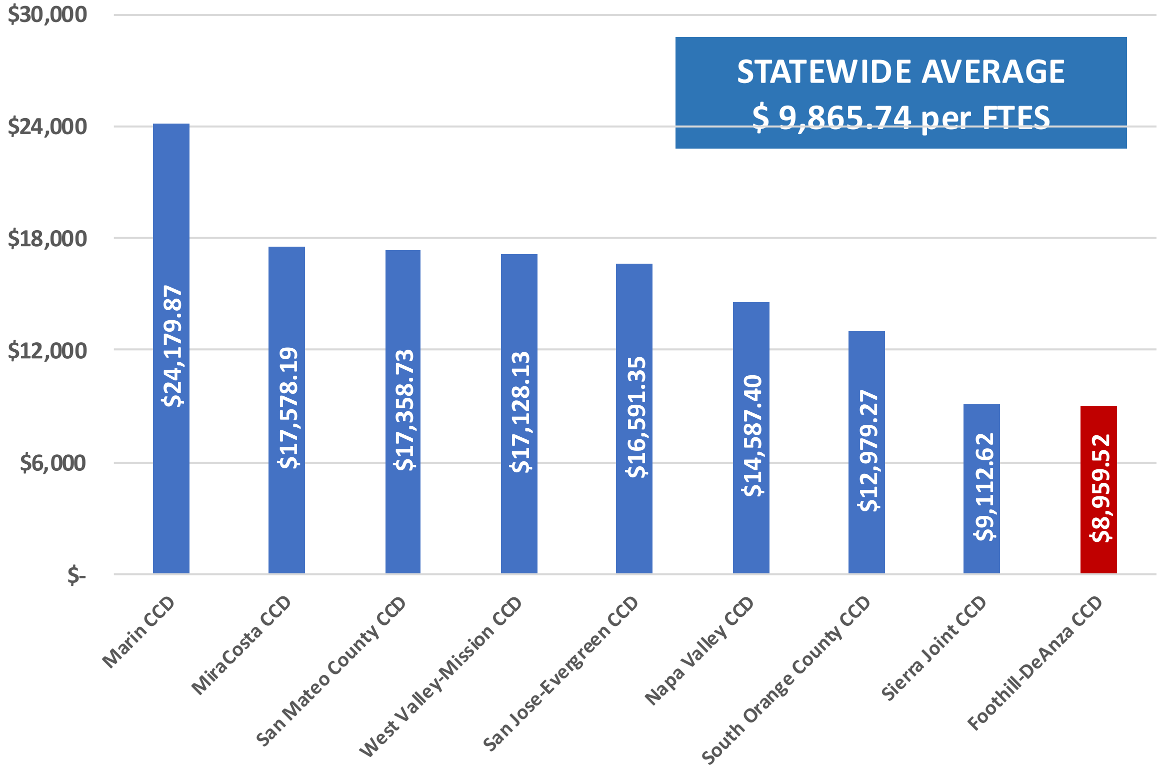
Net Revenue	Net Expense
+ $3.6M	+ $13.3M
+ 1.4%	+ 5.4%





FY 2025-26 APPORTIONMENT REVENUE PER RESIDENT FTES



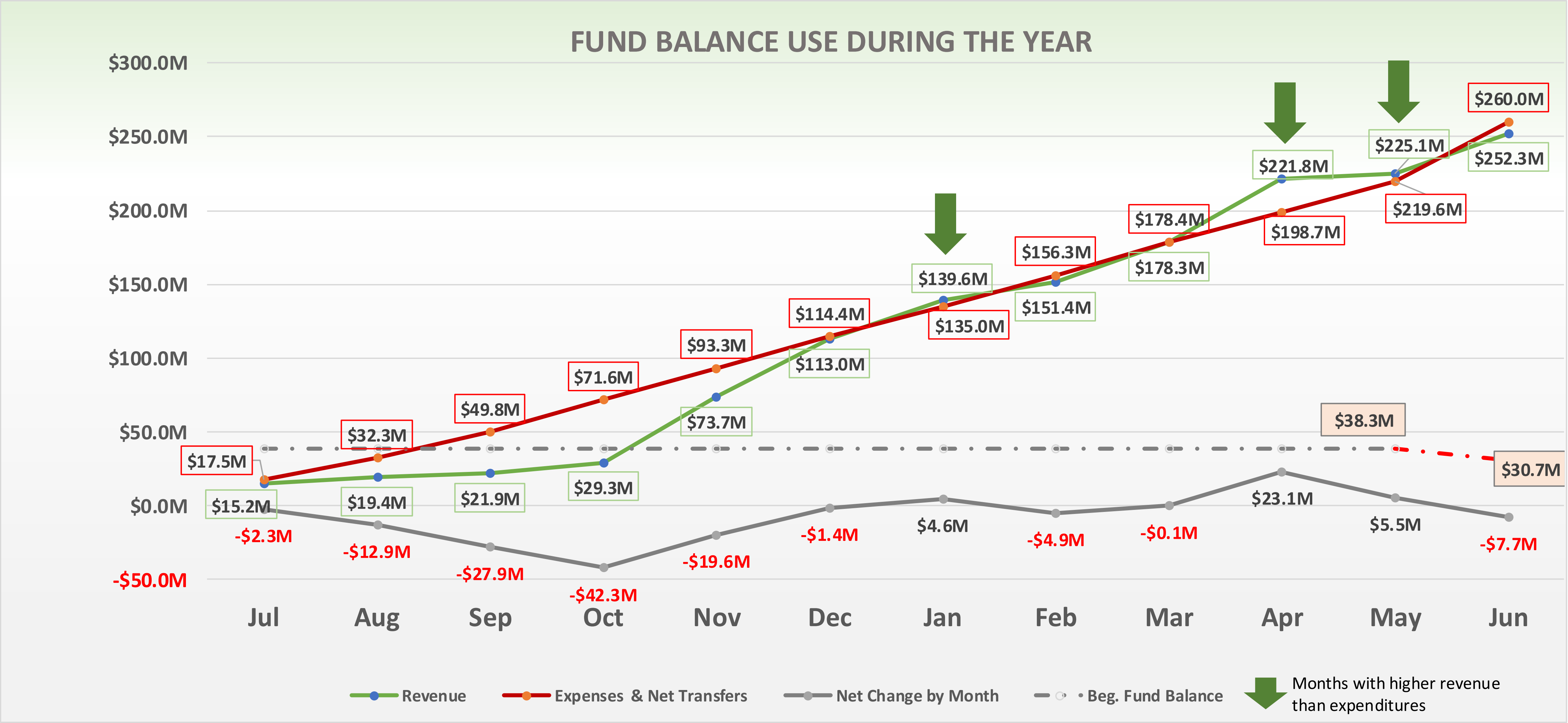


COMMUNITY SUPPORTED DISTRICTS

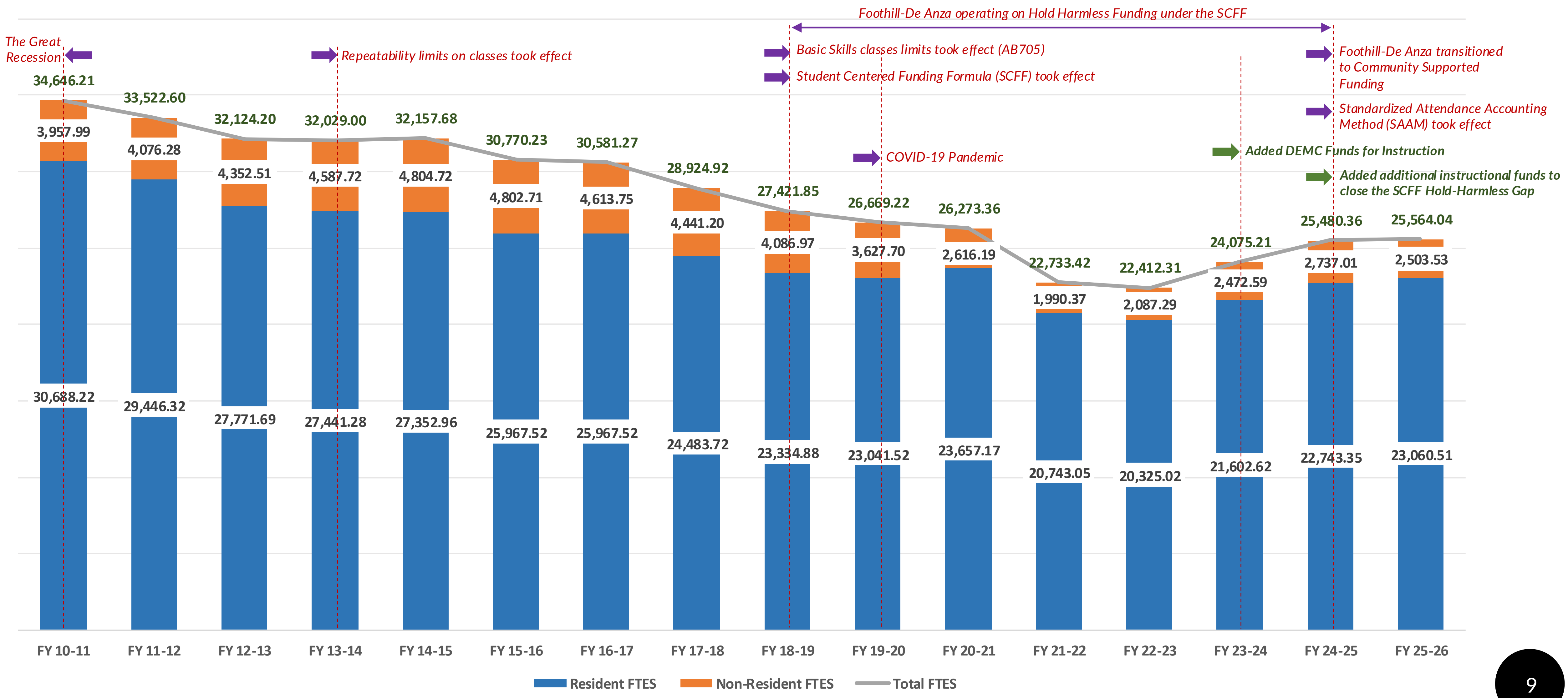
Source: CCCCO FY 2025-26 R1 Advance Report (Exhibit C)

FY 2025-26 MONTHLY ACTIVITY (CUMULATIVE)

UNRESTRICTED GENERAL PURPOSE FUND (FUND 14)



ENROLLMENT HISTORICAL VIEW



FY 2026-2027 ADOPTED BUDGET

A NEW FISCAL ENVIRONMENT

- Enrollment is not the primary revenue driver.
- State COLA no longer has an impact on revenue as a basic aid district.
- Basic Aid status drives revenue but not expenses.
- Property Taxes is the primary source of local revenues.
- Nonresident enrollment (revenues) is a very volatile revenue source.
- Shift philosophy from focusing on enrollment to enhanced student success.
- Declining Carry Forwards to support on-going operating expenses that needs short-term funding from Stability Funds; Needs to be addressed long-term.
- Districtwide strategic enrollment in the context of basic aid funding including a new resource allocation model (RAM) for the campuses.
- One-time transitional funding to support instructional needs.

FY 26-27 ADOPTED – ASSUMPTIONS & KEY MARKERS

CHANGES FROM TENTATIVE TO ADOPTED

$252.89M Revenues
- $1.33M from FY 2026-27 Tentative

- Apportionment (Property Tax/Enrollment) **-$742k**
- Nonresident Tuition **-$784k**
- STRS On-Behalf & Other **+$196k**

$256.39M Expenditures & Transfers
+ $3.86M from FY2026-27 Tentative

- PTF (Backfill for PDL and Article 18) +**$1.1M**
- PTF (***One-Time*** Load Augmentation) **+$2.5M**
- Position Control Adjustment **-$394k**
- Benefits (incl. health benefits new plan year) **+$1.39M**
- Operating (offset with increase in Transfers) **-$1.75M**
- Net Transfers (DSPS, Parking, F60, FH Health Fee) **+$1.01M**

DEFICIT BUDGET
Projected Operating Result - $3.50M

**Includes health benefit increases but no salary compensation adjustments*

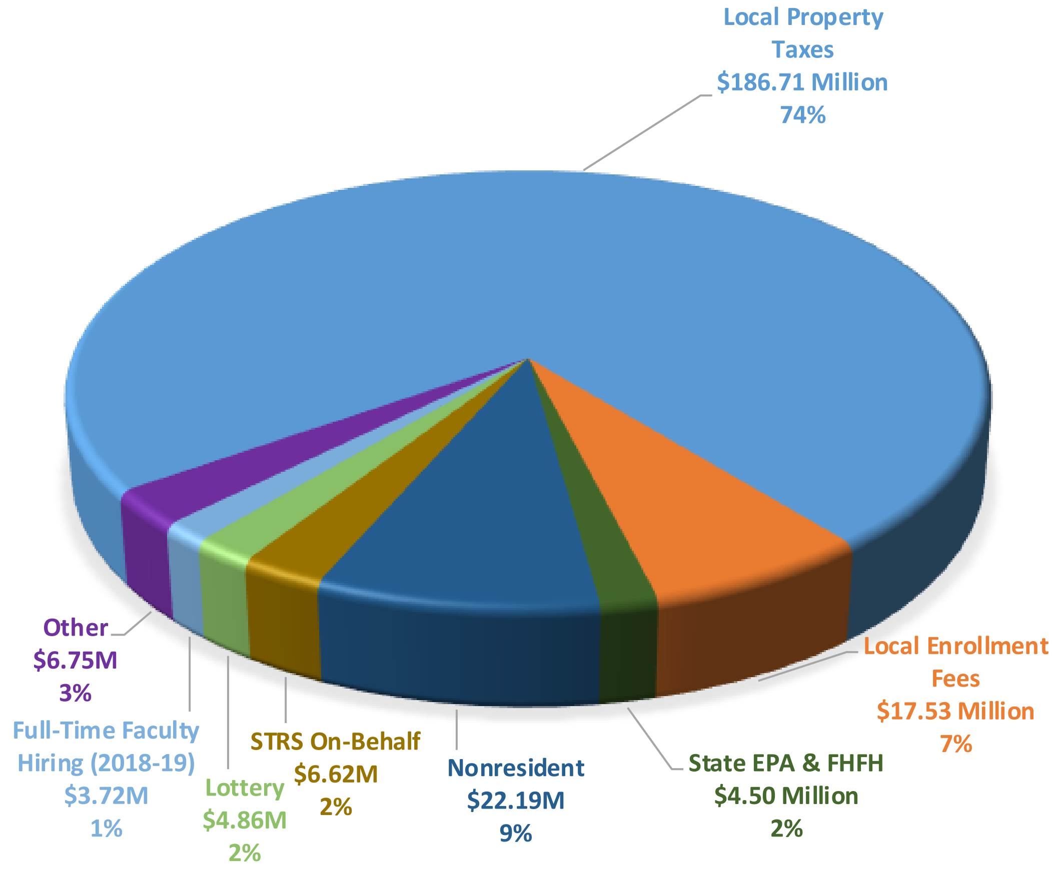
FUND BALANCE = $27.17M
STABILITY FUND = $6.97M

10.6% as a percentage of Expenditures and Transfers

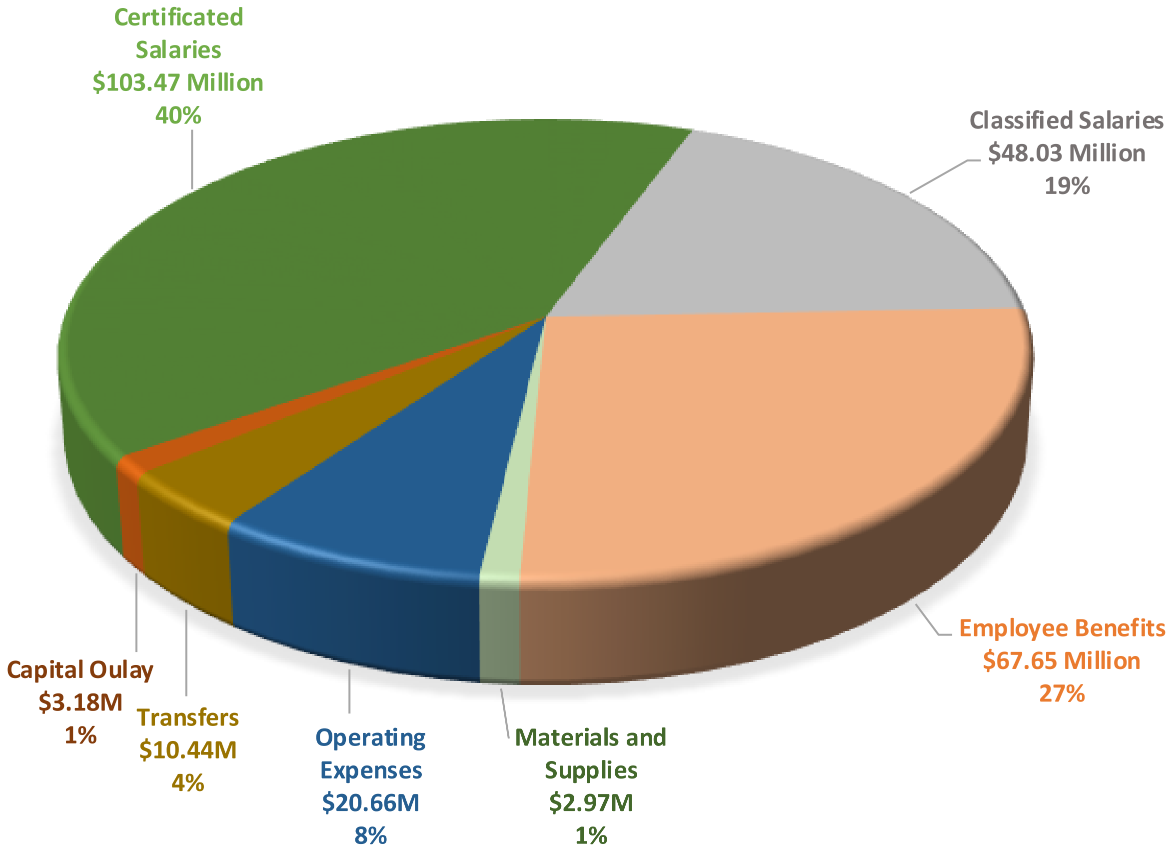
CARRYFORWARDS = $7.55M
Substantial decline from PY – DA $0 and CS will be exhausted by end of 2026-27.

BREAKDOWN OF REVENUES AND EXPENDITURES
UNRESTRICTED GENERAL PURPOSE FUND (FUND 14)

Revenue $252.89M

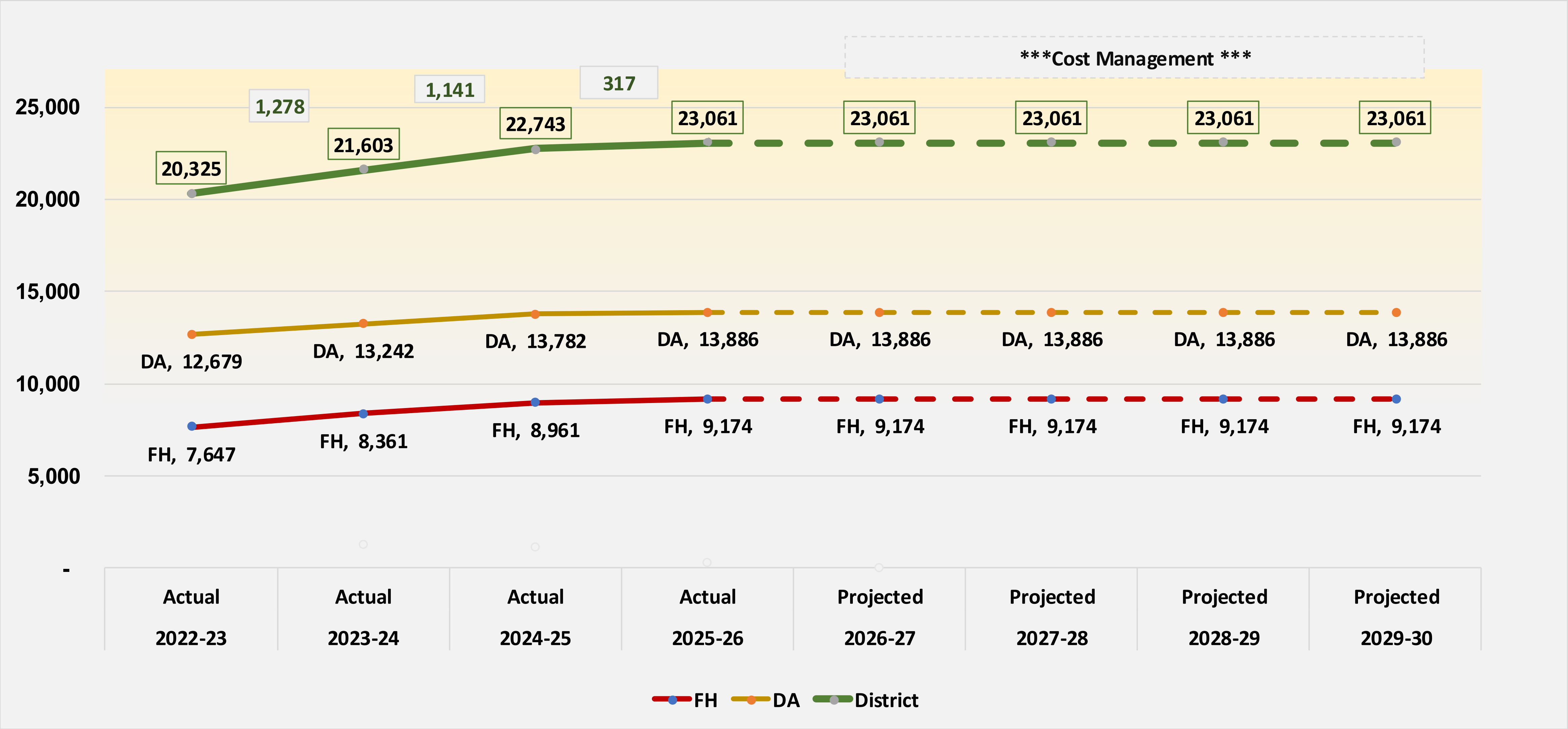


Expenditures $256.39M

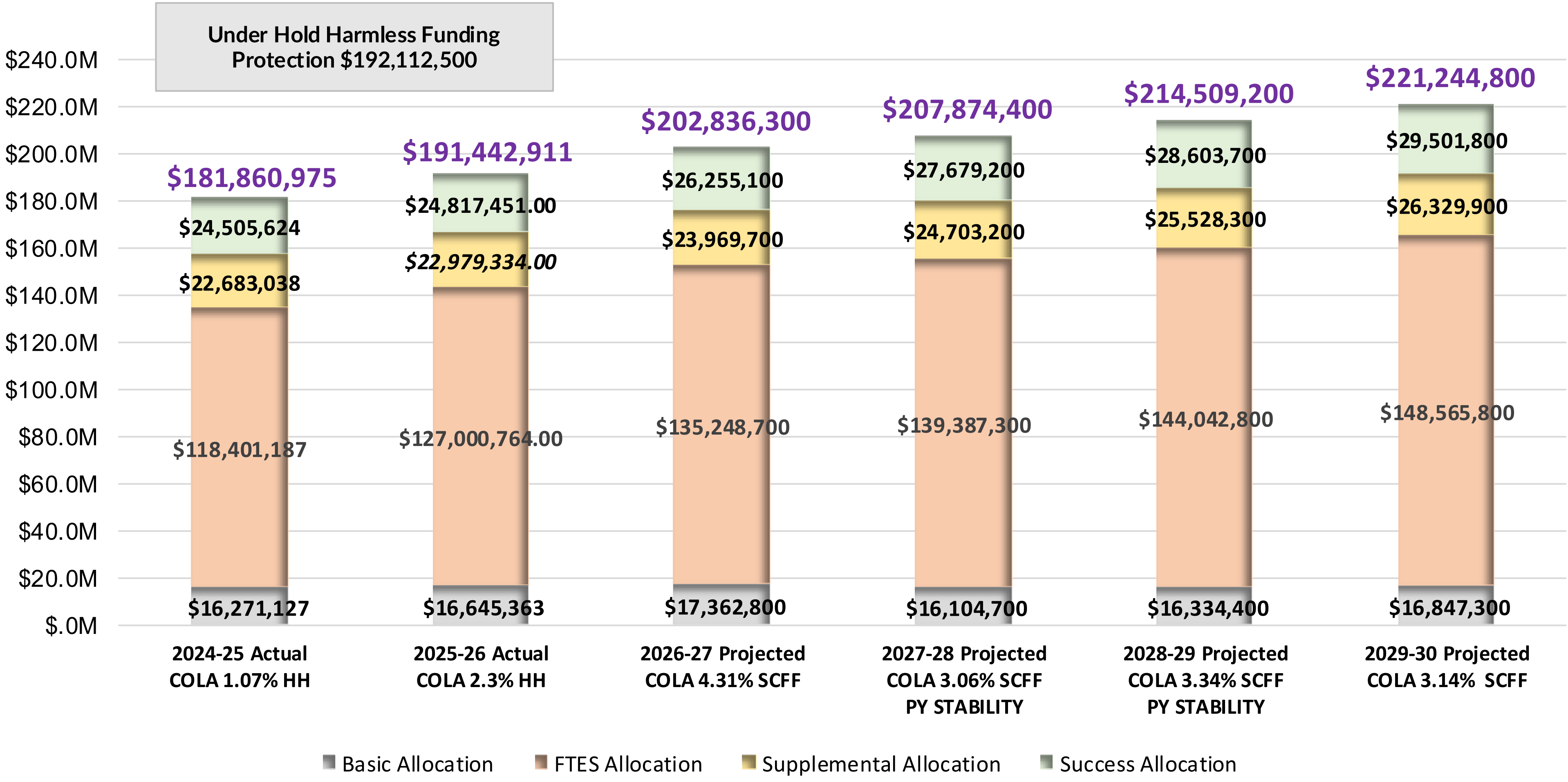


** All figures are in millions.*

RESIDENT FTES PROJECTION



FY 2024-25 – FY 2029-30 SCFF METRICS/CALCULATED REVENUES



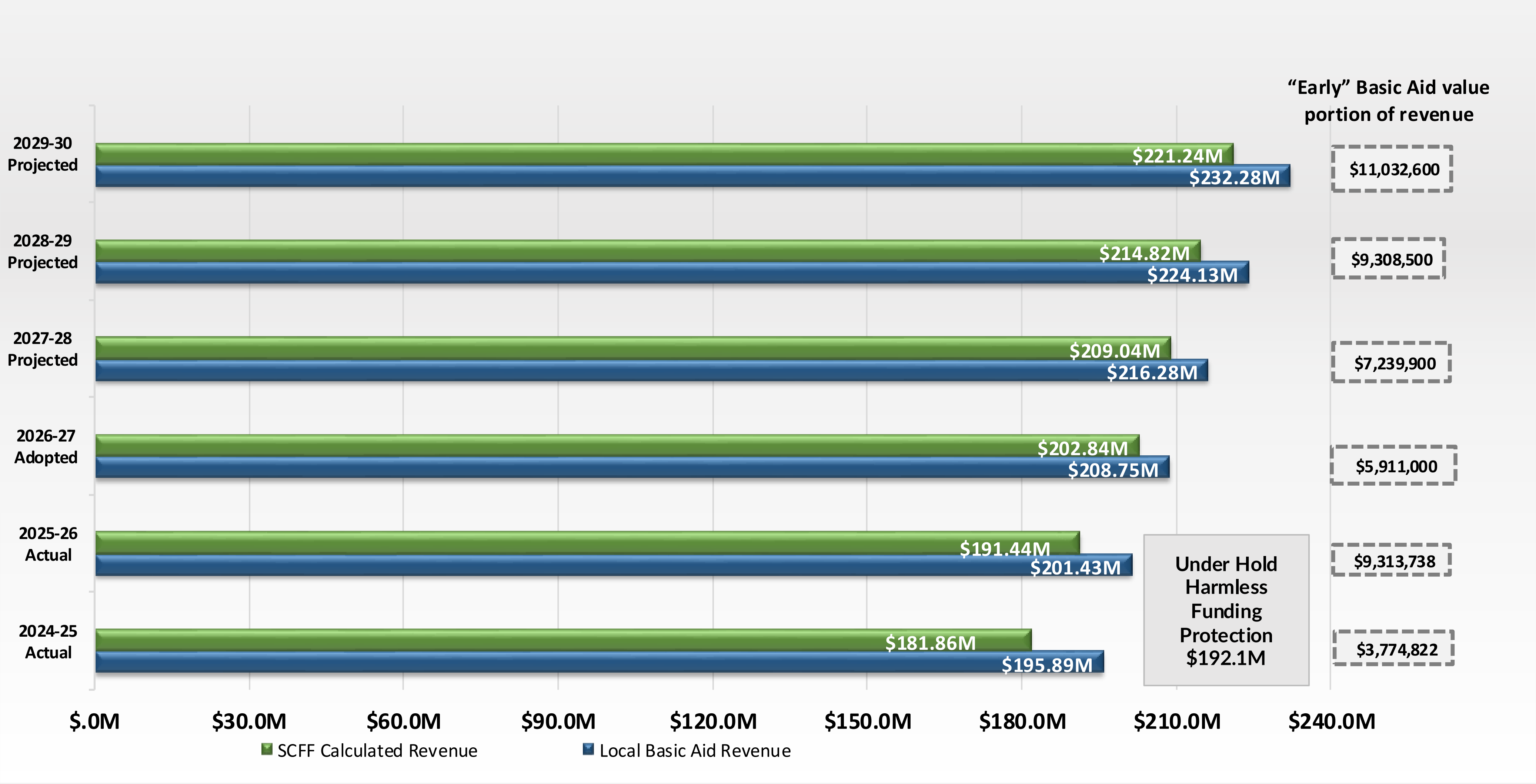
FY 2026-27 SCFF Calculated Revenue Breakdown

SCFF Metrics	SCFF %	FHDA
Base*	70%	75.24%
Supplemental	20%	11.82%
Success	10%	12.94%
Total	**100%**	**100%**

** Base Allocation = Basic + FTES*

Source: CCCCO SCFF Dashboard; COLAs are based on School Services of California Dartboard) applied to SCFF Metric values.

BASIC AID vs. SCFF CALCULATED REVENUE VALUES

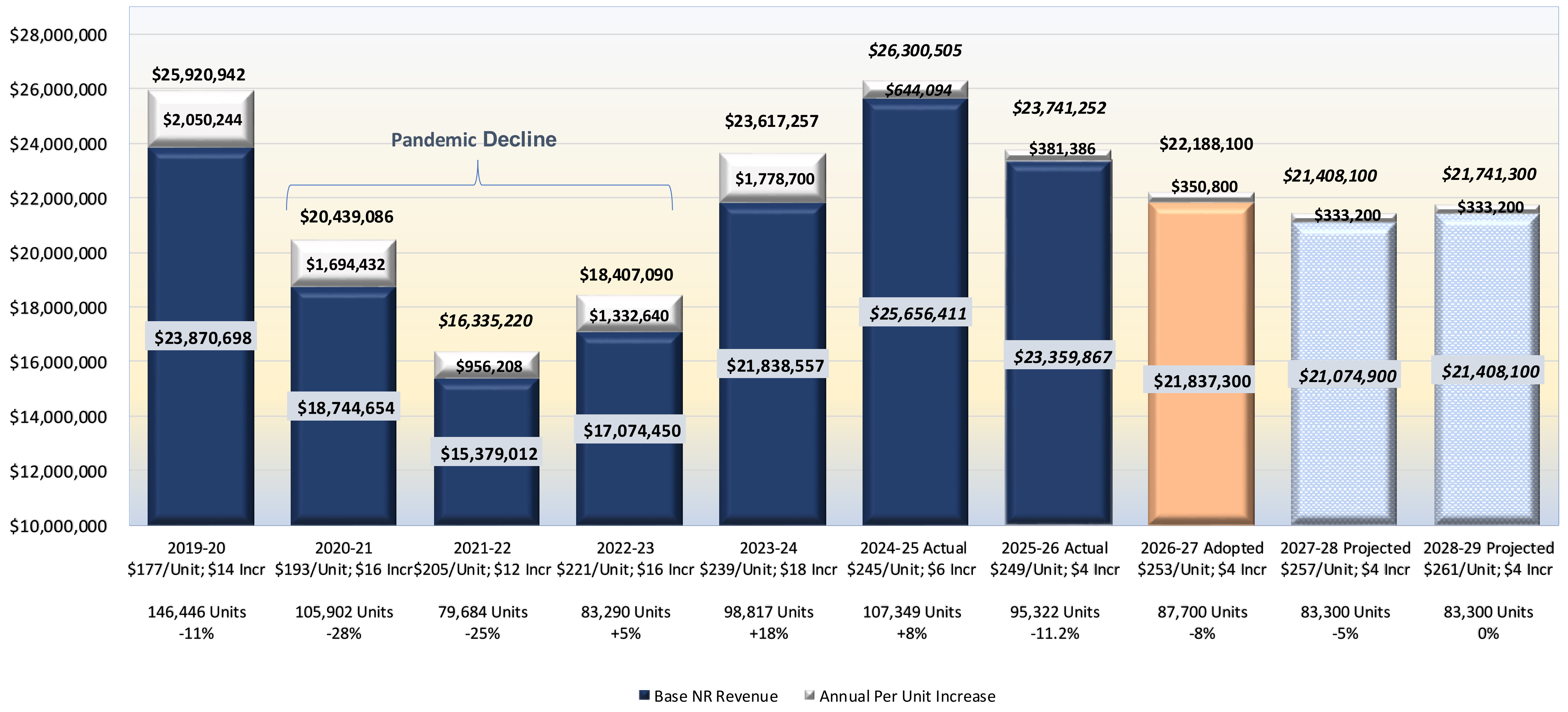


- Valuing Basic Aid revenue DOES NOT translate to an increase in overall annual revenue.
- Basic Aid revenue will compound and grow OVER TIME.
- Districts realize the benefits and flexibility once they are deep into Basic Aid, with gains well beyond SCFF-calculated revenue.

FOOTHILL-DE ANZA receives more revenue under the Community Supported Funding (Basic Aid) than under the State Apportionment (SCFF) funding.

Source: Santa Clara County and CCCCO SCFF Dashboard; COLAs are based on School Services Dartboard) applied to SCFF Metric values.

NON-RESIDENT REVENUE ANALYSIS



PROPERTY TAX REVENUE ASSUMPTIONS

FY 2023-24	$ 164,360,190
FY 2024-25	**Property Tax Rate Increase**
September Info	4.60%
November Update	4.73%
February Update	5.40%
May Update	5.53%
Final Property Tax Revenue and Rate Increase	**$ 173,723,515 5.69%**

FY 2025-26	Property Tax Rate Increase
September Info	3.46%
December Update	3.71%
February Update	3.95%
May Update	3.68%
Final Property Tax Revenue and Rate Increase	**$ 179,533,006 3.34%**

Fiscal Year	Assumptions
FY 2026-2027	4%
FY 2027-2028	4%
FY 2028-2029	4%

Foothill-De Anza Community College District Service Area
Cupertino, Los Altos, Los Altos Hills, Mountain View, Palo Alto, Stanford, Sunnyvale
Portions of Saratoga and San Jose

Source: County of Santa Clara Assessor's Office and Controller's Office Reports

MULTI-YEAR PROJECTIONS

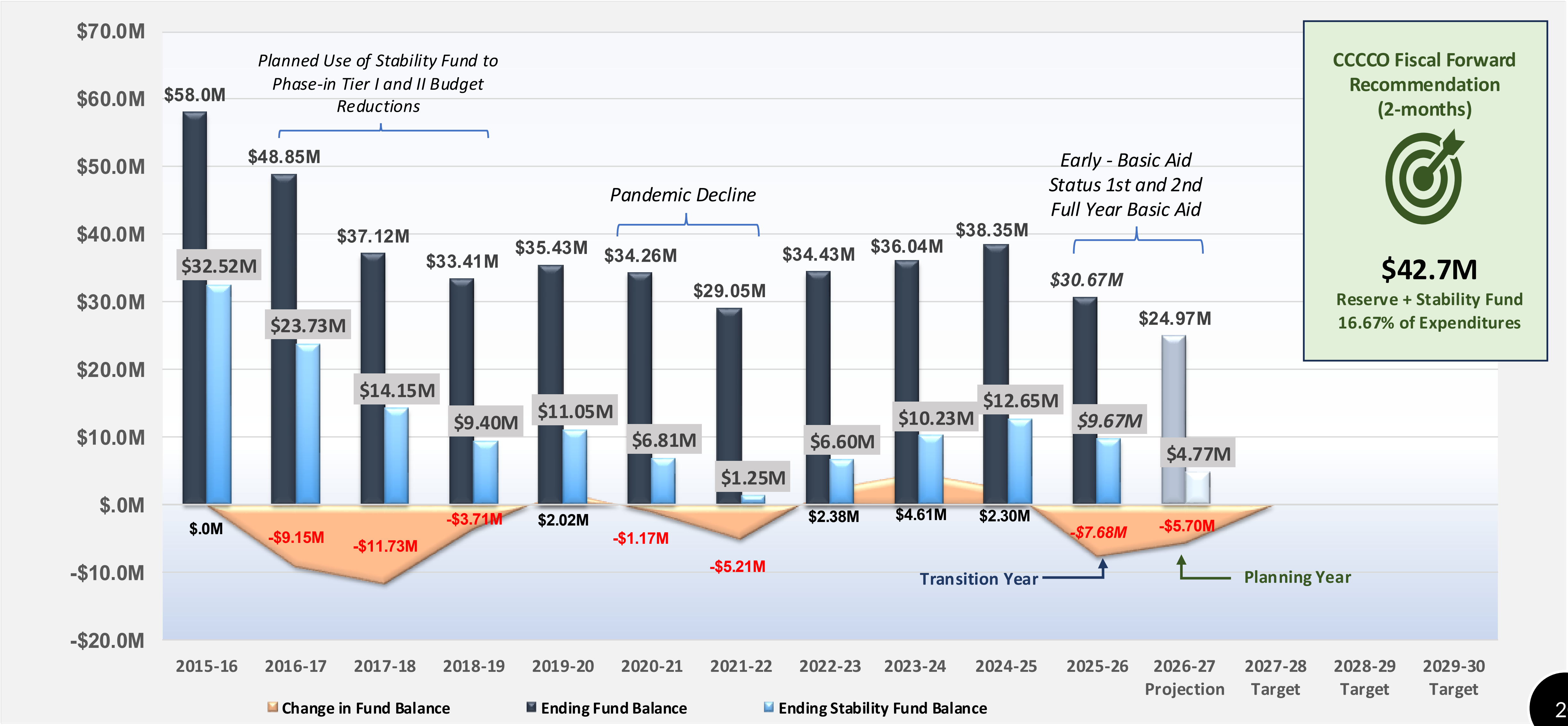
UNRESTRICTED GENERAL PURPOSE FUND (FUND 14)

1. Assumes FY 2025-26 funded FTES; In 2026-27 and out years, minimal growth and flat FTES.
2. Reducing nonresident revenue in out years.
3. Includes negotiated health benefits increases for Plan Year 2027.
4. Includes 2026-27 PTF Load $2.5M One-Time Augmentation and $2.2M to support DA and CS operational expenses with a one-time adjustment
5. FY 2027-28 placeholder for the future resource allocation model implementation and out year increases to ongoing operational budgets to remove reliance on declining one-time sources.

6. Unanticipated Non-Resident Revenue will be treated as one-time revenue for one-time investments only.

HISTORICAL FUND BALANCE AND STABILITY FUND

FUTURE NECESSARY TARGETED RESTORATION



IN SUMMARY…

FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT
Educational Excellence + Student Success

Foothill-De Anza continues to focus on Access, Equity, and Success.