



FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT

FY 2026-27 TENTATIVE BUDGET

FOOTHILL – DE ANZA COMMUNITY COLLEGE DISTRICT

Audit and Finance Committee - June 4, 2026
Board of Trustees - June 9, 2026

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

OVERVIEW



State Budget Update (May Revise)



Overview of Community Supported Funding



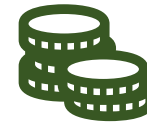
Student Centered Funding Formula and Resident FTES



Nonresident Revenue Assumptions



Basic Aid vs. SCFF Calculated Revenue Assumptions

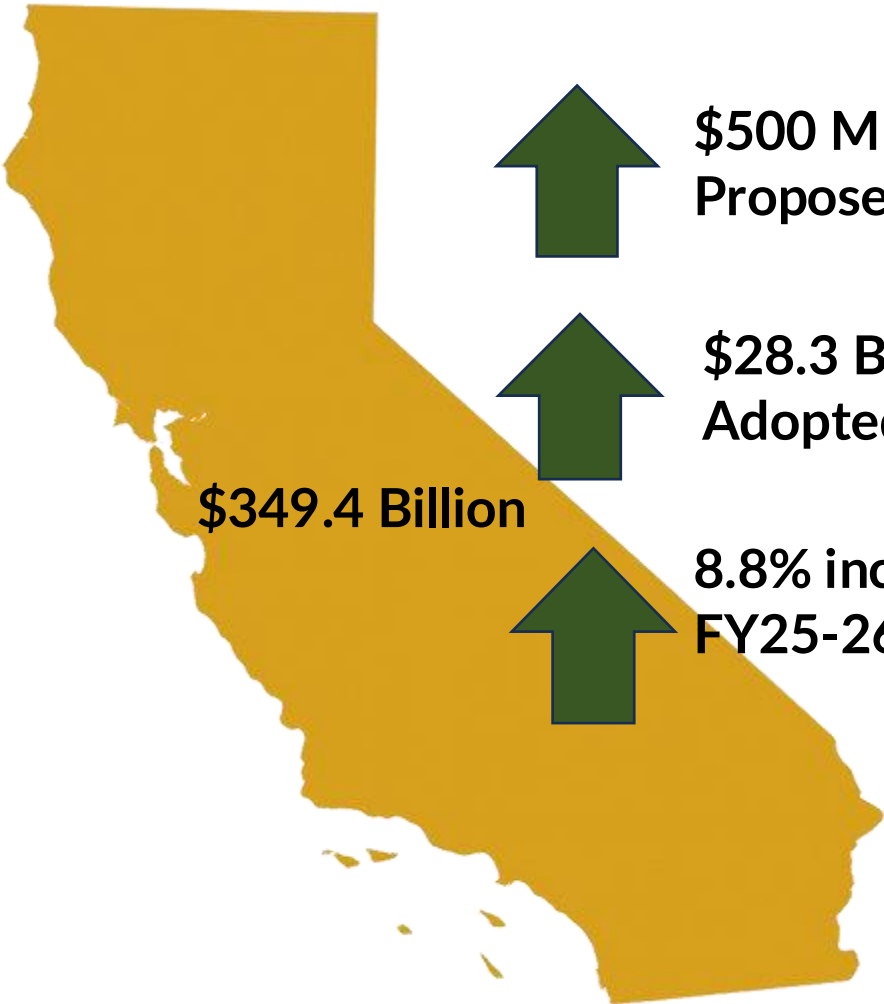


FY 2026-27 Tentative Budget and Multi-Year Projections



Future Fiscal Planning Summary and Recommendations

THE MAY BUDGET REVISION SUMMARY



\$349.4 Billion



\$500 Million from January Proposed Budget



\$28.3 Billion from FY25-26 Adopted Budget



8.8% increase from FY25-26 budget



\$3 Billion due to higher revenue expectations

Cost drivers: increased costs in health and human services (Medi-Cal and CalFresh)



Increases in reserve funds.

- \$15.1 billion for Rainy Day Fund
- \$10.3 billion in Public School System Stabilization Account
- \$4.5 billion in Special Fund for Economic Uncertainties

PROPOSED BUDGET FOR COMMUNITY COLLEGES



- \$9.629 billion from the General Fund
- \$4.661 billion from local property taxes
- **\$14.29 billion for the California Community College system**



- One-time **\$120.7 million Deferred Maintenance** funding



- 2.87% statutory COLA for the Student Centered Funding Formula (SCFF)
- 1.4% discretionary COLA for the SCFF*
- 2.87% COLA on select categorical programs



- \$35 million one-time and \$2 million ongoing for **Credit for Prior Learning**
- \$36 million one-time and \$5 million ongoing for **Common Cloud Data Platform**
- \$100.6 million one-time for **Student Support Block Grant**
- \$38.1 million ongoing for **Calbright College**

* For the implementation/adoption of the 14-week Paid Family Leave



- Additional **1% Growth** funding for FY2025-26
- **0.5% Growth** funding for FY2026-27

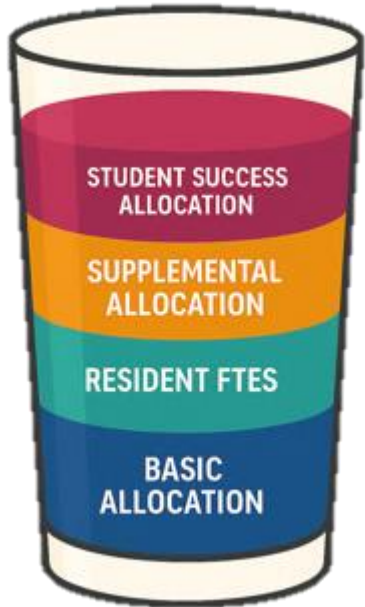
NEXT STEPS IN THE STATE BUDGET PROCESS



- **LAO reviews Governor's budget proposal**
- **Legislature subcommittees continue hearings**
- **Assembly and Senate reconciles their versions of the budget**
- **Conference Committee resolves differences**
- **Governor signs the adopted budget**

JUNE 30th

STUDENT CENTERED FUNDING FORMULA



ACCESS

- Number and size of Colleges and Centers
- Enrollment (credit and noncredit residents)

EQUITY

- Number of low-income students
- Number of AB540 students

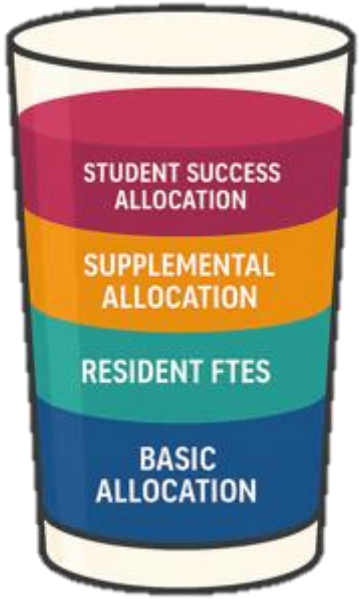
SUCCESS

- Number of all students completing
- Number of PELL recipient students completing
- Number of Promise recipient students completing

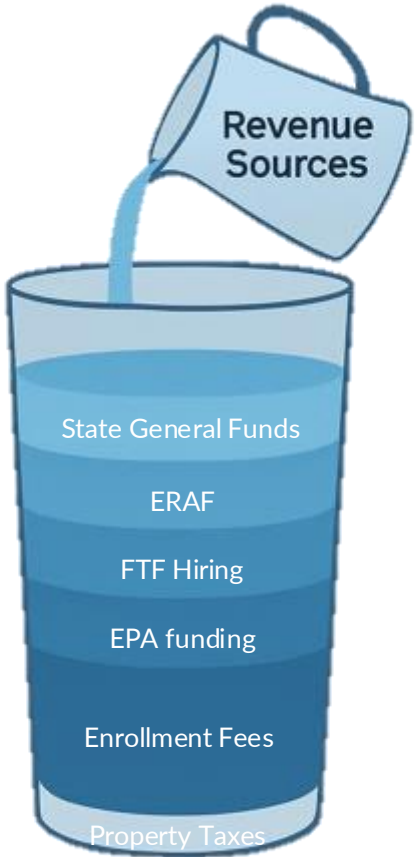
SCFF calculates and determines how much a district is funded.

Adopted in FY 2018-19, the Student Centered Funding Formula (SCFF) was part of the implementation of the Vision for Success.

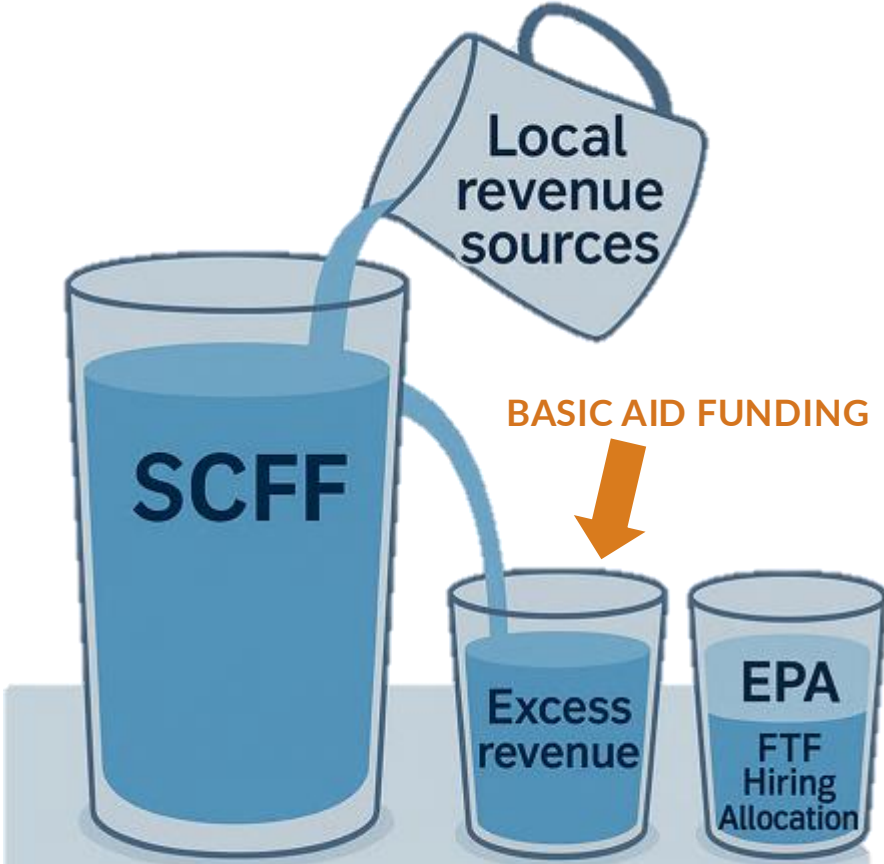
COMMUNITY SUPPORTED FUNDING



STEP 1
Calculate the Revenue from the SCFF

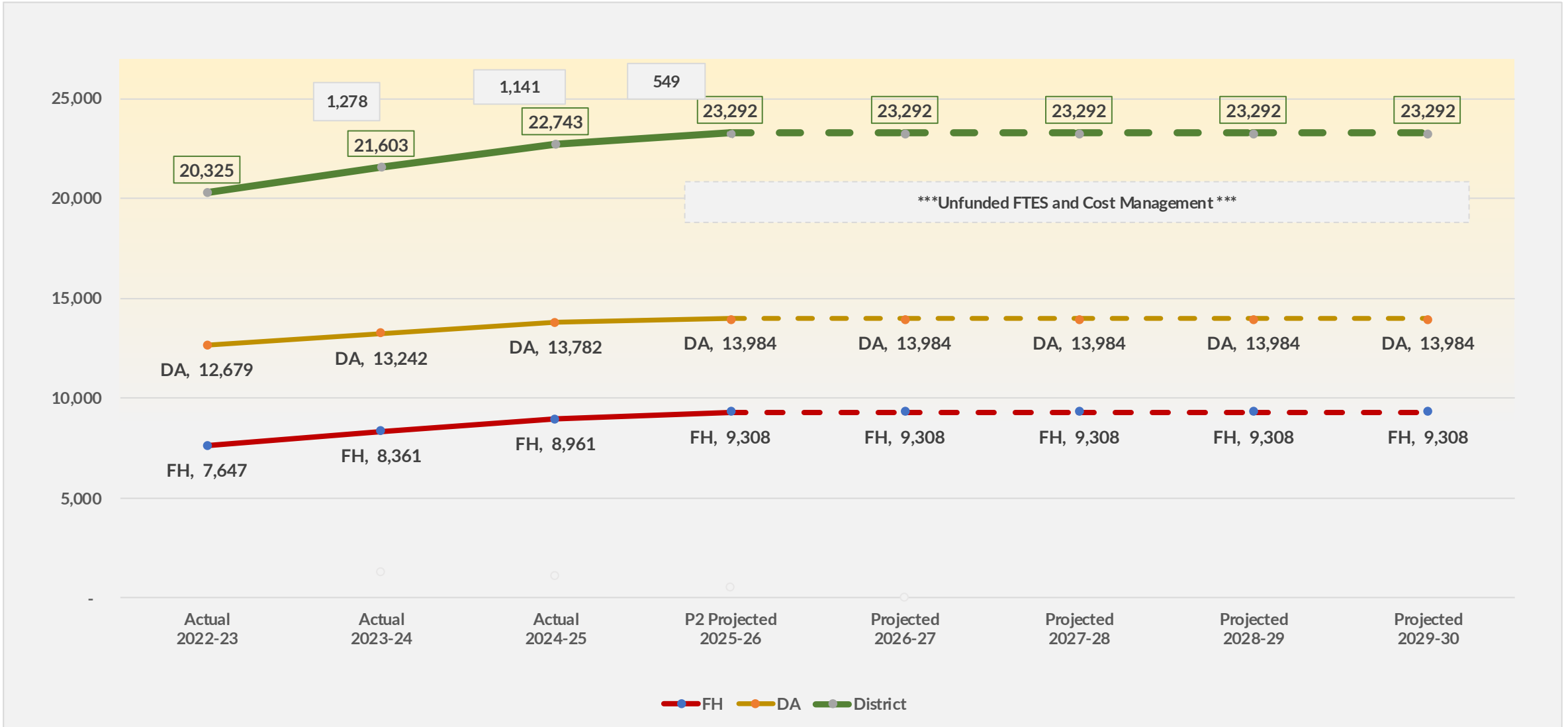


STEP 2
Find the Revenue Sources



Property Taxes and Student Enrollment Fees are more than the SCFF calculations.
No State Revenues and no ERAF.

RESIDENT FTES PROJECTION



RESTORATION VS. CONSTRAINT GROWTH



There is no more restoration authority available for Foothill-De Anza under the SCFF for FY2026-27.



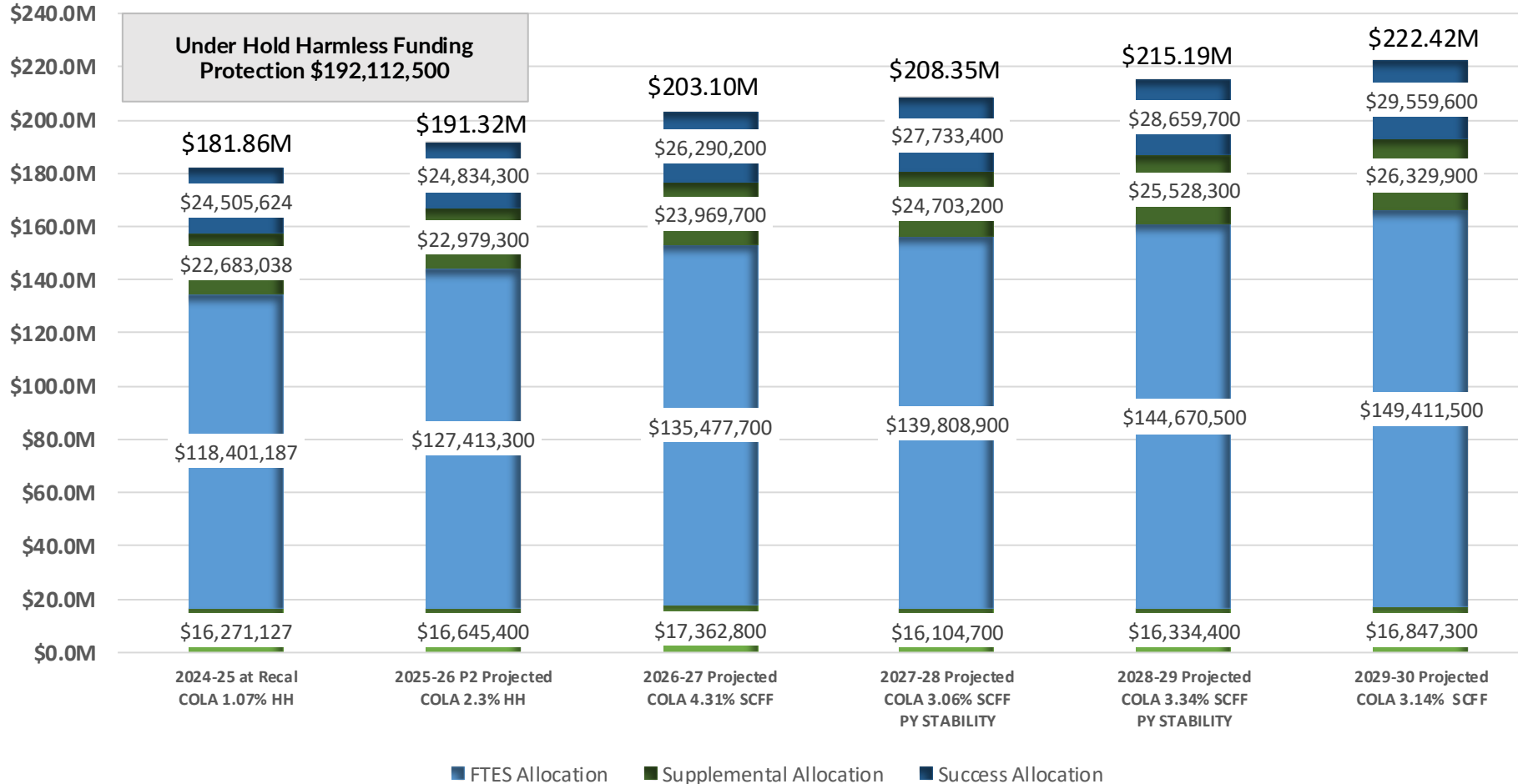
FY 2025-26 P2 report shows an UNFUNDED FTES. Resident FTES beyond the growth authority is not considered in apportionment or funding calculations.



No additional revenue for growth beyond allowed either under SCFF or Community Supported (Basic Aid) funding methodologies.

- The transition to Basic Aid in FY 2025-26, now requires a new approach to FTES targets and resident enrollment management.
- Close monitoring and management of FTES is needed due to the indirect relationship between FTES and Apportionment Revenue.
- For FY 2025-26 P2, the projected Unfunded FTES is 295.
- From 2026-27 to 2029-30, flat Resident FTES with minimal growth reflects Unfunded FTES ranging from 198 to 249 FTES.

FY 2025-26 – FY 2029-30 SCFF CALCULATED REVENUES



FY 2026-27 SCFF Calculated Revenue Breakdown

SCFF Metrics	SCFF %	FHDA
Base*	70%	75.25%
Supplemental	20%	11.80%
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.

PROPERTY TAX REVENUE ASSUMPTIONS

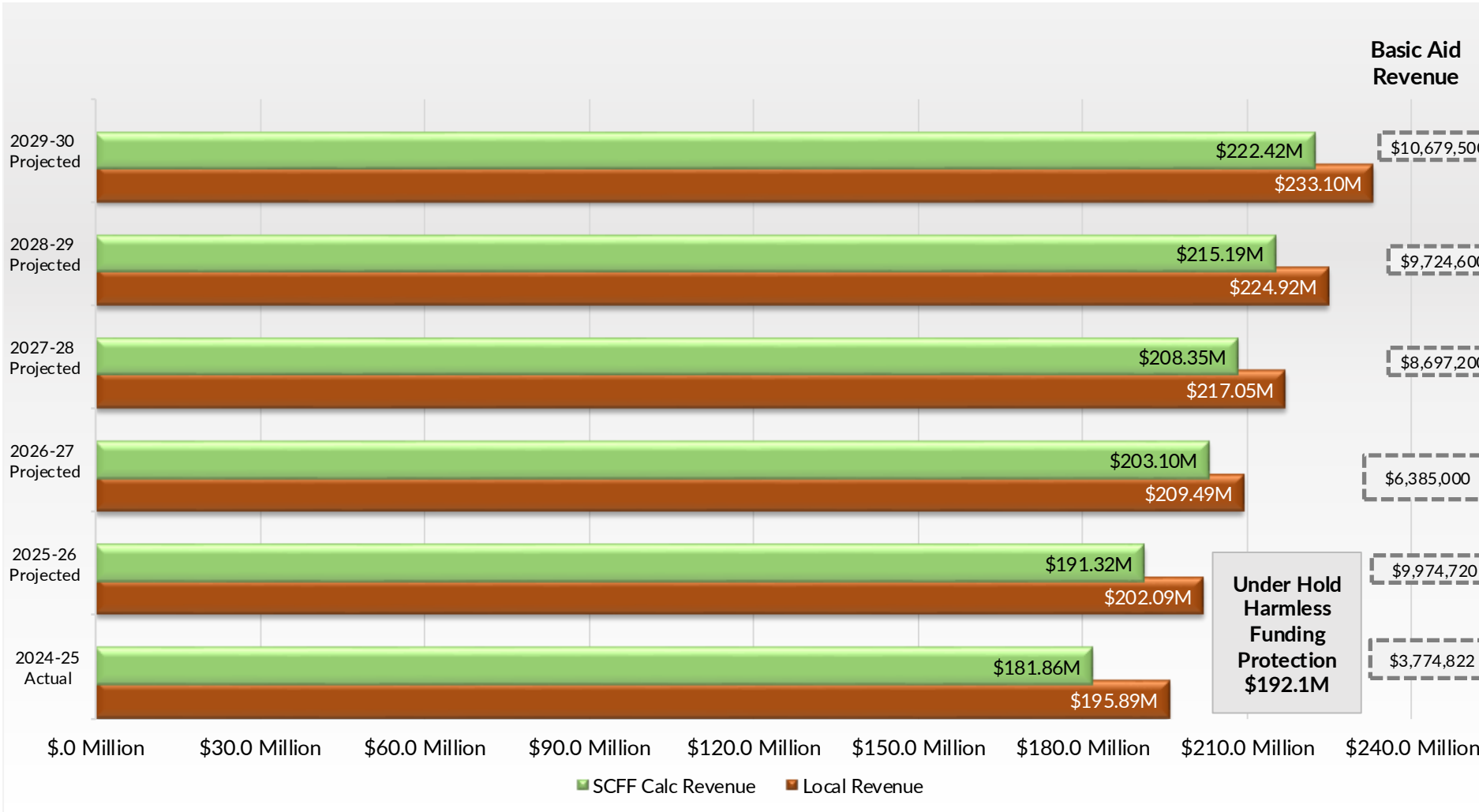


FY 2024-25	Property Tax Rate Increase
September Info	4.60%
November Update	4.73%
February Update	5.40%
May Update	5.53%
Finalized PT Revenue	\$173,723,515

FY 2025-26	Property Tax Rate Increase
September Info	3.46%
December Update	3.71%
February Update	3.95%
May Update	3.68%
Finalized PT Revenue	TBD

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

BASIC AID vs. SCFF CALCULATED REVENUES

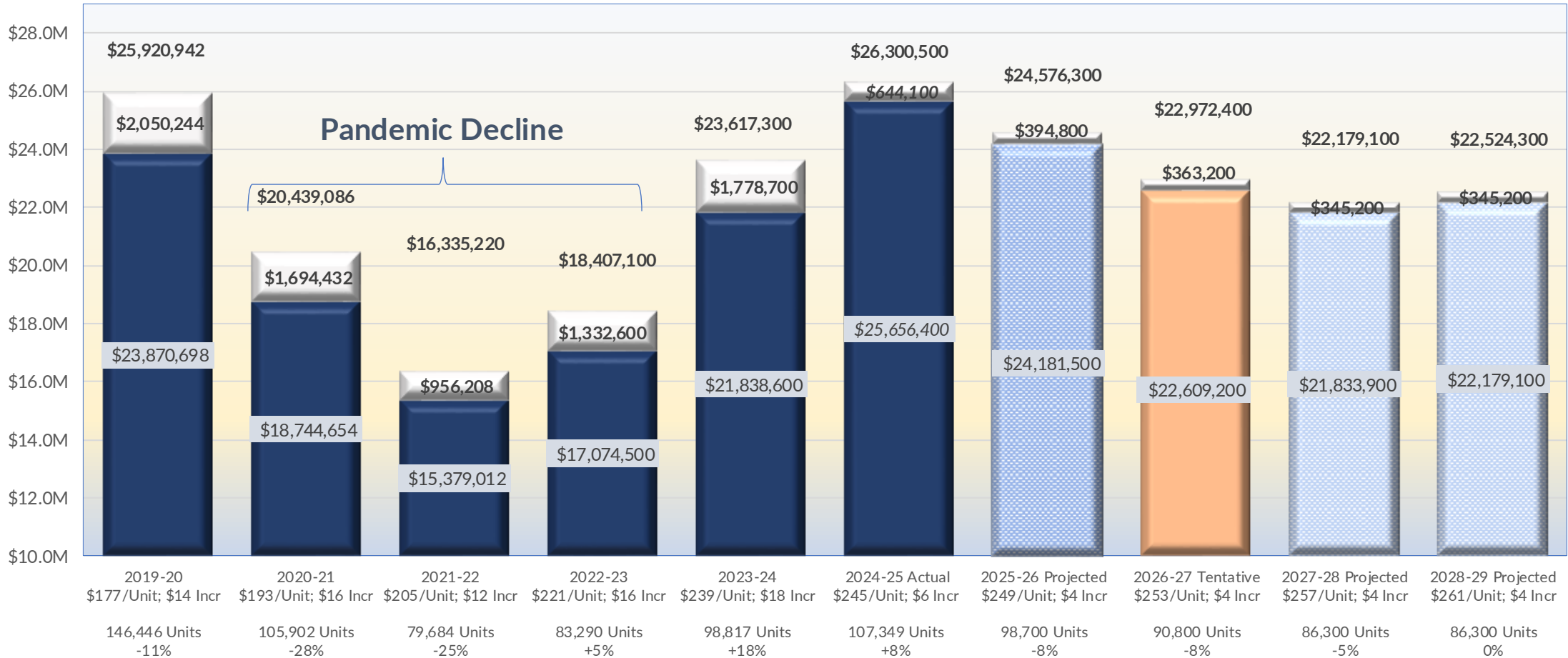


- FY2024-25, under the SCFF, Foothill-De Anza was on hold harmless funding.
- FY2025-26, under the SCFF, Foothill-De Anza was on minimum guaranteed funding.
- FY2026-27, Foothill-De Anza is projected to be on the SCFF.

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

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

NON-RESIDENT REVENUE ANALYSIS



■ Base NR Revenue ■ Annual Per Unit Increase

How much to support ongoing expenditures?

FY 26-27 TENTATIVE – ASSUMPTIONS & KEY MARKERS



\$254.22M Revenues
+ \$6.4M from FY 2025-26 Adopted

Apportionment + \$6.5M
Interest/Other Income + \$0.6M
Nonresident Tuition - **\$0.7M**



\$252.53M Expenditures & Transfers
+ \$6.3M from FY2025-26 Adopted

Salaries + \$1.7M
Benefits + \$2.3M
Supplies & Capital - **\$0.3M**
Operating Expenses + \$1.2M
Transfers + \$1.4M



SURPLUS BUDGET

Operating Result + \$1.6M
**Does not include labor or health benefit increases*



FUND BALANCE = \$34.7M
STABILITY FUND = \$12.7M

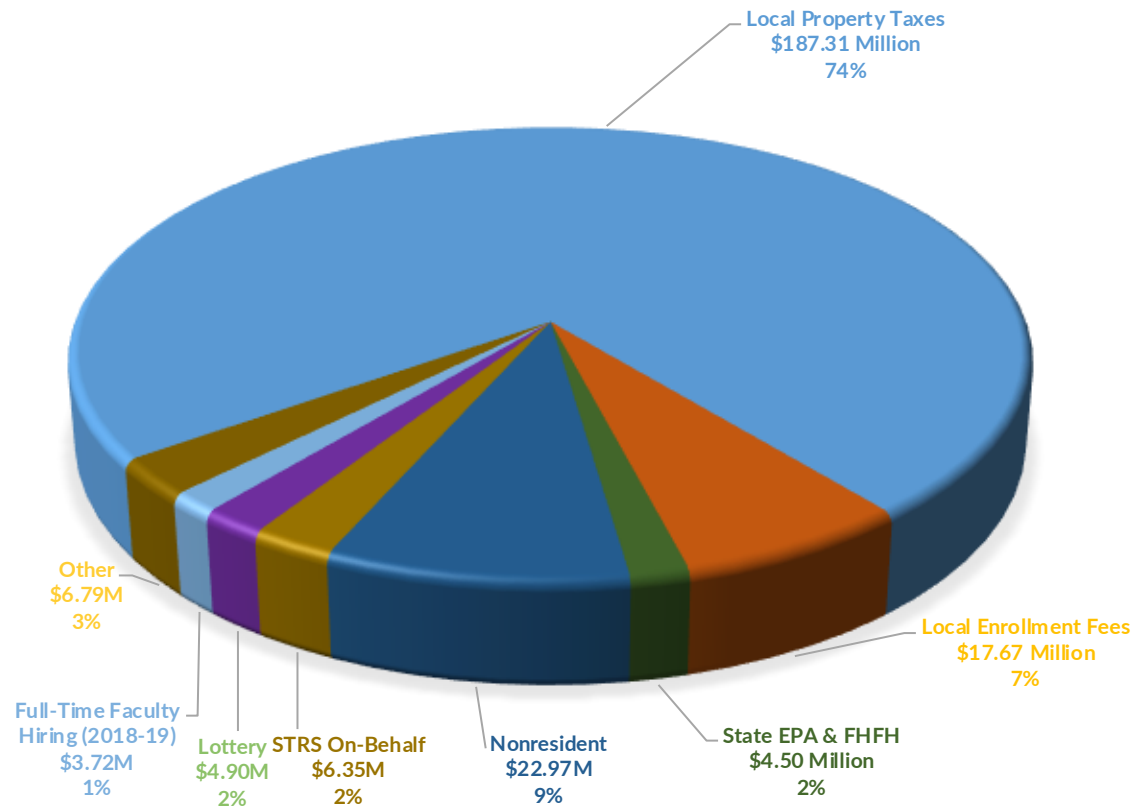
Decline from FY 2025-26 Adopted Budget, but
increase from FY 2025-26 Projected Actuals.



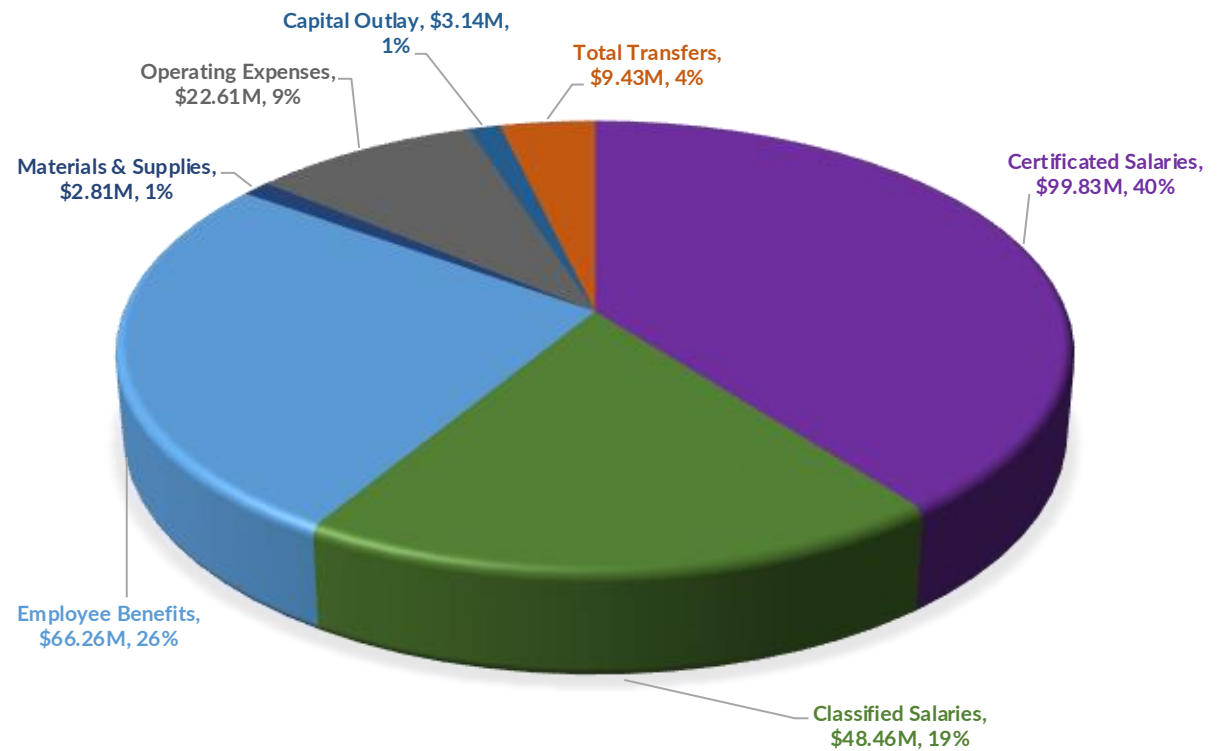
CARRYFORWARDS = \$12.7M

BREAKDOWN OF REVENUES AND EXPENDITURES

Revenue \$254.22M



Expenditures \$252.53M



* All figures are in millions.

MULTI-YEAR PROJECTIONS

UNRESTRICTED GENERAL PURPOSE FUND (FUND 14)

Description	2024-25 Actuals	2025-26 Adopted	2025-26 Projected	2026-27 Tentative	2027-28 Projected	2028-29 Projected	2029-30 Projected
Revenues	\$241,814,189	\$242,988,100	\$249,548,700	\$254,224,800	\$257,666,735	\$264,704,040	\$272,884,340
Expenditures & Net Transfers Out	\$246,608,924	\$246,212,500	\$254,929,315	\$252,530,500	\$260,993,590	\$267,859,526	\$274,596,548
ADD Nonresident Revenue <i>Transition from Ongoing to One-Time Strategic Priorities</i>	\$7,097,912	\$4,793,200	\$0	\$0	\$3,326,865	\$4,504,860	\$4,504,860
Net Operating Activity	\$2,303,177	\$1,568,800	(\$5,380,615)	\$1,694,300	\$10	\$1,349,374	\$2,792,652
Beginning Fund Balance	\$36,044,701	\$38,347,878	\$38,347,878	\$32,967,263	\$34,661,563	\$34,661,573	\$36,010,947
Ending Fund Balance	\$38,347,878	\$39,916,678	\$32,967,263	\$34,661,563	\$34,661,573	\$36,010,947	\$38,803,599
Fund Balance % of Expenditures	15.55%	16.21%	12.93%	13.73%	13.28%	13.44%	14.13%
Breakdown of Ending Fund Balance							
Carryforwards	\$13,254,825	\$13,254,825	\$9,227,000	\$9,227,000	\$9,227,000	\$9,227,000	\$9,227,000
5% Reserves on Revenue	\$12,445,605	\$12,389,065	\$12,477,435	\$12,711,240	\$13,049,680	\$13,460,445	\$13,869,460
Stability Fund	\$12,647,448	\$14,272,788	\$11,262,828	\$12,723,323	\$12,384,893	\$13,323,502	\$15,707,139

1. Assumes 2025-26 funded FTES; In 2026-27 and out years, minimal growth and flat FTES.
2. Reducing nonresident revenue exposure for ongoing expenses in out years.
3. Includes no placeholder for FY 2026-27 negotiated compensation items; In 2027-28 and out years, placeholders are included.
4. FY 2027-28 placeholder for increases in operating expenses, capital transfers out, discretionary budget needs and for the future resource allocation model implementation.

NEXT STEPS



Districtwide Virtual Budget Townhall – to be scheduled soon



Governor Signs the Budget Bill – June 30, 2026



Finalize the FY 2025-26 Ending Fund Balance – August 2026



FY 2026-27 Budget Presentation and Adoption – September 14, 2026

A NEW FISCAL ENVIRONMENT



SCFF – Out of Hold Harmless
Access + Equity + Success



Shift philosophy from chasing enrollment to enhance student success



Enrollment is not the primary revenue driver



State COLA no longer has an impact on revenue as a basic aid district



Property Taxes is the primary source of local revenues



Nonresident enrollment (revenues) is a volatile revenue source.



Basic Aid status drives revenue but not expenses



Districtwide strategic enrollment management in the context of basic aid funding

IN SUMMARY...



FOOTHILL-DE ANZA
COMMUNITY COLLEGE DISTRICT

Educational Excellence + Student Success

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



Thank You!

