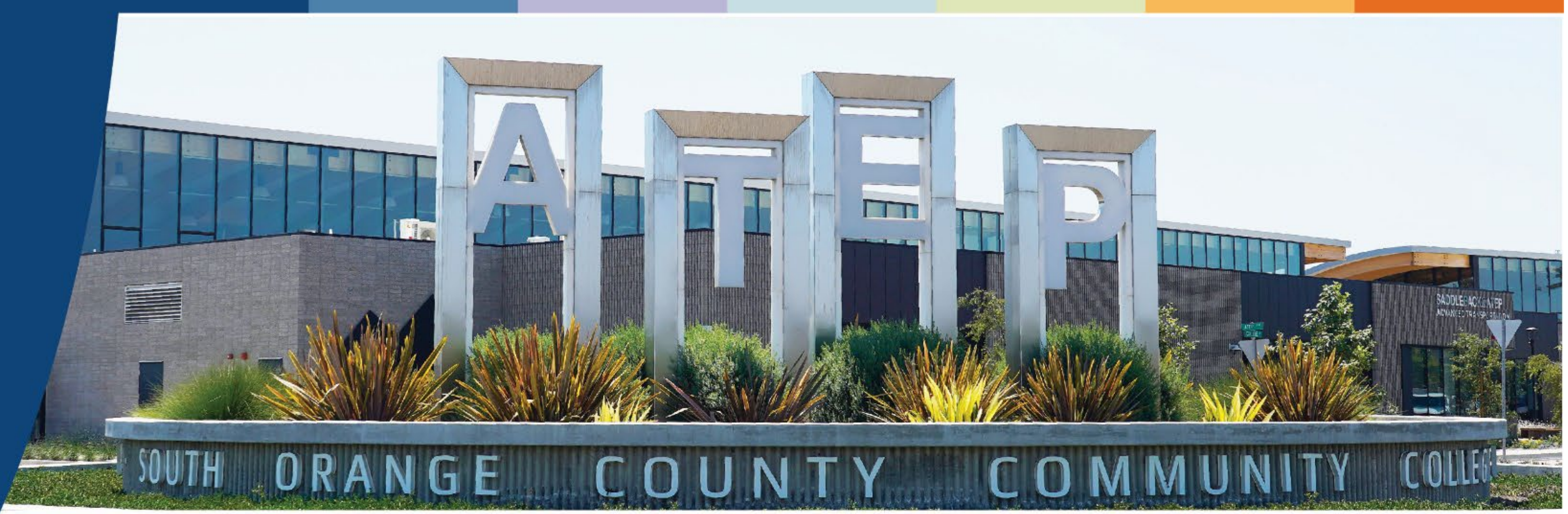
South Orange County
Community College District



Adopted Budget 2026-2027

August 31, 2026

THE DISTRICT . . . .

Overview: The South Orange County Community College District (the District) is a multi-campus district encompassing Saddleback College (SC) in Mission Viejo, Irvine Valley College (IVC) in Irvine, and the Advanced Technology & Education Park (ATEP) in Tustin. Founded in 1967, the 382-square mile district covers almost 50 percent of Orange County, is governed by a seven-member elected Board of Trustees with an advisory Student Trustee and led by a Chancellor.

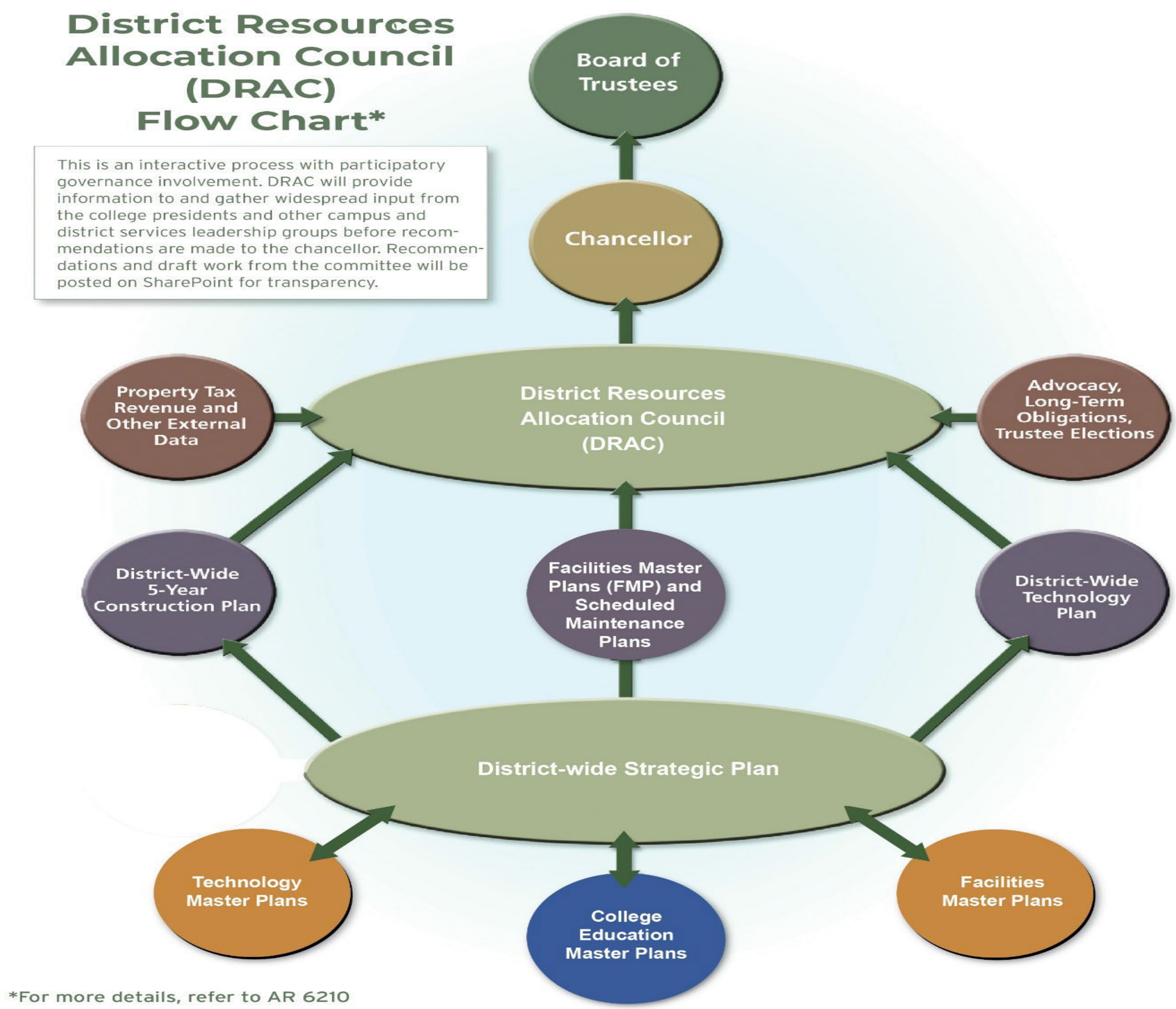
Student enrollment continues to rebound with resident full-time equivalent students (FTES) exceeding pre-pandemic levels. Total student headcount for spring 2026 was over 41,800 with FTES at the annual period reporting for 2025-26 of 30,206 resident FTES as compared to 29,807 resident FTES in 2024-25. The District has approximately 3,600 team members consisting of faculty, management, classified professionals, and police.

Budget Outlook: The overall budget outlook is stable for the District. Although there are budgeted deficits in several of the funds, it is intentional and planned since surpluses have been realized over the past three years. As stated above, the District continues to experience growth in FTES, which, along with other revenue increases, provides the District Resources Allocation Council (DRAC) model with just under $18.7 million (or 6.2%) of additional resources to support our students, programs, and employees. These additional resources combined with the college's judicious monitoring of spending and strategic hiring decisions have enabled the colleges and District Services to allocate funding toward *Inspire 2035* initiatives while still allocating significant resources toward retiree benefits long-term debts, pension rate stabilization funding, capital outlay projects, and technology enhancements.

Planning Efforts: District-wide planning and budgeting processes stem from the *Inspire 2035 Plan* with input from each of the college's planning committees to ensure broad participation from all constituent groups both locally on each campus and collectively in the District-wide committees. As depicted below, the planning process begins at the colleges and coalesces into a District-wide effort.

Collectively within the various planning committees, and utilizing the priorities and goals from *Inspire 2035*, the colleges and District Services discuss district-wide budget impacts and strategies to ensure fiscal solvency while allocating funding toward implementation of the strategic, facilities, and technology plans. These strategies include using a multi-year approach to planning, distinguishing between ongoing and one-time revenues to align with expenses, implementing efficiencies to improve services and lower costs, thoroughly evaluating and assessing all positions as they become vacant, expanding resource development to supplement revenue, and estimating cash flow needs annually for multi-year projects.

In accordance with accreditation standards, the processes are continually evaluated and improved upon as warranted. As a part of institutional best practices, the district-wide planning processes were developed and are integral to all aspects of college and District-wide decision-making and allocate resources in a transparent, inclusive, and open process. The District-wide Planning Council (DWPC) implements and oversees the strategic planning processes with other major District-wide committees making recommendations on resources, such as the District Resources Allocation Council (DRAC), the Capital Improvement Committee (CIC), and the District-wide Technology Committee (DTC) as depicted in the following graph.



This year's CIC requests stemmed directly from *Inspire 2035* adopted in June 2025 as updated for college priorities; while the DTC requests came from the District Technology Strategic Master Plan; and many of the budget decisions made by the colleges are a result of addressing *Inspire 2035*.

State Budget and the Community College System: The Governor signed the final state budget on June 29, 2026. The overall projected allocation for Proposition 98 funding is $128.1 billion, an increase of $6.8 billion over last year's Enacted Budget. Community colleges are slated to receive $14.6 billion, an increase of $1.9 billion (15%). The Governor included funding to fully repay the $408.4 million in deferrals from 2025-26, along with providing $88.7 million in 2025-26 to cover the costs of the Student-Centered Funding Formula (SCFF) calculation and thus avoiding a deficit for community college districts. The Governor continued the $60 million investment in the Rebuilding Nursing Infrastructure Grant Program by reallocating a portion of the Strong Workforce Program toward this effort.

Some of the major budget highlights integral to the District, broken down between ongoing resources to existing or new programs and one-time resources, include:

<u>Statewide Community College Ongoing resources</u>:
<u>Unrestricted</u>:

- $438.3 million (4.31%) cost-of-living adjustment (COLA) to fund the statutory COLA of 2.87% plus 1.44% to pay for the 14 weeks of paid pregnancy leave provisions enacted by the Governor. Both amounts have been applied to the DRAC model for 2026-27, and along with updated student counts, resulted in an increase of $14.7 million.
- $33.9 million (0.5%) for enrollment growth. Based upon the District's growth calculation, this results in $582 thousand additional funding.
- $55.3 million (1%) for additional enrollment growth in 2025-26. It is estimated that this could provide $ 5.5 million for the DRAC model depending upon total FTES funded at the State level. However, due to the impact that this would have on the Basic Aid allocations approved by the Board in April 2026, the additional growth revenue will be funded through the DRAC model in the 2027-28 fiscal year.
- $47.7 million to fund the higher of the three-year average or the amount reported in the current year for credit FTES in the SCFF funding formula. These funds will be part of the SCFF calculations for each district and have already been included in the growth funding calculation mentioned above.
- $1.7 million (2.87%) COLA for mandated cost block grant programs which provided $58 thousand for the DRAC model.

<u>Restricted:</u>

- $35.1 million (2.87%) COLA for Adult Education, EOPS, CARE, DSPS, Apprenticeship, CalWORKS, and Child Care Tax Bailout. The increases have been incorporated in the revenue projections for 2026-27.
- $30.1 million (5.74%) for Student Equity and Achievement Program. The projected increase is included in the revenue

projections for 2026-27.

- $5 million to the California Community Colleges Chancellor's Office to continue the implementation of the systemwide common data platform. No funds will be provided to the District.
- $2 million to the California Community Colleges Chancellor's Office for the continued creation and expansion of credit for prior learning policies. No funds will be provided to the District.

One-time resources:

- $120.7 million for deferred maintenance projects. The projected $3.3 million in funding for our colleges is included in the budget.
- $147.2 million for a Student Support Block Grant to provide flexible funding to districts. This is another installment towards the $60 million grant districts received in 2025-26. The colleges will have until June 30, 2029, to expend the funds. This increase has been incorporated in the budget.
- $100 million has been allocated to K-12 districts to increase access to college and career pathways for high school students, including expanding access to dual enrollment and dual credit opportunities. It is anticipated to see more details related to this partnership with K-12 within the budget trailer bills.
- $71.1 million for Dreamer Resource Liaisons; however, the eligibility and allocation method is unknown at this time; therefore, it is not included in the budget.
- $36 million for the continued development of a common cloud data platform across the community college system. These funds are primarily utilized by the Chancellor's Office and have not been allocated to individual districts.
- $35 million to expand the existing credit for prior learning (CPL) policies. The funds are meant to provide a fiscal incentive to districts for implementation of CPL; however, as the allocation method is unknown at this time, these funds are not reflected in the budget.
- $30 million for LGBTQ+ Centers; however, the eligibility and allocation method is unknown at this time; therefore, it is not included in the budget.
- $15.8 million to supplement the Strong Workforce Program. This increase has been incorporated in the budget.
- $9.7 million for an Adult Learner Demonstration Project to be spent over three years in providing services to assist adult workers with moving into higher wage earning jobs. Since this is a new program, the allocation method is unknown at this time; therefore, it is not included in the budget.
- $8 million has been reallocated to Basic Needs Center funding away from the Classified Employee Summer Assistance Program for 2026-27 and 2027-28. The intent is to provide funding so classified professionals can access food pantry

services. Since this is a new program, the allocation method is unknown at this time; therefore, it is not included in the budget.

- $736.9 million to fund 10 new and 29 continuing capital outlay projects utilizing Proposition 2 funding that was approved by the voters in 2024. Unfortunately, neither of our two Final Project Proposals (IVC Building A and SC Fine Arts Complex) were included within this allocation.

SOCCCD Budget: In accordance with governmental accounting standards, the Adopted Budget includes 16 funds with budgeted revenues totaling $773.1 million and budgeted expenditures totaling $1.025 billion resulting in a budgeted deficit of $251.8 million while still maintaining budgeted ending fund balances of $509.3 million.

The operating fund (aka the Unrestricted General Fund) has budgeted revenues of $440.6 million and budgeted expenditures of $463.2 million, with an anticipated decrease in reserves totaling $22.6 million leaving $117 million in ending fund balance. Because the District is a community-supported (basic aid) district, it is essential that the budget remain conservative. For this coming year, property tax revenues remain a constant, reliable funding stream with an estimated 5.4 percent increase in secured taxes.

Although the District is only entitled to a minimal amount of state apportionment funding from the EPA funds, proposed changes to the funding formula have an impact on college operating budgets as our Board policies specify that we follow the SCFF for allocating funds. Through this model, the colleges received $15.3 million (7%) in additional SCFF funding in the 2026-27 Adopted Budget.

District-wide operating costs continue to increase from negotiated salary increases, health and welfare benefit increases, and software increases. Personnel costs as a percentage of total budgeted expenditures (excluding basic aid allocations) equals 87.1 percent, which is well within the range of our recommended budget target of 85-92 percent. The budget includes negotiated salary increases as approved by the Board as well as contracted increases in health and welfare benefits.

The PERS rates have been steadily increasing for over a decade; however, for the second year in a row, there is a slight decrease in the rates for 2026-27 to 26.40 percent from the current 26.81 percent. While there is a projected increase in 2027-28, future years are expected to see a steady decrease in the rate. Conversely STRS continues to stay at the statutory maximum rate of 19.1 percent for 2026-27. In March 2016, the Board approved participation in a Pension Stabilization Fund to offset the increased costs in STRS and PERS rates. The District has made deposits totaling just over $70.0 million to the trust but with the withdrawals to fund for the increased costs, the balance on June 30, 2026, was just over $7.6 million. Additional deposits will continue each year to maintain the trust fund and defray the increases for the colleges' and District Services' budgets. In fiscal year 2026-27, the District budgeted $20 million from the basic aid allocation for this purpose.

After providing $15.2 million for COLA and other changes to the SCFF funding formula within the DRAC model, excess property tax revenues available for basic aid distribution for the 2026-27 fiscal year total just under $131.2 million. These funds are used for long-term debt obligations, technology projects, and capital expenditures in lieu of passing a general obligation bond like most other community colleges. They are allocated in the budget based on the recommendations from DRAC and were approved at the April 27, 2026, Board meeting.

The unrestricted general fund budget provides for each college's operations, district-wide general expenses, District Services, and a general reserve of 7.5 percent plus a reserve for basic aid. The District elected to apply for the continuance of the FTES protection through the Emergency Conditions Allowance (ECA) for the 2022-23 fiscal year. With this election, the District is required to maintain reserve levels equal to at least two months of operating expenditures. To maintain this reserve level, the colleges and District Services have designated a reserve equal to 3.5 percent of their projected unrestricted expenditures. Overall, the reserves are in accordance with Board policy and allow the District to manage cash flow throughout the year as well as prepare for unforeseen expenditures and emergencies that may arise during the year.

Chancellor Barnes has reviewed and approved the Adopted Budget and confirms that it is balanced as required by law.

<u>Irvine Valley College</u>

Irvine Valley College's 2026-27 Adopted Budget totals $135.6 million. As with the Tentative Budget presented in May, this Adopted Budget continues to reflect the college's commitment to student equity, access, success and long-term fiscal stewardship, now updated with finalized state apportionment, enrollment, and prior-year data.

Funding under the SCFF is now projected at $97.2 million, reflecting the state's 4.31 percent COLA applied across the Base, Supplemental, and Student Success Incentive components. The Base Allocation ($70.8 million) and Student Success Incentive Allocation ($12.0 million) both increased from the Tentative estimate as updated FTES and student outcome data came in, while the Supplemental Allocation ($14.3 million) held essentially flat.

Enrollment remained strong. Funded FTES for 2026-27 now stands at 10,373, up from 10,205 estimated at Tentative — an increase driven by a combination of two factors: additional funding the state recognized for 2025-26, and increased growth authority for 2026-27. Together, these changes reflect funding a greater share of the college's actual enrollment.

Non-resident tuition is projected at $8.0 million. This estimate is built from prior-year actuals, adjusted for the approved 2.25 percent increase in the non-resident tuition rate (from $400 to $409 per unit), and reduced by a standard 5 percent conservatism factor, which is also reflective of the continued uncertainty in the international education landscape.

The Adopted Budget also incorporates prior-year, largely one-time adjustments that were not yet known at the tentative stage.

The largest of these is tied to interest earnings: with 2025-26 now closed, actual interest income on District investments came in well above what was originally budgeted, and IVC's allocated share of that increase totals approximately $1.5 million. A smaller increase in the college's share of unrestricted lottery revenue contributed as well. These one-time gains are partially offset by an $851,000 reduction tied to the state's 2024-25 SCFF recalculation, which lowered the District's recognized growth authority for that year. Net one-time funds available to the college for 2026-27 total $994,391.

The Adopted Budget reflects the college's sound financial stewardship while continuing its commitment to student equity, access, and success. Following its internal budget development and resource planning process, IVC has incorporated into the budget the one-time, pilot, and ongoing resource requests approved for the year, each of which further advances the college's effective operations in support of the mission.

Saddleback College

The 2026-27 Adopted Budget estimates total revenues of $170.2 million, an increase of 0.28% from the 2025-26 Adopted Budget. Total revenue includes an increase in ongoing revenue of $8.3 million (up 5.2%), which includes an increase in: Student Centered Funding Formula (SCFF) revenue of $7.3 million (mostly from FTES growth and COLA); local income (interest and lease revenue) of $691 thousand; and non-resident tuition of $891 thousand. Total revenue also consists of $1.5 million net one-time adjustment from the prior year revenues.

Total appropriations are $168.1 million – up 1.6%. The increases in appropriations are largely due to costs associated with continuing enrollment growth and funding for one-time expenses to align with the one-time revenue. It also reflects the increases beyond COLA in salaries negotiated for 2026-27. The proposed budget also reflects a longer-term strategy to move some ongoing expenses--largely personnel--for current programs and initiatives from one-time and categorical funds to general, unrestricted funding, thereby ensuring sustainability of those programs and initiatives. This change also frees up restricted funds to incubate new programs and initiatives, as they are intended, thereby facilitating growth through innovation and new program development to expand our services to our community.

The Unrestricted General Fund 2025-26 ending fund balance increased by $2.9 million (9.37%) due to personnel vacancies and diligent budget practices. The $34 million fund balance is equal to 21% of 2026-27 total estimated revenue consistent with the previous year. The College must be prepared to backfill some portion of federal funding that could be curtailed or depleted. Additionally, the College plans on appropriating $700 thousand from unassigned fund balance (aka contingencies) during the fiscal year for resource allocation requests that came in through the planning process and have been approved for funding.

The College has used one-time resources to invest in its future: renewing its physical campus, increasing student success with success coaches and other measures, and building enrollment through expanded, modern outreach and marketing.

The College's financial outlook should remain relatively stable for the next few years. However, there are some challenges ahead as restricted funds received during the pandemic are spent down or cut from the State budget. Under the new State budget, the College will not be funded under the SCFF for anything but capped enrollment growth such that it could potentially need to fund any continued growth beyond new caps—in the event of a recession, for example--without additional funding. On the other hand, should it lose enrollment as the student population of its major feeder school districts continue to decline, it will not receive COLAs under the SCFF despite expectations of COLA+ salary increases by its employees.

Despite these challenges, the College's fiscal prudence and healthy reserves provide a solid foundation to ensure its fiscal stability for the foreseeable future.

Looking Ahead: The state's economic forecast continues to stabilize and adjust to the loss of one-time funds and tax revenues. The Governor has held back a substantial amount of funding from Proposition 98 which should be included in future budgets as a means of protecting against a potentially declining economy. The colleges continue to set aside funds for future capital outlay projects while balancing the budgets responsibly. They are experiencing promising increases in enrollments for the summer term and fall semester. As allocations to the DRAC model continue to increase with the growth in SCFF revenue, there will be pressure put on the amount of funding available for basic aid projects. This means that many of the planned projects within the Facilities and Technology master plans will need to be pushed out into future years beyond what has already been planned in order to balance the funding available between DRAC and basic aid allocations.

The District continues to attract interest in the Advanced Technology and Education Park (ATEP). During 2026-27, the first non-educational partner will obtain occupancy of the site with plans for expansion onto more land. In addition, the District finalized negotiations on 11 acres with a new tenant that should begin construction by the end of the fiscal year. These two new partners will generate an additional $800 thousand in revenue for the budget year while the District continues to actively solicit additional interest in the remaining undeveloped land.

Overall, the District is committed to serving our students and helping them achieve their goals. The District and colleges will continue to pivot as needed to ensure we stay focused on our students' and employees' well-being while maintaining a safe learning and working environment.

Ann-Marie Gabel, CPA

Vice Chancellor, Business Services
South Orange County Community College District

BUDGET DEVELOPMENT GUIDELINES

(Approved by the Board on January 20, 2026)

Board Philosophy:

The Board of Trustees shall support and follow fiscal policies that:

1. Ensure wise and prudent use of public resources.
2. Promote financial strength and stability.
3. Maximize educational opportunities for students.

Participatory Governance:

An opportunity for review and input will be provided to the appropriate participatory governance groups prior to adoption of the budget.

Guiding Principles:

The following guiding principles are provided by the Board of Trustees for use when recommendations are made about the budget.

1. **Reserve for Economic Uncertainties**

   Per Board Policy 6200 – *Budget Preparation,* the District shall establish the following reserves to meet the total reserve levels recommended by both the California Community Colleges Chancellor's Office and the Government Finance Officers Association of two months of regular unrestricted general fund operating expenditure:

   a. The general fund reserve for economic uncertainties shall be no less than 7.5 percent of the projected unrestricted revenue. A monthly update will be provided to the Board that reviews current revenue, expenditures, and ending balance projections.
   b. A basic aid reserve of no less than 20 percent in accordance with Board Policy 6210 – *Basic Aid Funds Allocation Process*.
   c. Each college and District Services shall maintain a general fund reserve for economic uncertainties of no less than 3.5 percent of the projected unrestricted expenditures.

Any action proposed by a Board member, the Board as a governing body, a college, or District Services which could potentially reduce the reserve, will be reported to the Board in the monthly update. A reported reduction in the reserve below 7.5 percent District-wide or 3.5 percent for the colleges or District Services shall be accompanied by a plan that indicates how the reserve shall be restored.

2. **Future Long Term Debt Issues**

   No long-term debt, such as Certificates of Participation (COPS), will be issued until:

   a. An ongoing revenue stream has been identified that covers the full payment for the existing debt issuances or
   b. A dedicated revenue stream has been identified for the repayment for the new debt issuance.

3. **Retirement Incentives**

   No retirement incentives will be provided unless one-time funds have been identified that will cover the full cost or the plan savings are sufficient to pay the cost of the incentive.

4. **College and District Services Allocations**

   The expenditure budgets for each college and District Services shall not exceed the projected resource allocations. Any college or District balances existing at the end of each fiscal year, either positive or negative, will result in an equivalent adjustment to the budgeted resources in the subsequent year. In addition, the Vice Chancellor of Business Services and college business officers shall monitor the college budgets to ensure there are no negative balances.

5. **Deficit Financing**

   Deficit financing is defined as a budget in which projected expenditures exceed projected revenues. To the extent feasible and within reason, deficit financing should not occur for ongoing expenses such as salary increases. The amount of deficit financing should always be clearly presented in the budget document. Deficit financing shall not result in a reserve balance that is less than the Reserve for Economic Uncertainties identified in Guiding Principle #1 above without including a plan as to how the reserve will be restored going forward.

6. **Retiree Medical, Dental, Vision, and Medicare Coordination of Benefits (COB) Plans**

   To be compliant with GASB 43 and 45, an irrevocable trust was formed in 2007-08 to fund medical, dental, vision, and Medicare plans for eligible District retirees. This trust was established, and the Futuris Public Entity Investment Trust Program was selected to organize the structure and operations of the trust. Benefit Trust Company was selected to manage the funds in the trust. In September 2023, the agreement with Benefit Trust Company was renewed up to an additional five-year term. An actuarial study is conducted annually to update the District's OPEB (other post-employment benefits) liability. It is the Board's intent to fully fund the annual OPEB liability.

7. **Basic Aid**

   While the District is a Basic Aid district:

   a. The expenditure budgets for ongoing purposes shall be the resources that would have been funded through the state funding formula.
   b. Excess property tax and enrollment revenue above the calculated state funding formula shall be allocated at the college or District level for one-time purposes, such as to cover some of the unfunded obligation for the retiree benefit plans.
   c. Excess revenue above the calculated state funding formula shall not be used for regular ongoing expenditures, such as salaries, unless tied to a specific project.
   d. Excess revenue above the calculated state funding formula shall not be used for any other purposes that will jeopardize the District's future financial stability.
   e. BP and AR 6210 – *Basic Aid Funds Allocation Process* will be followed when allocating basic aid funds, unless the Board of Trustees authorizes a departure from the policy.

8. **One-time Cost Savings**

   One-time cost savings shall be allocated to purposes such as the unfunded obligation for the retiree benefit plans, or to one-time expenditures.

9. Full Time Equivalent Student Targets

When developing the FTES targets, consideration will be given to the following:

a. The needs of students and the community,
b. The percentage of growth authority in the state funding formula,
c. The FTES generated in the most recent academic year, and
d. The number of FTES the college administration realistically believes can be generated.

10. Funding for Growth

The District resource allocation model shall limit funding for growth FTES to the District’s FTES growth authority percentage established by the California Community Colleges Chancellor’s Office. District growth funding shall also be constrained by FTES growth achieved by the District up to the maximum amount funded through the state funding formula.

NOTEWORTHY GENERAL FUND ASSUMPTIONS

- Student Centered Funding Formula (SCFF) includes a 4.31 percent cost of living adjustment (COLA).

- 2025-26 Annual FTES have grown by 1.3 percent overall from prior year. 2026-27 Target amounts include the authorized growth authority of 0.35% applied to the 2025-26 P2 FTES. Whereas the 2026-27 Funded Target amounts are based on the California Community Colleges Chancellor's Office July Advance.

IVC	2022-23 Recalc	2023-24 Recalc	2024-25 Annual	2025-26 Annual	2026-27 Target	2026-27 Funded Target
Credit	7,497.69	8,573.38	9,636.23	9,815.64	9,590.99	8,471.22
Non-Credit CDCP	679.71	922.18	992.46	279.91	1,109.42	1,016.96
Non-Credit	307.09	378.12	381.53	1,204.50	570.37	885.12
TOTAL	**8,484.49**	**9,873.68**	**11,010.22**	**11,300.05**	**11,270.78**	**10,373.30**
Percentage Change		16.4%	11.5%	2.6%	-0.3%	-8.2%

SC	2022-23 Recalc	2023-24 Recalc	2024-25 Annual	2025-26 Annual	2026-27 Target	2026-27 Funded Target
Credit	12,768.20	13,872.00	15,228.19	15,030.41	14,785.93	13,950.57
Non-Credit CDCP	627.33	1,263.13	1,737.73	2,555.60	1,255.92	1,348.38
Non-Credit	1,459.15	1,647.94	1,830.58	1,319.53	2,972.92	2,601.27
TOTAL	**14,854.68**	**16,783.07**	**18,796.50**	**18,905.54**	**19,014.77**	**17,900.22**
Percentage Change		13.0%	12.0%	0.6%	0.6%	-5.3%

Total	2022-23 Recalc	2023-24 Recalc	2024-25 Annual	2025-26 Annual	2026-27 Target	2026-27 Funded Target
Credit	20,265.89	22,445.38	24,864.42	24,846.05	24,376.92	22,421.79
Non-Credit CDCP	1,307.04	2,185.31	2,730.19	2,835.51	2,365.34	2,365.34
Non-Credit	1,766.24	2,026.06	2,212.11	2,524.03	3,543.29	3,486.39
TOTAL	**23,339.17**	**26,656.75**	**29,806.72**	**30,205.59**	**30,285.55**	**28,273.52**
Percentage Change		14.2%	11.8%	1.3%	0.3%	-6.4%

- Education Protection Act (EPA) funds resulting from the passage of Proposition 55 in the fall of 2016, are budgeted at $2.8 million ($100 per funded FTES). These revenues are from temporary taxes and are budgeted for part-time faculty salaries and benefits. The EPA revenues are slated to end in 2030, although a ballot initiative will appear on the November 2026 ballot to extend the temporary taxes permanently.

- Unrestricted Lottery revenue is budgeted at $6 million based on an estimated $190 per FTES. Lottery funds are paid on all FTES, including non-resident FTES.

- Interest revenue is conservatively budgeted at $12 million based on earnings from 2025-26 and accounting for possible interest rate decreases.

- Ground lease revenue is budgeted at $5.7 million, an increase of $1 million over 2025-26. Ground leases include agreements with various tenants and the County of Orange at ATEP, and the apartment complex adjacent to Saddleback College which incorporated the consumer price index (CPI) escalation of 3.01 percent.

- The property and liability insurance coverages are budgeted at $3.7 million, an increase of $700,000 (24%) over 2025-26. The substantial increase is primarily due to increased FTES and property valuations for new buildings, along with assessments related to AB 218 claims from the District's previous and current joint powers authorities dating back to fiscal years prior to 2015-16.

- Employee advancement on salary schedules (steps and columns) and current negotiated salary increases for all employee groups are budgeted in line-item detail.

- The Adopted Budget includes a 7.4 percent cost increase for employee benefits including PPO medical insurance, HMO medical insurance, dental insurance, vision insurance, and life insurance.

- Workers' Compensation insurance is budgeted at 1.26 percent of salaries, an increase of 0.10 percent from 2025-26.

- The unemployment insurance rate for 2026-27 is budgeted at 0.05 percent, the same as 2025-26.

- The State Teachers Retirement System (STRS) employer contribution rate for 2026-27 is budgeted at 19.1 percent of salaries, the same as 2025-26.

Fiscal Year	2015-16 Actual	2023-24 Actual	2024-25 Actual	2025-26 Actual	2026-27 Budget	Annual over 2015-16
STRS Annual Rate	10.73%	19.10%	19.10%	19.10%	19.10%	
STRS Contribution	6,692,933	17,595,826	18,560,803	20,085,530	18,625,794	11,932,861

- The Public Employees Retirement System (PERS) employer contribution rate approved by the PERS board is 26.4 percent of salaries, a decrease of 0.41 percent from 2025-26.

Fiscal Year	2015-16 Actual	2023-24 Actual	2024-25 Actual	2025-26 Actual	2026-27 Budgeted	Annual over 2015-16
PERS Annual Rate	11.85%	26.68%	27.05%	26.81%	26.40%	
PERS Contribution	4,491,723	14,714,184	15,694,083	16,745,258	18,000,237	13,508,514

- The General Expenses have the following budgeted amounts:

General Expense Description	2026-27 Amount	Change from 2025-26
Business Continuity & Emergency Prep Training	$ 200,000	$ -
CSEA Professional Development	$ 30,000	$ -
Discrimination/Harassment Investigation Services	$ 680,721	$ (19,779)
District Services Facilities and Maintenance*	$ 353,896	$ 14,623
District-wide IT Maintenance Agreements	$ 2,458,469	$ 162,199
District-wide Strategic Planning	$ 50,000	$ -
Employee Safety Compliance Cost	$ 60,000	$ -
Faculty Job Fair	$ 30,000	$ -
Faculty Load and Compensation (FLAC) Oversight	$ 179,996	$ 2,996
Faculty Sabbatical Bond Payments	$ 20,000	$ -
Financial Audit	$ 229,600	$ 8,685
Internal Audit	$ 363,016	$ 18,016
Labor Contract Negotiations	$ 100,000	$ -
Legal Advertising	$ 65,000	$ -
Legal Fees	$ 575,000	$ -
Local Experience Charge – Unemployment Insurance	$ 100,000	$ -
Personnel Advertising	$ 150,000	$ -
Property and Liability Insurance	$ 3,704,532	$ 728,590
Taxpayer Relief Act Compliance	$ 58,000	$ -
TOTAL GENERAL EXPENSE ACCOUNTS	**$ 9,408,230**	**$ 915,330**
District Services Facilities and Maintenance*	$ (353,896)	$ (14,623)
ADJUSTED GENERAL EXPENSE ACCOUNTS	**$ 9,054,334**	**$ 900,707**

**Paid to Saddleback College for expense related to District Services space in the Health Sciences Building*

- The 2026-27 Adopted Budget includes inter-fund transfers as follows:

TO:	FROM:								
	General Fund SC	General Fund DS	General Fund DW	General Fund Basic Aid	Capital Outlay	Community Education Fund	Pension Stabilization Trust Fund	Associated Student Government SC	Total
General Fund IVC (a)							$ 6,691,995		**$ 6,691,995**
General Fund SC (a), (g)						$ 51,072	$ 8,981,864		**$ 9,032,936**
General Fund DS (a)					$ 342,658		$ 2,316,270		**$ 2,658,928**
Child Development Fund (b)	$ 250,000							$ 30,000	**$ 280,000**
Capital Outlay (c)	$ 2,000,000			$ 100,285,782					**$ 102,285,782**
Self-Insurance Fund (d)		$ 709,116	$ 902,824						**$ 1,611,940**
Retiree Benefits Fund (e)				$ 9,029,896					**$ 9,029,896**
Pension Stabilization Trust Fund (f)				$ 20,000,000					**$ 20,000,000**
Total Transfers	**$ 2,250,000**	**$ 709,116**	**$ 902,824**	**$ 129,315,678**	**$ 342,658**	**$ 51,072**	**$ 17,990,129**	**$ 30,000**	**$ 151,591,477**

a) Pension Stabilization Trust Fund for increased PERS and STRS costs from 2015-16

b) SC and ASG funds to support the Child Development Fund and the students utilizing the services

c) Basic Aid funds for capital outlay projects and transfer of funds to Capital Outlay for District and college projects

d) DS and DW funds to support the Risk Management Department

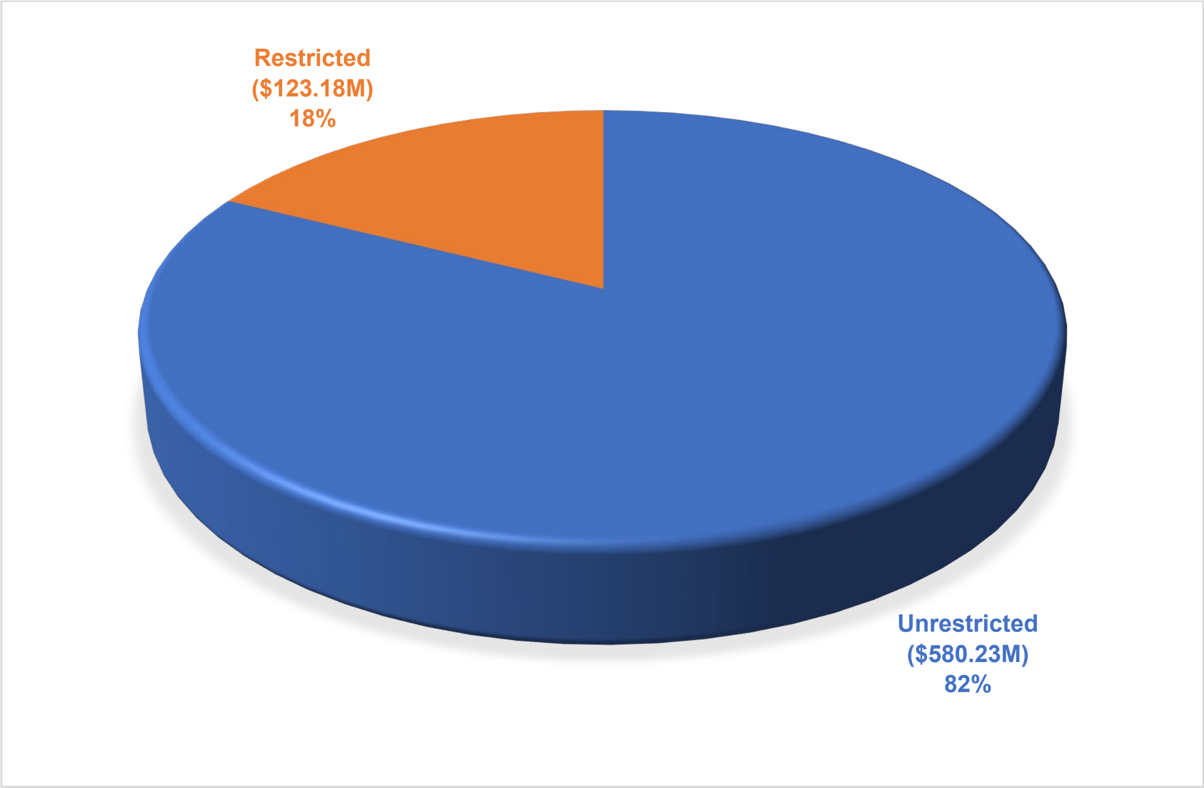
e) Basic Aid funds allocated for OPEB Trust Fund from the General Fund

f) Basic Aid funds allocated for Pension Stabilization Trust Fund

g) Transfer funds from Contract Education to the Intensive ESL program serving international student support and recruitment.

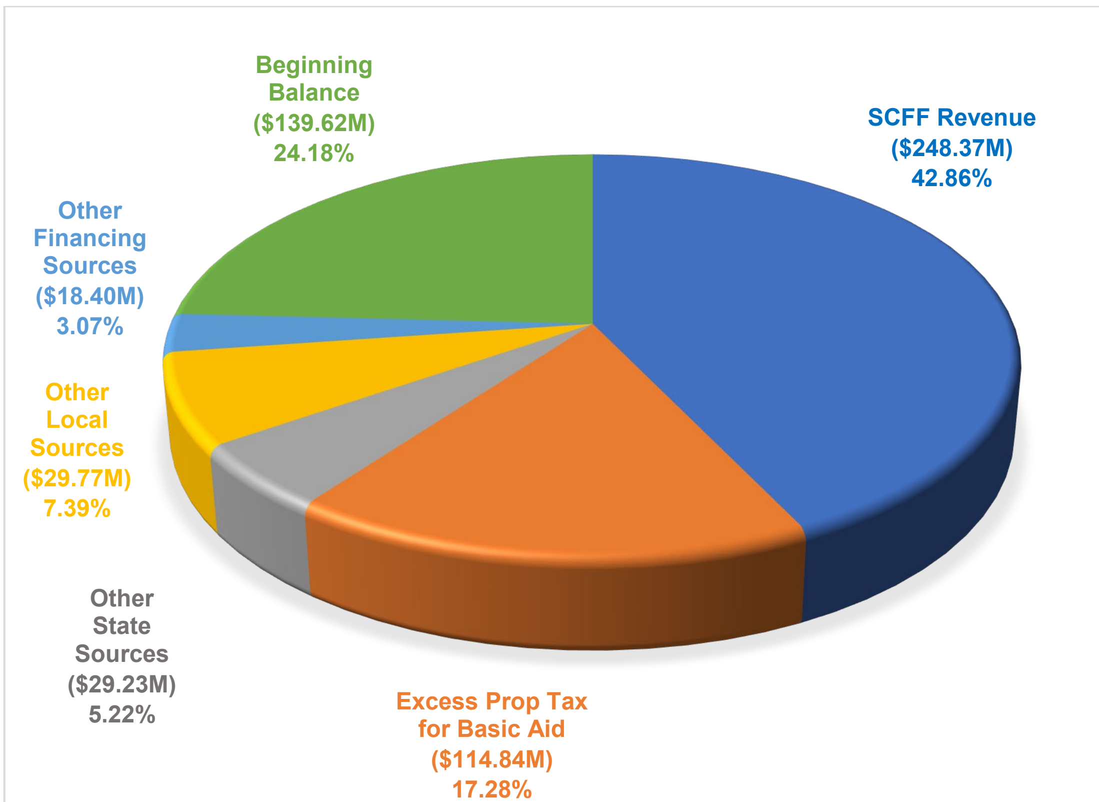
GENERAL FUND REVENUE AND BEGINNING FUND BALANCE

The General Fund encompasses two segments: "Unrestricted" and "Restricted." The combined General Fund includes $551.89 million in revenues and $151.52 million in beginning fund balances for an overall total of $703.41 million. The Unrestricted General Fund representing $580.23 million is the operating fund whereby the Restricted General Fund representing $123.18 million consists of accounts that are required to be recorded in a separate fund.



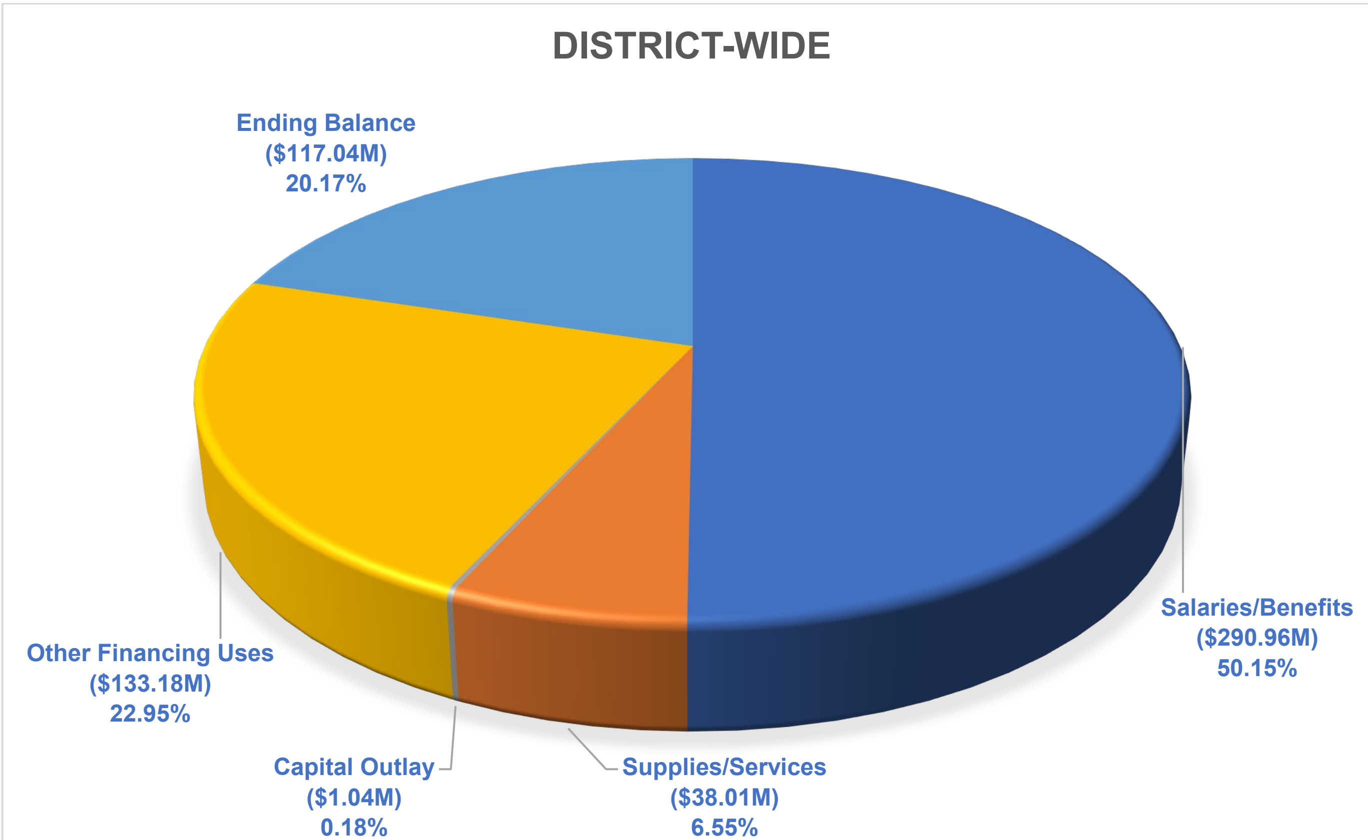
UNRESTRICTED GENERAL FUND REVENUE

The largest segment of the General Fund is the unrestricted portion, which includes $440.61 million in total revenues and other sources of funds and $139.62 million in beginning fund balance for a grand total of $580.23 million. This fund accounts for resources for the general-purpose programs of the District (83% of the activity). The Unrestricted General Fund revenues increased by $28.28 million over last year primarily due to projected increases in property taxes. Of the total sources of funds, 42.86 percent is equivalent to the amount that would potentially be received from state apportionment funding as determined by the State Budget Act and distributed to the 73 community college districts by formulas developed by the California Community College Chancellor's Office. The District will not receive state apportionment funding because local property taxes and student enrollment fees exceed the calculated entitlement. The remaining part of the unrestricted resources comes from Excess Property Taxes for Basic Aid (17.28%), Other State Sources (5.22%) including EPA funds and Lottery, Other Local Sources (7.39%), including non-resident tuition, interest, and ground leases, and Other Financing Sources (3.07%), including sale of surplus and interfund transfers. The beginning balance, carried forward from the prior year, is 24.18 percent of available unrestricted funds.

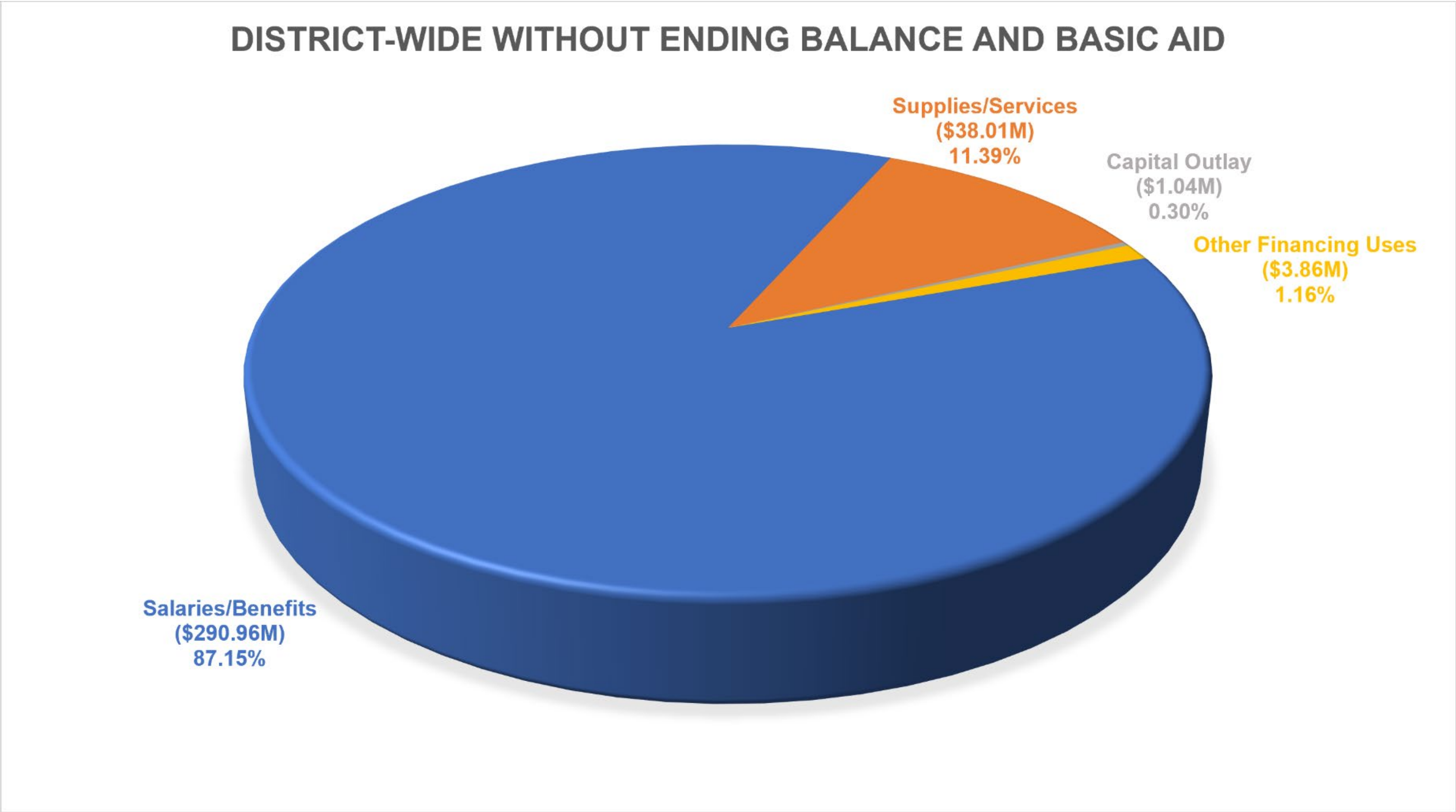


UNRESTRICTED GENERAL FUND OPERATING EXPENDITURES

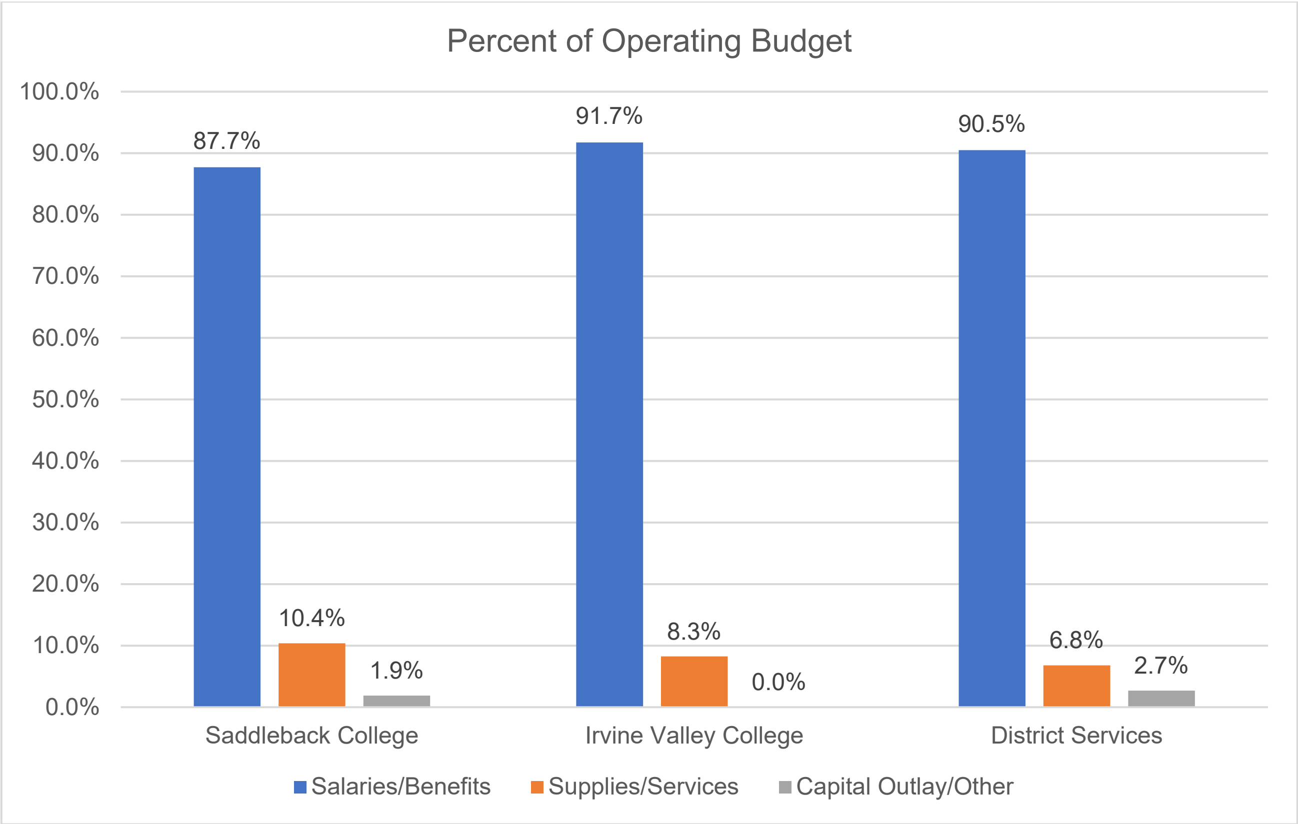
As is common with most other community college districts, the largest category of unrestricted expenditures, representing 50.15 percent, is for the Salaries and Benefits of our faculty, classified professionals, police officers, and management team members. The remaining unrestricted expenditures are for: Supplies and Services (6.55%), including utilities, insurance, professional development activities, auditing and legal fees, and other operating needs; Capital Outlay (0.18%) for equipment and library purchases; Other Financing Uses (22.95%) for basic aid projects and other transfers out; and Ending Fund Balance (20.17%).



Since the District is community-supported (basic aid), the percentages shown above are somewhat skewed due to the basic aid transfers out. Therefore, the following chart has been included to monitor the salaries and benefits percentage of overall expenditures excluding the basic aid transfers out and ending fund balances. When we remove the basic aid transfers out and ending fund balances, the percentage of salaries and benefits to total expenditures is 87.15 percent.



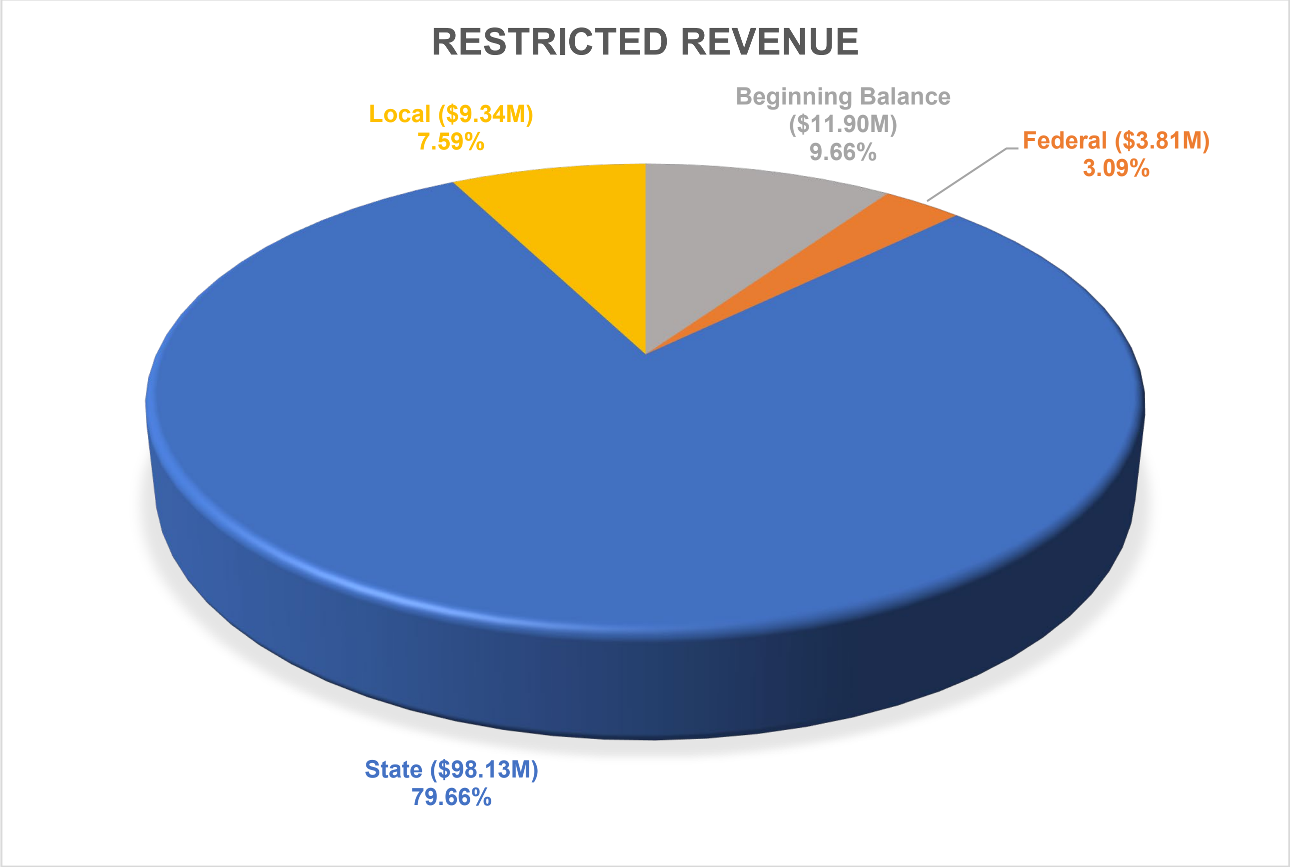
As previously mentioned, most of the expenditures in the unrestricted general fund operating budgets are for employee salaries and benefits. As seen on the following chart, Saddleback College's salaries and benefits equal 87.7 percent of its operating budget (this is up from prior year's 86.1 percent); Irvine Valley College's salaries and benefits equal 91.7 percent of its operating budget (this is up from prior year's 90.5 percent); and District Services salaries and benefits equal 90.5 percent of its operating budget (this is up from prior year's 88.5 percent). These costs include negotiated salary increases included on the Board approved salary schedules as well as increases to health and welfare benefits, along with new faculty, classified professionals, and management team member positions that have been funded by the colleges and District Services.



For fiscal prudence, the District-wide recommended target for overall staff costs is not to exceed 85-92 percent of the total budget so there are sufficient resources for instructional materials, equipment, and other operational costs. All three areas are within this range.

RESTRICTED GENERAL FUND

The other segment of the General Fund is the restricted portion (categorical programs and grants), representing $123.18 million (17%) of the general fund activity. This fund accounts for federal, state, and local money that must be spent for a specific purpose by law or agreement. Examples of these programs, which are mostly services targeted for specific population groups, are: Career and Technical Education, Student Equity and Achievement (SEA) Program, Strong Workforce, Extended Opportunity Programs and Services (EOPS), Disabled Students Programs and Services (DSPS), California Adult Education Program, along with locally collected student health fees and parking fees. All federal, state, and local grants and categorical funding are recognized in the restricted general funds of the District and are used primarily by the colleges for support to educational programs and specialized activities.



A summary of restricted fund programs is provided below.

Program	Saddleback College	Irvine Valley College	District Services	District-wide	Total
Federal Sources:	**$ 2,597,637**	**$ 1,206,962**	**$ -**	**$ -**	**$ 3,804,599**
AANAPISI		53,336			53,336
Cal OES Hazard Mitigation Grant Program		114,769			114,769
CalFresh Outreach Program		76,736			76,736
College Corps		80,401			80,401
College Work Study	508,726	349,511			858,237
Developing Hispanic Serving Institutions Program Title V	80,576				80,576
Family PACT (Planning, Access, Care, and Treatment) - DHCS		3,241			3,241
Financial Aid Administration	20,200	18,000			38,200
Foster and Kinship Care Education	231,210				231,210
National Science Foundation	707,308				707,308
Perkins	973,510	446,723			1,420,233
Regional Alliance in STEM Education - CSUF Subaward	9,763				9,763
Temporary Assistance for Needy Families (TANF)	55,744	60,245			115,989
Veterans Affairs Reporting Fees	10,600	4,000			14,600
State Sources:	**$ 60,453,833**	**$ 35,294,949**	**$ 1,683,110**	**$ 700,000**	**$ 98,131,892**
AANHPI Student Achievement Program	357,418	234,856			592,274
Adult Education Block Grant	3,794,835	697,490			4,492,325
Butte Conservation Corps	51,000				51,000
California Apprenticeship Initiative	1,915,429				1,915,429
California College Promise	2,782,745	2,716,047			5,498,792
CalWORKs	388,889	421,570			810,459
Child Development Training Consortium	37,950	13,243			51,193
Classified Professional Development			86,045		86,045
College and Career Access Pathways Instructional Materials		39			39
College Corps	200,000	742,127			942,127
Common Course Numbering	648,794	699,208			1,348,002
Cooperative Agencies Resources for Education (CARE)	214,982	168,319			383,301
COVID-19 Recovery Block Grant	5,925,555	2,683,690			8,609,245
Credit for Prior Learning	50,000	100,000			150,000
Disabled Student Programs and Services (DSPS)	4,571,675	1,801,709			6,373,384
Dream Resource Center Emergency Funds	14,948	269,156			284,104

Program	Saddleback College	Irvine Valley College	District Services	District-wide	Total
Dreamer Resource Liaisons	251,088	379,448			630,536
Emergency Aid for California Dream Act Application (CADAA) Filer	205,902	118,228			324,130
Employer Engagement Funds	246,698				246,698
Employment Training Panel		46,677			46,677
English Language Learner Healthcare Pathways	1,306,143				1,306,143
Equal Employment Opportunity			654,371		654,371
Equal Employment Opportunity Best Practices			147,116		147,116
Equitable Placement, Support and Completion (AB 1705)	133,165				133,165
Extended Opportunity Program and Services (EOPS)	2,094,157	1,570,677			3,664,834
Financial Aid Technology	92,820	112,110			204,930
Food and Housing Insecurity	53,957	414,216			468,173
Foster and Kinship Care Education	491,247				491,247
Housing for Higher Learning Program		104,619			104,619
Institutional Effectiveness and Partnership Initiative			32,506		32,506
Integrated Basic Needs Center	1,470,401	1,231,971			2,702,372
Jobs First Catalyst Culinary	32,684				32,684
LGBTQ+	393,768	270,033			663,801
Local and Systemwide Technology and Data Security			635,844		635,844
Mathematics, Engineering, Science Achievement Program	1,077,959	973,330			2,051,289
Mental Health Services	430,145	295,540			725,685
NEXTUP	3,312,466	317,123			3,629,589
Nursing Enrollment Growth and Retention Grant	466,015				466,015
OC Pathways K-16	83,095				83,095
OCDE K16 Regional Workforce Director		75,000			75,000
Physical Plant and Instructional Equipment	1,332,446	1,094,174			2,426,620
Program Pathways Mapper Sustainability	20,000				20,000
Puente Project	260,563	497,195			757,758
Real Estate Education Center	105,000				105,000
Rebuilding Nursing Infrastructure Grant	909,396				909,396
Rising Scholars	214,972	186,382			401,354
State Lottery	1,615,067	1,038,239			2,653,306
Strong Workforce	4,491,442	1,868,338	127,228		6,487,008
STRS On-Behalf				700,000	700,000
Student Equity and Achievement Program	11,594,542	5,822,998			17,417,540
Student Financial Aid Administration	744,683	484,090			1,228,773

Program	Saddleback College	Irvine Valley College	District Services	District-wide	Total
Student Success Completion Grant	3,770,240	4,274,248			8,044,488
Student Support Block Grant	1,950,064	1,370,924			3,320,988
Student Transfer Achievement		524,746			524,746
Veteran Resource Center	163,800	1,135,105			1,298,905
Wellness Coach Designated Education Program	60,032				60,032
Youth Empowerment Strategies for Success		22,000			22,000
Zero Textbook Cost Program	125,656	520,084			645,740
Local Sources:	**$ 5,659,251**	**$ 3,685,057**	**$ -**	**$ -**	**$ 9,344,308**
California Community College Internship Program (CCCIP)		19,000			19,000
Health Fee Services	2,050,000	1,020,000			3,070,000
Parking Fee Services	1,886,270	800,000			2,686,270
Innovation and Effectiveness Grant		14,463			14,463
Samueli Foundation		1,831,594			1,831,594
Samueli Foundation Student Work-Based Learning	1,722,981				1,722,981
Total Restricted General Fund	**$ 68,710,721**	**$ 40,186,968**	**$ 1,683,110**	**$ 700,000**	**$ 111,280,799**

FISCAL STABILITY AND RESERVE FOR ECONOMIC UNCERTAINTIES

Reserve funds are an important financial solvency safeguard. Examples of the need for the reserve for economic uncertainties are revenue shortfalls, unexpected repairs, and grant/categorical funding decreases occurring during the year.

Based on BP 6200 – *Budget Preparation*, the 2026-27 Adopted Budget includes a reserve for economic uncertainties in the amount of $56,435,269 which is made up of a reserve for contingency of 7.5 percent of total general unrestricted operating funds, totaling $22,451,132 and 3.5 percent of unrestricted operating funds for the colleges and District Services, totaling $10,989,586 and per BP 6210 – *Basic Aid Funds Allocation Process,* a basic aid reserve for unrealized tax collections of 20 percent totaling $22,994,551. The California Community Colleges Chancellor's Office recommends reserves of two months of unrestricted general fund operating expenditures. These three reserves combined slightly exceed the Chancellor's Office recommended reserve level.

As shown below, Saddleback College, Irvine Valley College, and District Services have all budgeted prudent reserves within each of their operating budgets.

General Fund Reserves (Ending Balances) 2026-27 Adopted Budget

	Saddleback College	Irvine Valley College	District Services	Basic Aid	Other	Total
Components of Ending Fund Balance						
Economic Uncertainties	$ 5,883,873	$ 4,061,203	$ 1,044,510	$ 22,994,551	$ 22,451,132	**$ 56,435,269**
Nonspendable Fund Balance			$ 45,431			**$ 45,431**
Unassigned	$ 30,294,234	$ 15,469,765	$ 14,799,746			**$ 60,563,745**
Total	**$ 36,178,107**	**$ 19,530,968**	**$ 15,889,687**	**$ 22,994,551**	**$ 22,451,132**	**$ 117,044,445**

BASIC AID STATUS

A "community-supported" or basic aid district is one that receives more revenue from local sources (property taxes and student enrollment fees) than it would receive in total for state apportionment. The District, therefore, is self-sufficient and does not rely on state apportionment for general operations. The portion of property taxes received above the state calculated allocation is referred to as basic aid receipts. The District returned to its status as a community supported district in 1999-2000 and has received basic aid receipts as follows:

Fiscal Year	Basic Aid Receipts
1999 - 2021	$ 1,035,441,159
2021 - 2022	$ 100,870,803
2022 - 2023	$ 96,138,071
2023 - 2024	$ 95,852,356
2024 - 2025	$ 102,577,952
2025 - 2026	$ 114,200,382

The District estimates that property tax receipts above the state calculated allocation amount for 2026-27 and future years to be as follows:

Fiscal Year	Basic Aid Receipts
2026 - 2027	$ 114,843,329
2027 - 2028	$ 111,312,530
2028 - 2029	$ 122,303,768
2029 - 2030	$ 127,944,081

The assumptions used to estimate Basic Aid funds for 2026-27 include funding COLA at 4.31 percent and growth at 0.35 percent for the SCFF as proposed in the *Enacted State Budget*. For the following years, SCFF COLA percentages are estimated at 3.30, 3.09, and 3.11, respectively, growth is estimated at 0.35 percent, with no additional increase in FTES. If growth funding comes in higher in 2026-27, then the amounts listed above could potentially drop by at least $11 million each year.

The Orange County Auditor Controller's office is consulted regularly to conservatively project the District's property tax revenue in conjunction with historical trends. Secured property taxes for 2026-27 are budgeted with a 5.40 percent increase over prior year; subsequent years are budgeted with a 4.0 percent increase over the prior year. Unsecured taxes, supplemental taxes, and homeowners' taxes are estimated to remain constant for all years.

ESTIMATED BASIC AID RESOURCES & PLANNED EXPENDITURES

Board Policy and Administrative Regulation 6210 – *Basic Aid Funds Allocation Process* guide the basic aid allocation calculation and process. The District Resources Allocation Council (DRAC) followed this process for its recommendation for allocating the 2026-27 basic aid funds.

The schedule below shows the basic aid calculation of available funds for 2026-27.

2026-27 RESOURCES	Approved
Balance as of July 1, 2026	$ 39,196,900
Estimated Receipts 2026-27	$ 114,843,329
Basic Aid Project Funds Returned	$ 107,802
Estimated Property Taxes for Basic Aid	$ 154,148,031
Contingency for Unrealized Tax Collections (20%)	$ (22,968,666)
Total Allocated Funds 2026-27	**$ 131,179,365**
Budgeted Expenditures	
2026-27 Long-Term Obligations and Fixed Expenses	$ 30,759,896
Funds for Technology and Capital Projects	$ 100,393,584
Total Approved and Budgeted Projects	**$ 131,153,480**
Net Available for Allocation	**$ 25,885**

The Net Available for Allocation amount of $25,885 shown above will be allocated in the 2027-28 budget cycle.

The detailed schedule on the next two pages shows basic aid funds and projects broken out by location that are included in the 2026-27 Adopted Budget.

2026-27 RESOURCES	Saddleback College	Irvine Valley College	District Services	Districtwide	Total
Basic Aid Projects					
Closed Projects	$ 249,094,460	$ 151,363,876	$ 12,765,177	$ 179,281,251	$ 592,504,764
Prior Approved Open Projects	$ 346,309,663	$ 174,929,608	$ -	$ 392,366,967	$ 913,606,238
Total Prior Approved Projects	**$ 595,404,123**	**$ 326,293,484**	**$ 12,765,177**	**$ 571,648,218**	**$ 1,506,111,002**
Less Expenses and Commitments as of June 2026	$ 532,219,657	$ 305,332,837	$ 12,765,177	$ 539,284,337	$ 1,389,602,008
Net Uncommitted Balance	**$ 63,184,466**	**$ 20,960,647**	**$ -**	**$ 32,363,881**	**$ 116,508,994**
New 2026-27 Project Funding					
Long Term Obligations & Fixed Expenses	**$ 9,855,535**	**$ 6,859,533**	**$ 2,227,480**	**$ 11,817,348**	**$ 30,759,896**
DW Credit Card/Bank Fees*				$ 750,000	$ 750,000
Pension Stabilization Trust*	$ 9,855,535	$ 6,859,533	$ 2,227,480	$ 1,057,452	$ 20,000,000
Retiree Benefits Expenses*				$ 9,029,896	$ 9,029,896
SOCCCD - Legislative Advocacy Services*				$ 130,000	$ 130,000
Trustee Election*				$ 850,000	$ 850,000
Capital Projects/Scheduled Maintenance/Renovation	**$ 57,524,138**	**$ 17,648,340**	**$ -**	**$ 7,000,000**	**$ 82,172,478**
ADA Transition Plan Projects*				$ 3,000,000	$ 3,000,000
Planning*				$ 4,000,000	$ 4,000,000
Campus Police & IT Repurpose SAC Bldg.*		$ 2,381,287			$ 2,381,287
Infrastructure*		$ 4,000,000			$ 4,000,000
Scheduled Maintenance Projects*		$ 3,000,000			$ 3,000,000
Student Services/Student Union Buildings*		$ 8,267,053			$ 8,267,053
ATEP First Building*	$ 1,030,091				$ 1,030,091
BGS & HS Elevators	$ 5,000,000				$ 5,000,000
Central Plant*	$ 22,395,695				$ 22,395,695
College Center Renovation*	$ 7,500,060				$ 7,500,060
Greenhouse Biology/Horticulture*	$ 8,122,491				$ 8,122,491
Infrastructure*	$ 2,100,000				$ 2,100,000
Scheduled Maintenance Projects*	$ 1,297,016				$ 1,297,016
Solar Canopy Phase III*	$ 1,315,545				$ 1,315,545
Solar Canopy Phase IV*	$ 1,315,545				$ 1,315,545
TAS Renovation/Campus Support Center*	$ 3,447,695				$ 3,447,695
Utility Distribution System 12kv Upgrades*	$ 4,000,000				$ 4,000,000

**Reflects an augmentation to an existing project*

2026-27 RESOURCES	Saddleback College	Irvine Valley College	District Services	Districtwide	Total
IT Projects	**$ 7,209,087**	**$ 2,889,519**	**$ 270,000**	**$ 7,852,500**	**$ 18,221,106**
Banner Implementation*				$ 5,000,000	$ 5,000,000
Center for Technology Innovation (CTI)*				$ 500,000	$ 500,000
Cloud Services*				$ 577,500	$ 577,500
Data Warehouse*				$ 225,000	$ 225,000
DTSMP Strategic Initiatives*			$ 270,000		$ 270,000
Engineering Services - Tier III and Tier IV				$ 300,000	$ 300,000
HR/Business Service Integrated Software*				$ 300,000	$ 300,000
On-Premise Server and Storage Capacity*				$ 250,000	$ 250,000
Privilege Access Management				$ 500,000	$ 500,000
Project Management				$ 200,000	$ 200,000
AV Upgrade*		$ 1,589,519			$ 1,589,519
Campus Desktop Refresh*	$ 515,562				$ 515,562
Classroom Technology and Audio Visual Refresh*	$ 1,450,599				$ 1,450,599
Firewall Refresh	$ 630,370				$ 630,370
Indoor Wireless Access Points	$ 1,097,687				$ 1,097,687
Integrated Student Payment Card and POS System		$ 300,000			$ 300,000
Marquee Refresh	$ 483,000				$ 483,000
Network Switch Refresh	$ 2,100,000				$ 2,100,000
Police Dispatch Refresh	$ 548,437				$ 548,437
Security Cameras/Server Refresh*		$ 1,000,000			$ 1,000,000
Teams Telephony	$ 383,432				$ 383,432
Total 2026-27 Funded Projects	**$ 74,588,760**	**$ 27,397,392**	**$ 2,497,480**	**$ 26,669,848**	**$ 131,153,480**
Cumulative Total - Basic Aid Approved Projects	**$ 669,992,883**	**$ 353,690,876**	**$ 15,262,657**	**$ 598,318,066**	**$ 1,637,264,482**

**Reflects an augmentation to an existing project*

OTHER FUNDS

Community Education Funds
The Community Education funds are self-supporting with income derived from community education fees. Both colleges provide community education seminars, short courses, workshops, and programs to support community needs not met by the traditional college curriculum; the instruction is consistent with the mission of the District.

Child Development Fund
The Child Development fund is intended to be self-sufficient. The District operates a child development program at Saddleback College for the benefit of children aged 18 months to 5 years. Services are provided to students and the community on a fee basis. Although the intent is for self-sufficiency, Saddleback College and Saddleback College ASG have budgeted augmentations totaling $280,000 ($250,000 and $30,000 respectively).

Capital Outlay Fund
The District maintains the Capital Outlay fund to account for the expenditures of capital and scheduled maintenance projects. This fund is further divided by funding sources, i.e., state grants for new construction, state scheduled maintenance, local redevelopment agency (RDA) funds, basic aid funded projects, and District/college funded projects. RDA funds are received from six cities within the District, although the state terminated the redevelopment agencies on February 1, 2012. Until the full dissolution of the RDAs, funds are received based on prior “pass-through” agreements and allocated to the colleges and District Services subject to the terms of said agreements following the DRAC model as applicable.

<u>Major Basic Aid Capital Construction Projects:</u>

- Saddleback College projects include: a) Solar Canopies and Battery Storage (phase 2) – construction; b) SC @ ATEP 1st Year – support; c) Central Plant – design and construction; d) College Center Renovation – design; e) Scheduled Maintenance – programming; f) Infrastructure 12kV Utility Distribution – design and construction; g) TAS Renovation/College Support building – programming and design; h) Horticulture/Biology Greenhouse – programming and design; i) BGS and HS Elevators – design; and j) ADA Phase 2 – design.

- Irvine Valley College projects include a) Parking Lot 7 temporary to permanent/sidewalk to baseball – construction; b) Student Services and Student Union Buildings – construction; c) SAC Renovation – programming and design; d) Scheduled Maintenance – programming; and e) ADA Phase 2 – design.

- District-wide projects include a) ADA Transition Plan projects – programming and design; b) ATEP Site Development – support; and c) Planning.

Major Basic Aid Technology Initiatives: This year's approved basic aid technology projects recommended by the District-wide Technology Committee (DTC) fall into the following three major categories.

- The first category is enterprise resource planning (ERP) software, such as Banner implementation and the legacy Workday's cloud-based software for human capital management and finance.
- The second category consists of major District-wide technology projects such as District-wide Cloud services, Center for Technology Innovation (CTI), data warehouse, data security, and server storage and capacity.
- The final category consists of college-requested items such as District Technology Strategic Master Plan initiatives, marquee refresh, police dispatch refresh, Teams telephony, indoor wireless access points, network switch refresh, and upgrades to classroom technology along with faculty and staff computers.

The following table depicts the Capital Outlay fund expenditures and ending fund balance by type and area:

Project Description	District-wide	Saddleback College	Irvine Valley College	District Services	Total
Basic Aid Projects:					
CIC Projects	$ 36,049,037	$ 141,961,929	$ 68,071,621		**$ 246,082,587**
IT Projects	$ 16,431,606	$ 18,375,605	$ 8,155,328	$ 270,000	**$ 43,232,539**
State Funded Capital Outlay					
State Portion		$ -	$ -		**$ -**
Basic Aid Match		$ 7,579,886	$ 1,947,170		**$ 9,527,056**
State Scheduled Maintenance Projects		$ 4,536,822	$ 653,402		**$ 5,190,224**
Locally Funded Capital Outlay Projects	$ 90,000	$ 10,827,204		$ 742,658	**$ 11,659,862**
Non-Resident Capital Outlay Funds		$ 3,970,851	$ 3,542,298		**$ 7,513,149**
Student Housing Planning Grants		$ 202,086			**$ 202,086**
Redevelopment Funds		$ 32,482,394	$ 12,622,897	$ 9,085,546	**$ 54,190,837**
Future Capital Outlay Project Funds	$ 72,902,071	$ 29,999,336	$ 17,423,045	$ 5,123,283	**$ 125,447,735**
Total	**$ 125,472,714**	**$ 249,936,113**	**$ 112,415,761**	**$ 15,221,487**	**$ 503,046,075**

Self-Insurance Fund
The Self-Insurance fund is used to account for the activities of the District’s risk management services and the self-funded programs for property, liability, and workers’ compensation insurance.

The District belongs to the Statewide Association of Community Colleges (SWACC) Joint Powers Authority for up to $1,000,000 comprehensive liability insurance and up to $250,000 for property insurance coverage. The District belongs to the School’s Association for Excess Risk (SAFER) Joint Powers Authority for excess insurance coverage for liability losses in excess of $1,000,000 up to $75,000,000, and in excess of $750,000 up to $1,000,000,000 for excess property coverage along with $100,000 for equipment breakdown, $4,000,000 for single event cyber along with $2,000,000 excess cyber coverage, and $1,000,000 aggregate for active assailant coverage. These pools have stabilized the cost of insurance coverage in recent years. Our deductibles for insurance are as follows: Liability = $50,000; Property = $5,000; Crime = $2,500; Cyber Liability = $75,000; Equipment Breakdown = $5,000; and Active Assailant = $25,000.

The District belongs to the Protected Insurance Program for Schools and Community Colleges (PIPS) for workers’ compensation for $1 coverage on all claims.

Retiree Benefit Fund
The District pays premiums for health care coverage for retirees according to Board policies and contract agreements with employee groups. The Retiree Benefit Fund is used to pay retiree benefit premiums that are reimbursed from the Retiree OPEB Trust fund. The current year’s annual accrual of retiree benefits for existing employees is also made in this fund.

Retiree Other Post-Employment Benefits (OPEB) Trust Fund
The Retiree OPEB Trust fund is used to account for the activities of the District’s irrevocable trust. An irrevocable trust was established in 2007-08 to fund the OPEB obligation in accordance with GASB 43 and 45 for the purpose of investment and disbursement of funds irrevocably designated for the payment of obligations to eligible employees, former employees, and their eligible dependents for medical, dental, and vision upon retirement.

An actuarial study is conducted annually to update the status of the District’s irrevocable trust and determine any unfunded liabilities. The District’s OPEB liability was updated in March 2026 with the completion of a required actuarial study. The study provides two estimates: 1) the annual accrual to cover the value of benefits “earned” in the current year for existing employees, and 2) the total projected benefits accrual for employees past service. The current study estimates the cost for the annual accrual for current employees to be $10,637,585. The District’s actuarial accrued liability for past service is estimated at $192,330,629 which was overfunded by $12,181,732. The actuarial determined normal cost of $10,637,585, offset by the amortization of the Net OPEB Asset of ($1,607,689), totaling $9,029,896 is funded in the Adopted Budget.

Pension Stabilization Trust (PST) Fund
The PST fund was established to pre-fund the anticipated costs associated with the increase in pension rates. Annual deposits are made to maintain the fund including a $20 million DRAC allocation for 2026-27. The funds are transferred to the colleges and District Services each year based on actual increased expenditures from the 2015-16 base year for employer contributions to STRS and PERS.

Student Financial Aid Funds
The Student Financial Aid Funds are used to account for each college's federal and state financial aid funds received and disbursed to students.

Associated Student Government (ASG) Funds
The ASG organizations are used to account for the activities of the SC Associated Student Government (ASG) and the IVC Associated Students (ASIVC).

Student Representation Fee Funds
The Student Representation Fee funds account for the fees collected at each college to support student representation efforts at the federal, state, and local level. AB1504 requires community colleges to charge a $2 fee to all registered students each semester and provide the opportunity to opt out of the fee. $1 of the fee is remitted to the statewide associated students' organization each spring.

BUDGET TABLES

The Adopted Budget for 2026-27 for all District funds is summarized on the following pages.

Ann-Marie Gabel, Vice Chancellor, Business Services
Connie Cavanaugh, Executive Director, Fiscal Services

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
ADOPTED BUDGET - FISCAL YEAR 2026-2027
Revenues, Expenditures and Change in Fund Balance

		General Fund	Community Education Funds	Child Development Fund	Capital Outlay Fund	Self-Insurance Fund	Retiree Benefit Fund	Retiree Benefit & Pension Trust Funds	Student Financial Aid Funds	Associated Student Government Funds	Student Representation Fee Funds	TOTAL ALL FUNDS
BEGINNING FUND BALANCE	9712	$ 151,520,413	$ 1,298,340	$ -	$ 382,868,123	$ 1,922,787	$ 367,269	$ 222,929,967	$ -	$ 204,527	$ 36,001	$ 761,147,427
SOURCES OF FUNDS												
REVENUES:												
Federal Sources	8100-8199	$ 3,804,599	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,345,000	$ -	$ -	$ 47,149,599
Other State Sources	8600-8699	127,356,794	-	-	5,392,310	-	-	-	5,242,000	-	-	137,991,104
Other Local Sources	8800-8899	402,333,071	2,358,000	1,495,514	12,499,860	75,000	150,000	16,705,000	-	693,500	83,000	436,392,945
Total Revenue		533,494,464	2,358,000	1,495,514	17,892,170	75,000	150,000	16,705,000	48,587,000	693,500	83,000	621,533,648
							-					
OTHER FINANCING SOURCES:							-					
Sale of Surplus	8910-8919	$ 15,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,000
Interfund Transfers In	8980-8981	18,383,859	-	280,000	102,285,782	1,611,940	9,029,896	20,000,000	-	-	-	151,591,477
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	-	-	-	-
Total Other Sources		18,398,859	-	280,000	102,285,782	1,611,940	9,029,896	20,000,000	-	-	-	151,606,477
TOTAL SOURCES OF FUNDS		$ 551,893,323	$ 2,358,000	$ 1,775,514	$ 120,177,952	$ 1,686,940	$ 9,179,896	$ 36,705,000	$ 48,587,000	$ 693,500	$ 83,000	$ 773,140,125
USES OF FUNDS												
EXPENDITURES:												
Academic Salaries	1000-1999	$ 138,775,327	$ 85,406	$ 15,707	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 138,876,440
Classified Salaries	2000-2999	90,506,606	675,476	1,116,333	1,577,745	466,416	-	-	-	105,791	-	94,448,367
Employee Benefits	3000-3999	106,123,957	424,913	536,919	885,011	268,033	9,029,896	-	-	55,181	-	117,323,910
Supplies & Materials	4000-4999	17,261,437	21,182	81,163	727,450	2,500	-	-	-	189,072	6,800	18,289,604
Services & Other Operating	5000-5999	67,570,255	1,862,593	25,392	36,701,920	1,254,324	14,000	625,000	-	252,622	37,605	108,343,711
Capital Outlay	6000-6999	4,829,431	-	-	314,380,092	-	-	-	-	6,014	-	319,215,537
Total Expenditures		425,067,013	3,069,570	1,775,514	354,272,218	1,991,273	9,043,896	625,000	-	608,680	44,405	796,497,569
OTHER FINANCING USES:												
Interfund Transfers Out	7300-7399	$ 133,177,618	$ 51,072	$ -	$ 342,658	$ -	$ -	$ 17,990,129	$ -	$ 30,000	$ -	$ 151,591,477
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	35,000	38,595	73,595
Payments to Students	7500-7699	28,124,660	-	-	-	-	-	-	48,587,000	68,820	-	76,780,480
Total Other Uses		161,302,278	51,072	-	342,658	-	-	17,990,129	48,587,000	133,820	38,595	228,445,552
										-		
TOTAL USES OF FUNDS		$ 586,369,291	$ 3,120,642	$ 1,775,514	$ 354,614,876	$ 1,991,273	$ 9,043,896	$ 18,615,129	$ 48,587,000	$ 742,500	$ 83,000	$ 1,024,943,121
SURPLUS / (DEFICIT)		$ (34,475,968)	$ (762,642)	$ -	$ (234,436,924)	$ (304,333)	$ 136,000	$ 18,089,871	$ -	$ (49,000)	$ -	$ (251,802,996)
ENDING FUND BALANCE		$ 117,044,445	$ 535,698	$ -	$ 148,431,199	$ 1,618,454	$ 503,269	$ 241,019,838	$ -	$ 155,527	$ 36,001	$ 509,344,431
COMPONENTS OF ENDING BALANCE												
Assigned Reserve, Economic Uncertainties		$ 56,435,269	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 56,435,269
Nonspendable Fund Balance		45,431	-	-	-	-	-	-	-	-	-	45,431
Restricted Fund Balance		-	-	-	-	-	-	-	-	155,527	36,001	191,528
Assigned Fund Balance		-	535,698	-	148,431,199	1,618,454	503,269	241,019,838	-	-	-	392,108,458
Unassigned Fund Balance		60,563,745	-	-	-	-	-	-	-	-	-	60,563,745
TOTAL ENDING FUND BALANCE		$ 117,044,445	$ 535,698	$ -	$ 148,431,199	$ 1,618,454	$ 503,269	$ 241,019,838	$ -	$ 155,527	$ 36,001	$ 509,344,431

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
ADOPTED BUDGET - FISCAL YEAR 2026-2027
Revenues, Expenditures and Change in Fund Balance

		Saddleback College			Irvine Valley College			District Services		
		General Fund Unrestricted	General Fund Restricted	Total	General Fund Unrestricted	General Fund Restricted	Total	General Fund Unrestricted	General Fund Restricted	Total
BEGINNING FUND BALANCE	9712	$ 34,086,057	$ 8,578,040	$ 42,664,097	$ 22,778,343	$ 3,322,274	$ 26,100,617	$ 15,327,284	$ -	$ 15,327,284
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ 2,597,637	$ 2,597,637	$ -	$ 1,206,962	$ 1,206,962	$ -	$ -	$ -
Other State Sources	8600-8699	-	60,453,833	60,453,833	-	35,294,949	35,294,949	-	1,683,110	1,683,110
Other Local Sources	8800-8899	7,182,194	5,659,251	12,841,445	8,276,569	3,685,057	11,961,626	-	-	-
Total Revenue		7,182,194	68,710,721	75,892,915	8,276,569	40,186,968	48,463,537	-	1,683,110	1,683,110
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	9,032,936	-	9,032,936	6,691,995	-	6,691,995	2,658,928	-	2,658,928
Other Incoming Transfers	8982-8989	153,987,579	-	153,987,579	97,818,437	-	97,818,437	27,746,606	-	27,746,606
Total Other Sources		163,020,515	-	163,020,515	104,510,432	-	104,510,432	30,405,534	-	30,405,534
TOTAL SOURCES OF FUNDS		$ 170,202,709	$ 68,710,721	$ 238,913,430	$ 112,787,001	$ 40,186,968	$ 152,973,969	$ 30,405,534	$ 1,683,110	$ 32,088,644
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ 75,071,514	$ 6,602,775	$ 81,674,289	$ 52,809,385	$ 3,056,601	$ 55,865,986	$ 1,235,052	$ -	$ 1,235,052
Classified Salaries	2000-2999	29,801,578	12,423,210	42,224,788	23,716,606	7,846,397	31,563,003	16,088,763	-	16,088,763
Employee Benefits	3000-3999	42,583,405	8,453,202	51,036,607	29,919,220	5,365,960	35,285,180	9,695,064	-	9,695,064
Supplies & Materials	4000-4999	2,120,243	10,308,274	12,428,517	1,505,705	2,931,743	4,437,448	191,521	45,251	236,772
Services & Other Operating	5000-5999	15,342,733	20,139,790	35,482,523	8,072,298	11,761,808	19,834,106	1,830,115	1,637,859	3,467,974
Capital Outlay	6000-6999	941,186	2,448,683	3,389,869	11,162	1,334,900	1,346,062	93,500	-	93,500
Total Expenditures		165,860,659	60,375,934	226,236,593	116,034,376	32,297,409	148,331,785	29,134,015	1,683,110	30,817,125
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ 2,250,000	$ -	$ 2,250,000	$ -	$ -	$ -	$ 709,116	$ -	$ 709,116
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	-
Payments to Students	7500-7699	-	16,912,827	16,912,827	-	11,211,833	11,211,833	-	-	-
Total Other Uses		2,250,000	16,912,827	19,162,827	-	11,211,833	11,211,833	709,116	-	709,116
TOTAL USES OF FUNDS		$ 168,110,659	$ 77,288,761	$ 245,399,420	$ 116,034,376	$ 43,509,242	$ 159,543,618	$ 29,843,131	$ 1,683,110	$ 31,526,241
SURPLUS / (DEFICIT)		$ 2,092,050	$ (8,578,040)	$ (6,485,990)	$ (3,247,375)	$ (3,322,274)	$ (6,569,649)	$ 562,403	$ -	$ 562,403
ENDING FUND BALANCE		$ 36,178,107	$ -	$ 36,178,107	$ 19,530,968	$ -	$ 19,530,968	$ 15,889,687	$ -	$ 15,889,687
COMPONENTS OF ENDING BALANCE										
Assigned Reserve, Economic Uncertainties		$ 5,883,873	$ -	$ 5,883,873	$ 4,061,203	$ -	$ 4,061,203	$ 1,044,510	$ -	$ 1,044,510
Nonspendable Fund Balance		-	-	-	-	-	-	45,431	-	45,431
Restricted Fund Balance		-	-	-	-	-	-	-	-	-
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		30,294,234	-	30,294,234	15,469,765	-	15,469,765	14,799,746	-	14,799,746
TOTAL ENDING FUND BALANCE		$ 36,178,107	$ -	$ 36,178,107	$ 19,530,968	$ -	$ 19,530,968	$ 15,889,687	$ -	$ 15,889,687

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
ADOPTED BUDGET - FISCAL YEAR 2026-2027
Revenues, Expenditures and Change in Fund Balance

		Basic Aid	Other		TOTAL		
		General Fund Unrestricted	General Fund Unrestricted	General Fund Restricted	General Fund Unrestricted	General Fund Restricted	General Fund
BEGINNING FUND BALANCE	9712	$ **39,196,900**	$ **28,231,515**	$ **-**	$ **139,620,099**	$ **11,900,314**	$ **151,520,413**
SOURCES OF FUNDS							
REVENUES:							
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ 3,804,599	$ 3,804,599
Other State Sources	8600-8699	-	29,224,902	700,000	29,224,902	98,131,892	127,356,794
Other Local Sources	8800-8899	-	377,530,000	-	392,988,763	9,344,308	402,333,071
Total Revenue		-	406,754,902	700,000	422,213,665	111,280,799	533,494,464
OTHER FINANCING SOURCES:							
Sale of Surplus	8910-8919	$ -	$ 15,000	$ -	$ 15,000	$ -	$ 15,000
Interfund Transfers In	8980-8981	-	-	-	18,383,859	-	18,383,859
Other Incoming Transfers	8982-8989	114,843,329	(394,395,951)	-	-	-	-
Total Other Sources		114,843,329	(394,380,951)	-	18,398,859	-	18,398,859
TOTAL SOURCES OF FUNDS		$ **114,843,329**	$ **12,373,951**	$ **700,000**	$ **440,612,524**	$ **111,280,799**	$ **551,893,323**
USES OF FUNDS							
EXPENDITURES:							
Academic Salaries	1000-1999	$ -	$ -	$ -	$ 129,115,951	$ 9,659,376	$ 138,775,327
Classified Salaries	2000-2999	-	630,052	-	70,236,999	20,269,607	90,506,606
Employee Benefits	3000-3999	-	9,407,106	700,000	91,604,795	14,519,162	106,123,957
Supplies & Materials	4000-4999	-	158,700	-	3,976,169	13,285,268	17,261,437
Services & Other Operating	5000-5999	1,730,000	7,055,652	-	34,030,798	33,539,457	67,570,255
Capital Outlay	6000-6999	-	-	-	1,045,848	3,783,583	4,829,431
Total Expenditures		1,730,000	17,251,510	700,000	330,010,560	95,056,453	425,067,013
OTHER FINANCING USES:							
Interfund Transfers Out	7300-7399	$ 129,315,678	$ 902,824	$ -	$ 133,177,618	$ -	$ 133,177,618
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	28,124,660	28,124,660
Total Other Uses		129,315,678	902,824	-	133,177,618	28,124,660	161,302,278
TOTAL USES OF FUNDS		$ **131,045,678**	$ **18,154,334**	$ **700,000**	$ **463,188,178**	$ **123,181,113**	$ **586,369,291**
SURPLUS / (DEFICIT)		$ **(16,202,349)**	$ **(5,780,383)**	$ **-**	$ **(22,575,654)**	$ **(11,900,314)**	$ **(34,475,968)**
ENDING FUND BALANCE		$ **22,994,551**	$ **22,451,132**	$ **-**	$ **117,044,445**	$ **-**	$ **117,044,445**
COMPONENTS OF ENDING BALANCE							
Assigned Reserve, Economic Uncertainties		$ 22,994,551	$ 22,451,132	$ -	$ 56,435,269	$ -	$ 56,435,269
Nonspendable Fund Balance		-	-	-	45,431	-	45,431
Restricted Fund Balance		-	-	-	-	-	-
Assigned Fund Balance		-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	60,563,745	-	60,563,745
TOTAL ENDING FUND BALANCE		$ 22,994,551	$ 22,451,132	$ -	$ 117,044,445	$ -	$ 117,044,445

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
ADOPTED BUDGET - FISCAL YEAR 2026-2027
Revenues, Expenditures and Change in Fund Balance

		Community Education Funds			Retiree Benefit & Pension Trust Funds		
		Saddleback College	Irvine Valley College	Total	Retiree Benefit (OPEB) Trust	Pension Stabilization Trust	Total
BEGINNING FUND BALANCE	9712	$ **1,200,053**	$ **98,287**	$ **1,298,340**	$ **212,022,821**	$ **10,907,146**	**222,929,967**
SOURCES OF FUNDS							
REVENUES:							
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	-	-	-	-	-	-
Other Local Sources	8800-8899	2,218,000	140,000	2,358,000	14,140,000	2,565,000	16,705,000
Total Revenue		2,218,000	140,000	2,358,000	14,140,000	2,565,000	16,705,000
OTHER FINANCING SOURCES:							
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	-	-	-	-	20,000,000	20,000,000
Other Incoming Transfers	8982-8989	-	-	-	-	-	-
Total Other Sources		-	-	-	-	20,000,000	20,000,000
TOTAL SOURCES OF FUNDS		$ **2,218,000**	$ **140,000**	$ **2,358,000**	$ **14,140,000**	$ **22,565,000**	$ **36,705,000**
USES OF FUNDS							
EXPENDITURES:							
Academic Salaries	1000-1999	$ 55,453	$ 29,953	$ 85,406	$ -	$ -	$ -
Classified Salaries	2000-2999	675,476	-	675,476	-	-	-
Employee Benefits	3000-3999	411,534	13,379	424,913		-	-
Supplies & Materials	4000-4999	21,182	-	21,182	-	-	-
Services & Other Operating	5000-5999	1,765,925	96,668	1,862,593	600,000	25,000	625,000
Capital Outlay	6000-6999	-	-	-	-	-	-
Total Expenditures		2,929,570	140,000	3,069,570	600,000	25,000	625,000
OTHER FINANCING USES:							
Interfund Transfers Out	7300-7399	$ 51,072	$ -	$ 51,072	$ -	$ 17,990,129	$ 17,990,129
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	-	-
Total Other Uses		51,072	-	51,072	-	17,990,129	17,990,129
TOTAL USES OF FUNDS		$ **2,980,642**	$ **140,000**	$ **3,120,642**	$ **600,000**	$ **18,015,129**	$ **18,615,129**
SURPLUS / (DEFICIT)		$ **(762,642)**	$ **-**	$ **(762,642)**	$ **13,540,000**	$ **4,549,871**	$ **18,089,871**
ENDING FUND BALANCE		$ **437,411**	$ **98,287**	$ **535,698**	$ **225,562,821**	$ **15,457,017**	$ **241,019,838**
COMPONENTS OF ENDING BALANCE							
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-
Restricted Fund Balance		-	-	-	-	-	-
Assigned Fund Balance		437,411	98,287	535,698	225,562,821	15,457,017	241,019,838
Unassigned Fund Balance		-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ 437,411	$ 98,287	$ 535,698	$ 225,562,821	$ 15,457,017	$ 241,019,838

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
ADOPTED BUDGET - FISCAL YEAR 2026-2027
Revenues, Expenditures and Change in Fund Balance

		Student Financial Aid Funds			Associated Student Government Funds			Student Representation Fee Funds		
		Saddleback College	Irvine Valley College	Total	Saddleback College	Irvine Valley College	Total	Saddleback College	Irvine Valley College	Total
BEGINNING FUND BALANCE	9712	$ -	$ -	$ -	$ 105,391	$ 99,136	$ 204,527	$ 36,001	$ -	$ 36,001
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ 22,900,000	$ 20,445,000	$ 43,345,000	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	2,610,000	2,632,000	5,242,000	-	-	-	-	-	-
Other Local Sources	8800-8899	-	-	-	303,500	390,000	693,500	50,000	33,000	83,000
Total Revenue		25,510,000	23,077,000	48,587,000	303,500	390,000	693,500	50,000	33,000	83,000
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	-	-	-	-	-	-	-	-	-
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	-	-
Total Other Sources		-	-	-	-	-	-	-	-	-
BASIC AID ALLOCATION		-	-	-	-	-	-	-	-	-
DRAC ALLOCATION		-	-	-	-	-	-	-	-	-
TOTAL SOURCES OF FUNDS		$ 25,510,000	$ 23,077,000	$ 48,587,000	$ 303,500	$ 390,000	$ 693,500	$ 50,000	$ 33,000	$ 83,000
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Classified Salaries	2000-2999	-	-	-	23,000	82,791	105,791	-	-	-
Employee Benefits	3000-3999	-	-	-	2,072	53,109	55,181	-	-	-
Supplies & Materials	4000-4999	-	-	-	161,062	28,010	189,072	6,800	-	6,800
Services & Other Operating	5000-5999	-	-	-	49,144	203,478	252,622	19,950	17,655	37,605
Capital Outlay	6000-6999	-	-	-	-	6,014	6,014	-	-	-
Total Expenditures		-	-	-	235,278	373,402	608,680	26,750	17,655	44,405
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ -	$ -	$ -	$ 30,000	$ -	$ 30,000	$ -	$ -	$ -
Other Outgoing Transfers	7400-7499	-	-	-	35,000	-	35,000	23,250	15,345	38,595
Payments to Students	7500-7699	25,510,000	23,077,000	48,587,000	2,000	66,820	68,820	-	-	-
Total Other Uses		25,510,000	23,077,000	48,587,000	67,000	66,820	133,820	23,250	15,345	38,595
TOTAL USES OF FUNDS		$ 25,510,000	$ 23,077,000	$ 48,587,000	$ 302,278	$ 440,222	$ 742,500	$ 50,000	$ 33,000	$ 83,000
SURPLUS / (DEFICIT)		$ -	$ -	$ -	$ 1,222	$ (50,222)	$ (49,000)	$ -	$ -	$ -
ENDING FUND BALANCE		$ -	$ -	$ -	$ 106,613	$ 48,914	$ 155,527	$ 36,001	$ -	$ 36,001
COMPONENTS OF ENDING BALANCE										
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-	-	-	-
Restricted Fund Balance		-	-	-	106,613	48,914	155,527	36,001	-	36,001
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ -	$ -	$ -	$ 106,613	$ 48,914	$ 155,527	$ 36,001	$ -	$ 36,001

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

Changes from Tentative Budget to Adopted Budget - Fiscal Year 2026-27

Revenues, Expenditures and Change in Fund Balance

		General Fund					
		Unrestricted General Fund			Restricted General Fund		
		Tentative Budget	Budget Changes	Adopted Budget	Tentative Budget	Budget Changes	Adopted Budget
BEGINNING FUND BALANCE	9712	$ **124,339,515**	$ **15,280,584**	$ **139,620,099**	$ **10,506,191**	$ **1,394,123**	$ **11,900,314**
SOURCES OF FUNDS							
REVENUES:							
Federal Sources	8100-8199	$ -	$ -	$ -	$ 3,845,119	$ (40,520)	$ 3,804,599
Other State Sources	8600-8699	28,446,007	778,895	29,224,902	92,052,091	6,079,801	98,131,892
Other Local Sources	8800-8899	392,629,156	359,607	392,988,763	9,148,969	195,339	9,344,308
Total Revenues		421,075,163	1,138,502	422,213,665	105,046,179	6,234,620	111,280,799
OTHER FINANCING SOURCES:							
Sale of Surplus	8910-8919	$ 15,000	$ -	$ 15,000	$ -	$ -	$ -
Interfund Transfers In	8980-8981	19,323,182	(939,323)	18,383,859	-	-	-
Other Incoming Transfers	8982-8989	-	-	-	-	-	-
Total Other Financing Sources		19,338,182	(939,323)	18,398,859	-	-	-
							-
TOTAL SOURCES OF FUNDS		$ **440,413,345**	$ **199,179**	$ **440,612,524**	$ **105,046,179**	$ **6,234,620**	$ **111,280,799**
USES OF FUNDS							
EXPENDITURES:							
Academic Salaries	1000-1999	$ 126,529,399	$ 2,586,552	$ 129,115,951	$ 8,398,506	$ 1,260,870	$ 9,659,376
Classified Salaries	2000-2999	67,966,649	2,270,350	70,236,999	19,421,023	848,584	20,269,607
Employee Benefits	3000-3999	90,623,498	981,297	91,604,795	13,914,779	604,383	14,519,162
Supplies & Materials	4000-4999	3,830,846	145,323	3,976,169	12,615,421	669,847	13,285,268
Services & Other Operating	5000-5999	34,021,657	9,141	34,030,798	32,977,719	561,738	33,539,457
Capital Outlay	6000-6999	1,248,590	(202,742)	1,045,848	3,056,686	726,897	3,783,583
Total Expenditures		324,220,639	5,789,921	330,010,560	90,384,134	4,672,319	95,056,453
OTHER FINANCING USES:							
Interfund Transfers Out	7300-7399	$ 132,184,689	$ 992,929	$ 133,177,618	$ -	$ -	$ -
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	25,168,236	2,956,424	28,124,660
Total Other Financing Uses		132,184,689	992,929	133,177,618	25,168,236	2,956,424	28,124,660
TOTAL USES OF FUNDS		$ **456,405,328**	$ **6,782,850**	$ **463,188,178**	$ **115,552,370**	$ **7,628,743**	$ **123,181,113**
SURPLUS / (DEFICIT)		$ **(15,991,983)**	$ **(6,583,671)**	$ **(22,575,654)**	$ **(10,506,191)**	$ **(1,394,123)**	$ **(11,900,314)**
ENDING FUND BALANCE		$ **108,347,532**	$ **8,696,913**	$ **117,044,445**	$ **-**	$ **-**	$ **-**
COMPONENTS OF ENDING FUND BALANCE							
Assigned Reserve, Economic Uncertainties		$ 54,552,196	$ 1,883,073	$ 56,435,269	$ -	$ -	$ -
Nonspendable Fund Balance		43,864	1,567	45,431	-	-	-
Restricted Fund Balance			-	-	-	-	-
Assigned Fund Balance			-	-	-	-	-
Unassigned Fund Balance		53,751,472	6,812,273	60,563,745	-	-	-
		-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ 108,347,532	$ 8,696,913	$ 117,044,445	$ -	$ -	$ -

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

Prior Year Budget to Actual

Revenues, Expenditures and Change in Fund Balance

Unrestricted General Fund

		Saddleback College			Irvine Valley College			District Services		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ **31,166,894**	$ **31,166,894**	$ **34,086,057**	$ **22,609,105**	$ **22,609,105**	$ **22,778,343**	$ **13,831,321**	$ **13,831,321**	$ **15,327,284**
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	-	-	-	-	-	-	-	-	-
Other Local Sources	8800-8899	6,344,035	7,452,012	7,182,194	9,014,521	8,888,230	8,276,569	-	9,664	-
Total Revenues		6,344,035	7,452,012	7,182,194	9,014,521	8,888,230	8,276,569	-	9,664	-
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	9,405,521	11,405,521	9,032,936	6,622,743	6,622,743	6,691,995	2,119,355	2,119,355	2,658,928
Other Incoming Transfers	8982-8989	154,880,685	154,539,643	153,987,579	95,056,144	95,070,931	97,818,437	27,345,578	27,348,970	27,746,606
Total Other Financing Sources		164,286,206	165,945,164	163,020,515	101,678,887	101,693,674	104,510,432	29,464,933	29,468,325	30,405,534
TOTAL SOURCES OF FUNDS		$ **170,630,241**	$ **173,397,176**	$ **170,202,709**	$ **110,693,408**	$ **110,581,904**	$ **112,787,001**	$ **29,464,933**	$ **29,477,989**	$ **30,405,534**
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ 75,500,535	$ 75,500,511	$ 75,071,514	$ 50,186,400	$ 50,186,400	$ 52,809,385	$ 1,167,636	$ 1,167,636	$ 1,235,052
Classified Salaries	2000-2999	29,514,684	29,098,261	29,801,578	23,138,239	23,138,239	23,716,606	14,693,756	14,488,060	16,088,763
Employee Benefits	3000-3999	40,834,198	40,834,194	42,583,405	28,590,402	28,590,401	29,919,220	8,817,895	8,456,868	9,695,064
Supplies & Materials	4000-4999	2,079,854	1,502,747	2,120,243	1,111,514	1,111,514	1,505,705	199,519	103,716	191,521
Services & Other Operating	5000-5999	13,669,838	12,292,399	15,342,733	6,230,572	6,223,608	8,072,298	2,173,936	1,283,564	1,830,115
Capital Outlay	6000-6999	1,293,685	814,726	941,186	162,504	162,504	11,162	121,500	27,325	93,500
Total Expenditures		162,892,794	160,042,838	165,860,659	109,419,631	109,412,666	116,034,376	27,174,242	25,527,169	29,134,015
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ 10,736,055	$ 10,435,175	$ 2,250,000	$ 1,000,000	$ 1,000,000	$ -	$ 2,680,032	$ 2,454,857	$ 709,116
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	-	-	-	-	-
Total Other Financing Uses		10,736,055	10,435,175	2,250,000	1,000,000	1,000,000	-	2,680,032	2,454,857	709,116
TOTAL USES OF FUNDS		$ **173,628,849**	$ **170,478,013**	$ **168,110,659**	$ **110,419,631**	$ **110,412,666**	$ **116,034,376**	$ **29,854,274**	$ **27,982,026**	$ **29,843,131**
SURPLUS / (DEFICIT)		$ **(2,998,608)**	$ **2,919,163**	$ **2,092,050**	$ **273,777**	$ **169,238**	$ **(3,247,375)**	$ **(389,341)**	$ **1,495,963**	$ **562,403**
ENDING FUND BALANCE		$ **28,168,286**	$ **34,086,057**	$ **36,178,107**	$ **22,882,882**	$ **22,778,343**	$ **19,530,968**	$ **13,441,980**	$ **15,327,284**	$ **15,889,687**
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertainties		$ 7,277,183	$ 5,966,730	$ 5,883,873	$ 4,786,128	$ 3,864,443	$ 4,061,203	$ 1,225,737	$ 979,371	$ 1,044,510
Nonspendable Fund Balance		-	-	-	-	-	-	43,864	45,431	45,431
Restricted Fund Balance		-	-	-	-	-	-	-	-	-
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		20,891,103	28,119,327	30,294,234	18,096,754	18,913,900	15,469,765	12,172,379	14,302,482	14,799,746
TOTAL ENDING FUND BALANCE		$ 28,168,286	$ 34,086,057	$ 36,178,107	$ 22,882,882	$ 22,778,343	$ 19,530,968	$ 13,441,980	$ 15,327,284	$ 15,889,687

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

Prior Year Budget to Actual

Revenues, Expenditures and Change in Fund Balance

Unrestricted General Fund

		Basic Aid			Other			TOTAL		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ **34,805,921**	$ **34,805,921**	$ **39,196,900**	$ **29,105,793**	$ **29,105,793**	$ **28,231,515**	$ **131,519,034**	$ **131,519,034**	$ **139,620,099**
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ 387	$ -	$ -	$ 387	$ -
Other State Sources	8600-8699	-	-	-	28,534,918	29,824,220	29,224,902	28,534,918	29,824,220	29,224,902
Other Local Sources	8800-8899	-	-	-	351,930,000	376,658,161	377,530,000	367,288,556	393,008,067	392,988,763
Total Revenues		-	-	-	380,464,918	406,482,768	406,754,902	395,823,474	422,832,674	422,213,665
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ 15,000	$ 80,830	$ 15,000	$ 15,000	$ 80,830	$ 15,000
Interfund Transfers In	8980-8981	-	-	-	-	-	-	18,147,619	20,147,619	18,383,859
Other Incoming Transfers	8982-8989	93,984,950	114,193,382	114,843,329	(371,264,707)	(391,520,839)	(394,395,951)	2,650	(367,913)	-
Total Other Financing Sources		93,984,950	114,193,382	114,843,329	(371,249,707)	(391,440,009)	(394,380,951)	18,165,269	19,860,536	18,398,859
TOTAL SOURCES OF FUNDS		$ **93,984,950**	$ **114,193,382**	$ **114,843,329**	$ **9,215,211**	$ **15,042,759**	$ **12,373,951**	$ **413,988,743**	$ **442,693,210**	$ **440,612,524**
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ -	$ -	$ -	$ -	$ -	$ -	$ 126,854,571	$ 126,854,547	$ 129,115,951
Classified Salaries	2000-2999	-	-	-	603,718	548,634	630,052	67,950,397	67,273,194	70,236,999
Employee Benefits	3000-3999	-	-	-	9,362,927	9,362,546	9,407,106	87,605,422	87,244,009	91,604,795
Supplies & Materials	4000-4999	-	-	-	80,069	27,031	158,700	3,470,956	2,745,008	3,976,169
Services & Other Operating	5000-5999	880,000	744,236	1,730,000	6,699,613	5,578,826	7,055,652	29,653,959	26,122,633	34,030,798
Capital Outlay	6000-6999	-	-	-	-	-	-	1,577,689	1,004,555	1,045,848
Total Expenditures		880,000	744,236	1,730,000	16,746,327	15,517,037	17,251,510	317,112,994	311,243,946	330,010,560
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ 109,058,167	$ 109,058,167	$ 129,315,678	$ 400,000	$ 400,000	$ 902,824	$ 123,874,254	$ 123,348,199	$ 133,177,618
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	-	-	-	-	-
Total Other Financing Uses		109,058,167	109,058,167	129,315,678	400,000	400,000	902,824	123,874,254	123,348,199	133,177,618
TOTAL USES OF FUNDS		$ **109,938,167**	$ **109,802,403**	$ **131,045,678**	$ **17,146,327**	$ **15,917,037**	$ **18,154,334**	$ **440,987,248**	$ **434,592,145**	$ **463,188,178**
SURPLUS / (DEFICIT)		$ **(15,953,217)**	$ **4,390,979**	$ **(16,202,349)**	$ **(7,931,116)**	$ **(874,278)**	$ **(5,780,383)**	$ **(26,998,505)**	$ **8,101,065**	$ **(22,575,654)**
ENDING FUND BALANCE		$ **18,852,704**	$ **39,196,900**	$ **22,994,551**	$ **21,174,677**	$ **28,231,515**	$ **22,451,132**	$ **104,520,529**	$ **139,620,099**	$ **117,044,445**
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertainties		$ 18,852,704	$ 39,196,900	$ 22,994,551	$ 21,174,677	$ 28,231,515	$ 22,451,132	$ 53,316,429	$ 78,238,959	$ 56,435,269
Nonspendable Fund Balance		-	-	-	-	-	-	43,864	45,431	45,431
Restricted Fund Balance		-	-	-	-	-	-	-	-	-
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	-	-	-	51,160,236	61,335,709	60,563,745
TOTAL ENDING FUND BALANCE		$ 18,852,704	$ 39,196,900	$ 22,994,551	$ 21,174,677	$ 28,231,515	$ 22,451,132	$ 104,520,529	$ 139,620,099	$ 117,044,445

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Prior Year Budget to Actual
Revenues, Expenditures and Change in Fund Balance

Restricted General Fund

		Saddleback College Revised Budget 2025-26	Saddleback College Actual 2025-26	Saddleback College Adopted Budget 2026-27	Irvine Valley College Revised Budget 2025-26	Irvine Valley College Actual 2025-26	Irvine Valley College Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ **8,287,458**	$ **8,287,458**	$ **8,578,040**	$ **3,363,537**	$ **3,363,537**	$ **3,322,274**
SOURCES OF FUNDS							
REVENUES:							
Federal Sources	8100-8199	$ 3,251,458	$ 2,429,516	$ 2,597,637	$ 1,672,837	$ 1,320,722	$ 1,206,962
Other State Sources	8600-8699	59,657,963	34,495,739	60,453,833	37,812,204	23,484,080	35,294,949
Other Local Sources	8800-8899	5,381,901	3,257,195	5,659,251	3,049,996	1,961,517	3,685,057
Total Revenues		68,291,322	40,182,450	68,710,721	42,535,037	26,766,319	40,186,968
OTHER FINANCING SOURCES:							
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	-	-	-	-	-	-
Other Incoming Transfers	8982-8989	-	367,913	-	-	-	-
Total Other Financing Sources		-	367,913	-	-	-	-
TOTAL SOURCES OF FUNDS		$ **68,291,322**	$ **40,550,363**	$ **68,710,721**	$ **42,535,037**	$ **26,766,319**	$ **40,186,968**
USES OF FUNDS							
EXPENDITURES:							
Academic Salaries	1000-1999	$ 8,768,281	$ 6,462,545	$ 6,602,775	$ 4,013,093	$ 3,449,725	$ 3,056,601
Classified Salaries	2000-2999	12,472,866	10,468,156	12,423,210	8,139,589	5,681,304	7,846,397
Employee Benefits	3000-3999	9,618,524	7,213,545	8,453,202	5,856,673	3,766,955	5,365,960
Supplies & Materials	4000-4999	9,404,255	2,008,743	10,308,274	3,098,987	996,201	2,931,743
Services & Other Operating	5000-5999	14,831,056	4,582,667	20,139,790	10,213,705	2,237,754	11,761,808
Capital Outlay	6000-6999	3,572,447	1,566,750	2,448,683	1,447,982	801,515	1,334,900
Total Expenditures		58,667,429	32,302,406	60,375,934	32,770,029	16,933,454	32,297,409
OTHER FINANCING USES:							
Interfund Transfers Out	7300-7399	$ -	$ -	$ -	$ 49,500	$ 49,500	$ -
Other Outgoing Transfers	7400-7499	5,000	5,000	-	90,500	90,500	-
Payments to Students	7500-7699	17,906,351	7,952,375	16,912,827	12,988,545	9,734,128	11,211,833
Total Other Financing Uses		17,911,351	7,957,375	16,912,827	13,128,545	9,874,128	11,211,833
TOTAL USES OF FUNDS		$ **76,578,780**	$ **40,259,781**	$ **77,288,761**	$ **45,898,574**	$ **26,807,582**	$ **43,509,242**
SURPLUS / (DEFICIT)		$ **(8,287,458)**	$ **290,582**	$ **(8,578,040)**	$ **(3,363,537)**	$ **(41,263)**	$ **(3,322,274)**
ENDING FUND BALANCE		$ **-**	$ **8,578,040**	$ **-**	$ **-**	$ **3,322,274**	$ **-**
COMPONENTS OF ENDING FUND BALANCE							
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-
Restricted Fund Balance		-	8,578,040	-	-	3,322,274	-
Assigned Fund Balance		-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ -	$ 8,578,040	$ -	$ -	$ 3,322,274	$ -

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT

Prior Year Budget to Actual

Revenues, Expenditures and Change in Fund Balance

Restricted General Fund

		District Services			District - Wide			TOTAL		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ -	$ -	$ -	$ -	$ -	$ -	$ **11,650,995**	$ **11,650,995**	$ **11,900,314**
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,924,295	$ 3,750,238	$ 3,804,599
Other State Sources	8600-8699	2,417,185	1,036,635	1,683,110	730,138	732,384	700,000	100,617,490	59,748,838	98,131,892
Other Local Sources	8800-8899	-	-	-	-	-	-	8,431,897	5,218,712	9,344,308
Total Revenues		2,417,185	1,036,635	1,683,110	730,138	732,384	700,000	113,973,682	68,717,788	111,280,799
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	-	-	-	-	-	-	-	-	-
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	367,913	-
Total Other Financing Sources		-	-	-	-	-	-	-	367,913	-
TOTAL SOURCES OF FUNDS		$ **2,417,185**	$ **1,036,635**	$ **1,683,110**	$ **730,138**	$ **732,384**	$ **700,000**	$ **113,973,682**	$ **69,085,701**	$ **111,280,799**
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ 12,346	$ 11,898	$ -	$ -	$ -	$ -	$ 12,793,720	$ 9,924,168	$ 9,659,376
Classified Salaries	2000-2999	24,492	24,492	-	-	-	-	20,636,947	16,173,952	20,269,607
Employee Benefits	3000-3999	11,668	10,067	-	730,138	732,384	700,000	16,217,003	11,722,951	14,519,162
Supplies & Materials	4000-4999	46,815	24,465	45,251	-	-	-	12,550,057	3,029,409	13,285,268
Services & Other Operating	5000-5999	2,316,564	965,713	1,637,859	-	-	-	27,361,325	7,786,134	33,539,457
Capital Outlay	6000-6999		-	-	-	-	-	5,020,429	2,368,265	3,783,583
Total Expenditures		2,411,885	1,036,635	1,683,110	730,138	732,384	700,000	94,579,481	51,004,879	95,056,453
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ 5,300	$ -	$ -	$ -	$ -	$ -	$ 54,800	$ 49,500	$ -
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	95,500	95,500	-
Payments to Students	7500-7699	-	-	-	-	-	-	30,894,896	17,686,503	28,124,660
Total Other Financing Uses		5,300	-	-	-	-	-	31,045,196	17,831,503	28,124,660
TOTAL USES OF FUNDS		$ **2,417,185**	$ **1,036,635**	$ **1,683,110**	$ **730,138**	$ **732,384**	$ **700,000**	$ **125,624,677**	$ **68,836,382**	$ **123,181,113**
SURPLUS / (DEFICIT)		$ -	$ -	$ -	$ -	$ -	$ -	$ **(11,650,995)**	$ **249,319**	$ **(11,900,314)**
ENDING FUND BALANCE		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ **11,900,314**	$ -
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-	-	-	-
Restricted Fund Balance		-	-	-	-	-	-	-	11,900,314	-
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,900,314	$ -

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Prior Year Budget to Actual
Revenues, Expenditures and Change in Fund Balance

		Community Education Funds			SC Child Development Fund			Capital Outlay Fund		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ 3,164,000	$ 3,164,000	$ 1,298,340	$ -	$ -	$ -	$ 394,217,470	$ 394,217,470	$ 382,868,123
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	-	-	-	-	-	-	4,350,695	605,605	5,392,310
Other Local Sources	8800-8899	3,070,554	2,263,516	2,358,000	1,196,717	1,196,715	1,495,514	25,393,767	12,733,786	12,499,860
Total Revenues		3,070,554	2,263,516	2,358,000	1,196,717	1,196,715	1,495,514	29,744,462	13,339,391	17,892,170
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	-	-	-	465,176	465,175	280,000	91,987,561	96,987,561	102,285,782
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	-	-
Total Other Financing Sources		-	-	-	465,176	465,175	280,000	91,987,561	96,987,561	102,285,782
TOTAL SOURCES OF FUNDS		$ 3,070,554	$ 2,263,516	$ 2,358,000	$ 1,661,893	$ 1,661,890	$ 1,775,514	$ 121,732,023	$ 110,326,952	$ 120,177,952
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ 101,944	$ 101,943	$ 85,406	$ 14,823	$ 14,823	$ 15,707	$ 53,779	$ 53,777	$ -
Classified Salaries	2000-2999	870,205	846,334	675,476	1,070,141	1,070,140	1,116,333	2,736,530	2,698,955	1,577,745
Employee Benefits	3000-3999	426,961	360,602	424,913	513,193	513,193	536,919	1,262,059	1,078,975	885,011
Supplies & Materials	4000-4999	33,064	8,411	21,182	31,941	31,940	81,163	842,859	588,577	727,450
Services & Other Operating	5000-5999	2,800,902	810,417	1,862,593	31,795	31,794	25,392	35,562,701	13,007,948	36,701,920
Capital Outlay	6000-6999	1,478	1,469	-	-	-	-	330,275,379	104,248,067	314,380,092
Total Expenditures		4,234,554	2,129,176	3,069,570	1,661,893	1,661,890	1,775,514	370,733,307	121,676,299	354,272,218
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ 2,000,000	$ 2,000,000	$ 51,072	$ -	$ -	$ -	$ -	$ -	$ 342,658
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	-	-	-	-	-
Total Other Financing Uses		2,000,000	2,000,000	51,072	-	-	-	-	-	342,658
TOTAL USES OF FUNDS		$ 6,234,554	$ 4,129,176	$ 3,120,642	$ 1,661,893	$ 1,661,890	$ 1,775,514	$ 370,733,307	$ 121,676,299	$ 354,614,876
SURPLUS / (DEFICIT)		$ (3,164,000)	$ (1,865,660)	$ (762,642)	$ -	$ -	$ -	$ (249,001,284)	$ (11,349,347)	$ (234,436,924)
ENDING FUND BALANCE		$ -	$ 1,298,340	$ 535,698	$ -	$ -	$ -	$ 145,216,186	$ 382,868,123	$ 148,431,199
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-	-	-	-
Restricted Fund Balance		-	-	-	-	-	-	-	-	-
Assigned Fund Balance		-	1,298,340	535,698	-	-	-	145,216,186	382,868,123	148,431,199
Unassigned Fund Balance		-	-	-	-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ -	$ 1,298,340	$ 535,698	$ -	$ -	$ -	$ 145,216,186	$ 382,868,123	$ 148,431,199

SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Prior Year Budget to Actual
Revenues, Expenditures and Change in Fund Balance

		Self-Insurance Fund			Retiree Benefit Fund			Retiree Benefit & Pension Trust Funds		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ 1,805,939	$ 1,805,939	$ 1,922,787	$ 215,124	$ 215,124	$ 367,269	$ 196,009,627	$ 196,009,627	$ 222,929,967
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	-	-	-	-	-	-	-	-	-
Other Local Sources	8800-8899	55,000	138,061	75,000	165,250	165,235	150,000	32,642,138	32,611,078	16,705,000
Total Revenues		55,000	138,061	75,000	165,250	165,235	150,000	32,642,138	32,611,078	16,705,000
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	1,080,032	854,856	1,611,940	7,070,606	7,070,606	9,029,896	18,000,000	18,000,000	20,000,000
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	-	-
Total Other Financing Sources		1,080,032	854,856	1,611,940	7,070,606	7,070,606	9,029,896	18,000,000	18,000,000	20,000,000
TOTAL SOURCES OF FUNDS		$ 1,135,032	$ 992,917	$ 1,686,940	$ 7,235,856	$ 7,235,841	$ 9,179,896	$ 50,642,138	$ 50,611,078	$ 36,705,000
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Classified Salaries	2000-2999	445,045	445,044	466,416	-	-	-	-	-	-
Employee Benefits	3000-3999	253,918	253,672	268,033	7,070,606	7,070,606	9,029,896	4,990,128	4,990,127	-
Supplies & Materials	4000-4999	1,733	745	2,500	-	-	-	-	-	-
Services & Other Operating	5000-5999	670,769	176,142	1,254,324	14,000	13,090	14,000	555,660	552,992	625,000
Capital Outlay	6000-6999	567	466	-	-	-	-	-	-	-
Total Expenditures		1,372,032	876,069	1,991,273	7,084,606	7,083,696	9,043,896	5,545,788	5,543,119	625,000
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,147,619	$ 18,147,619	$ 17,990,129
Other Outgoing Transfers	7400-7499	-	-	-	-	-	-	-	-	-
Payments to Students	7500-7699	-	-	-	-	-	-	-	-	-
Total Other Financing Uses		-	-	-	-	-	-	18,147,619	18,147,619	17,990,129
TOTAL USES OF FUNDS		$ 1,372,032	$ 876,069	$ 1,991,273	$ 7,084,606	$ 7,083,696	$ 9,043,896	$ 23,693,407	$ 23,690,738	$ 18,615,129
SURPLUS / (DEFICIT)		$ (237,000)	$ 116,848	$ (304,333)	$ 151,250	$ 152,145	$ 136,000	$ 26,948,731	$ 26,920,340	$ 18,089,871
ENDING FUND BALANCE		$ 1,568,939	$ 1,922,787	$ 1,618,454	$ 366,374	$ 367,269	$ 503,269	$ 222,958,358	$ 222,929,967	$ 241,019,838
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertainties		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-	-	-	-
Restricted Fund Balance		-	-	-	-	-	-	-	-	-
Assigned Fund Balance		1,568,939	1,922,787	1,618,454	366,374	367,269	503,269	222,958,358	222,929,967	241,019,838
Unassigned Fund Balance		-	-	-	-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ 1,568,939	$ 1,922,787	$ 1,618,454	$ 366,374	$ 367,269	$ 503,269	$ 222,958,358	$ 222,929,967	$ 241,019,838

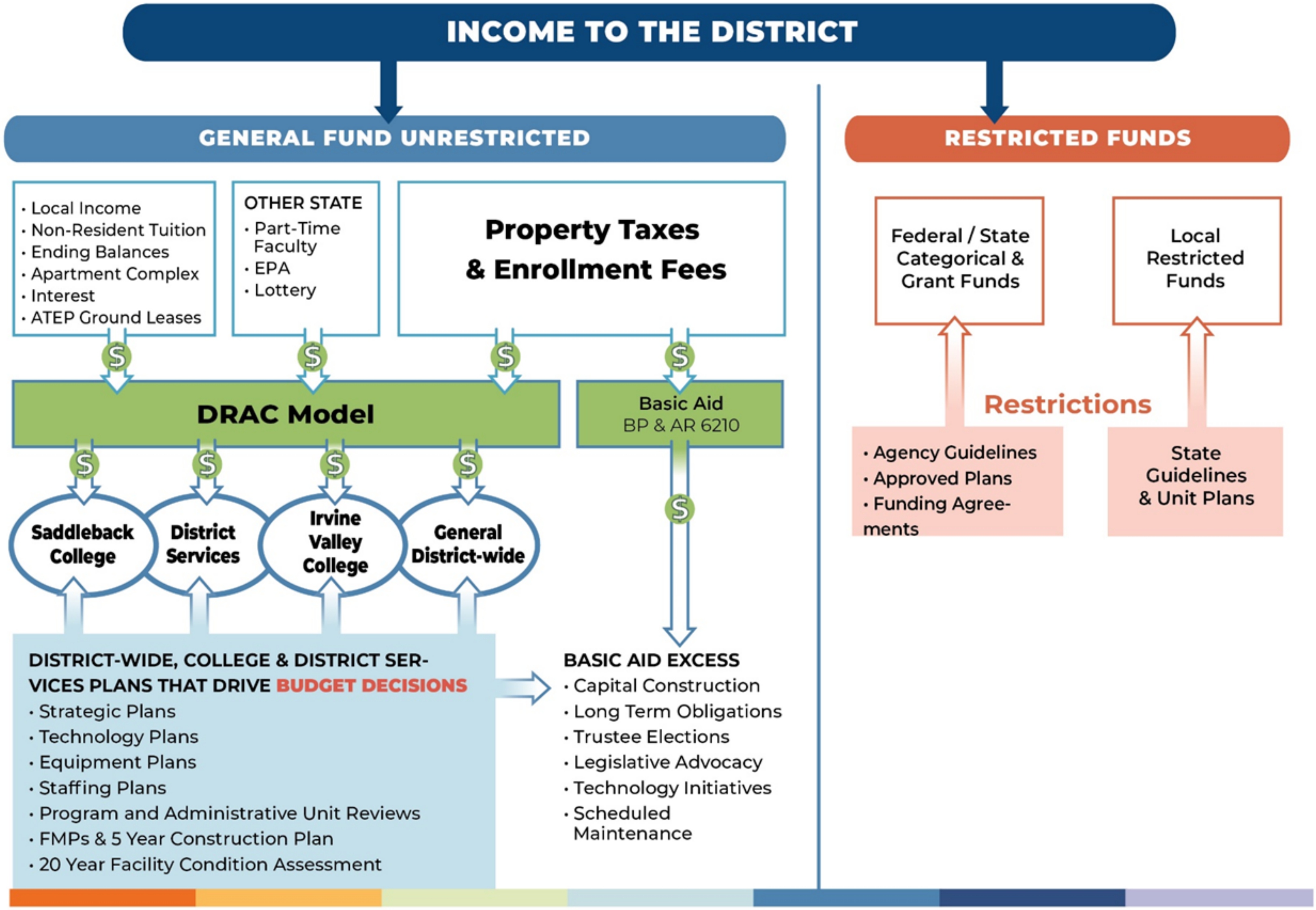
SOUTH ORANGE COUNTY COMMUNITY COLLEGE DISTRICT
Prior Year Budget to Actual
Revenues, Expenditures and Change in Fund Balance

		Student Financial Aid Fund			Associated Student Government Funds			Student Representation Fee Fund		
		Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27	Revised Budget 2025-26	Actual 2025-26	Adopted Budget 2026-27
BEGINNING FUND BALANCE	9712	$ **-**	$ **-**	$ **-**	$ **269,942**	$ **269,942**	$ **204,527**	$ **48,526**	$ **48,526**	$ **36,001**
SOURCES OF FUNDS										
REVENUES:										
Federal Sources	8100-8199	$ 42,461,002	$ 42,461,002	$ 43,345,000	$ -	$ -	$ -	$ -	$ -	$ -
Other State Sources	8600-8699	5,181,109	5,181,109	5,242,000	-	-	-	-	-	-
Other Local Sources	8800-8899	-	-	-	692,000	704,876	693,500	101,500	91,202	83,000
Total Revenues		47,642,111	47,642,111	48,587,000	692,000	704,876	693,500	101,500	91,202	83,000
OTHER FINANCING SOURCES:										
Sale of Surplus	8910-8919	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interfund Transfers In	8980-8981	49,500	49,500	-	-	-	-	-	-	-
Other Incoming Transfers	8982-8989	-	-	-	-	-	-	-	-	-
Total Other Financing Sources		49,500	49,500	-	-	-	-	-	-	-
TOTAL SOURCES OF FUNDS		$ **47,691,611**	$ **47,691,611**	$ **48,587,000**	$ **692,000**	$ **704,876**	$ **693,500**	$ **101,500**	$ **91,202**	$ **83,000**
USES OF FUNDS										
EXPENDITURES:										
Academic Salaries	1000-1999	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Classified Salaries	2000-2999	-	-	-	127,365	120,934	105,791	-	-	-
Employee Benefits	3000-3999	-	-	-	68,614	65,901	55,181	-	-	-
Supplies & Materials	4000-4999	-	-	-	142,788	119,304	189,072	23,600	6,174	6,800
Services & Other Operating	5000-5999	-	-	-	354,651	354,651	252,622	74,811	55,144	37,605
Capital Outlay	6000-6999	-	-	-	5,938	259	6,014	-	-	-
Total Expenditures		-	-	-	699,356	661,049	608,680	98,411	61,318	44,405
OTHER FINANCING USES:										
Interfund Transfers Out	7300-7399	$ -	$ -	$ -	$ 30,000	$ 30,000	$ 30,000	$ -	$ -	$ -
Other Outgoing Transfers	7400-7499	-	-	-	-	-	35,000	51,615	42,409	38,595
Payments to Students	7500-7699	47,691,611	47,691,611	48,587,000	87,500	79,242	68,820	-	-	-
Total Other Financing Uses		47,691,611	47,691,611	48,587,000	117,500	109,242	133,820	51,615	42,409	38,595
TOTAL USES OF FUNDS		$ **47,691,611**	$ **47,691,611**	$ **48,587,000**	$ **816,856**	$ **770,291**	$ **742,500**	$ **150,026**	$ **103,727**	$ **83,000**
SURPLUS / (DEFICIT)		$ **-**	$ **-**	$ **-**	$ **(124,856)**	$ **(65,415)**	$ **(49,000)**	$ **(48,526)**	$ **(12,525)**	$ **-**
ENDING FUND BALANCE		$ **-**	$ **-**	$ **-**	$ **145,086**	$ **204,527**	$ **155,527**	$ **-**	$ **36,001**	$ **36,001**
COMPONENTS OF ENDING FUND BALANCE										
Assigned Reserve, Economic Uncertai		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Nonspendable Fund Balance		-	-	-	-	-	-	-	-	-
Restricted Fund Balance		-	-	-	145,086	204,527	155,527	-	36,001	36,001
Assigned Fund Balance		-	-	-	-	-	-	-	-	-
Unassigned Fund Balance		-	-	-	-	-	-	-	-	-
TOTAL ENDING FUND BALANCE		$ -	$ -	$ -	$ 145,086	$ 204,527	$ 155,527	$ -	$ 36,001	$ 36,001

APPENDIX A

Resource Allocation Process

Board policies, regulations and budget development guidelines govern income decisions.



APPENDIX B

South Orange County Community College District

RESOURCE ALLOCATION DEFINITION OF TERMS

(To accompany the Flow Chart outlining the Resource Allocation Process)

- **Administrative Unit Reviews** (AURs) are conducted to examine the effectiveness of an administrative unit. They are conducted at both District Services and the colleges.
- **Basic Aid** occurs when the local property tax revenue and student fees in a community college district exceed the total funding that the state would have provided, as calculated by the state funding formula. Apportionment is the method by which the California Community College (CCC) system office distributes federal and state monies to community college districts according to a specified formula. Under Basic Aid, there is no need to factor in any state aid because property taxes and student fees surpass the minimum funding level established by the state.
- **Capital Construction** refers to large-scale building construction projects. They include specific construction projects such as site development, utilities, roads, buildings, and equipment projects. Capital projects may also be thought of in terms of "facilities systems."
- **DRAC** is the District Resources Allocation Council, which is a district-wide participatory governance council, charged with making recommendations for the income allocation model on which the Unrestricted General Fund budget is based; the development of the allocation process; the ongoing oversight of District finances; and monitoring progress made towards completion of the capital improvement and technology basic aid allocations. It makes recommendations to the Chancellor.
- **DRAC Model** is a resource allocation model for the District. It distributes available general fund unrestricted resources (following the state funding formula) and other funding such as non-resident tuition, local income, pension stabilization support, and ending balances. Funds are distributed to five areas: 1) Saddleback College, 2) Irvine Valley College, 3) District Services, 4) General Expenditures, and 5) Contingency Reserve. The intention of the model is to achieve a predictable and fair distribution of revenues.
- **Ending Balances** are one-time remaining funds that are unspent at the end of the fiscal year and are available to be rolled over into the new fiscal year within the fund. They should only be available for one-time purposes. If negative ending balances should occur, they are deducted from the budget for the respective entity in the next year's budget process.
- **Enrollment Fees** are established by the State and charged to a student for instructional services provided to that student.
- **Facilities Master Plan (FMP)** is the long-term plan for facilities improvements that aligns with the District and college Strategic Plans.

- **Federal, State, Categorical, and Grant Funds** include restricted revenues received from a government or a private or non-profit organization to be used or expended for a specified purpose.
- **General Funds** are used to account for the ordinary operational expenses of the District. These funds are available for any legally authorized purpose not specified for payment by other funds.
- **Local Income** is income derived from non-state and non-federal sources, such as interest income, material fees, ATEP ground lease tenant rents, facility rentals, and application fees.
- **Local Restricted Funds** are funds that are non-state and non-federal, but have restrictions or limitations based on their use by the funding source or funding agency. Examples are community education, health services, parking fees, and child development funds.
- **Long-Term Obligations** represent obligations that an entity may be required to pay from its resources over an extended period. A common long-term obligation for community colleges is the future liability for retiree benefits, as required under GASB 43 and 45. Other examples include Certificates of Participation (COPs) and other forms of debt, which the District does not currently have.
- **Non-Resident Fees** are charged to a student who resides outside of California for instructional services provided.
- **Program Reviews** are a process to examine the effectiveness of an academic or student services program. The process typically provides feedback (a) to the academic or student services unit primarily responsible for the program, (b) to the appropriate academic administrators, and (c) to external units in the form of confirmation of the existence of a review process and in the form of summaries of the outcomes.
- **Property taxes** are mandatory charges imposed by a governmental entity on real property within its jurisdiction to fund public services that benefit the community. For the District, property taxes are the primary source of revenue.
- **Reserve (Ending Balance)** is an amount set aside to provide for estimated future expenditures or losses for working capital, or for other specified purposes. The Budget Guidelines approved by the Board of Trustees require a general fund reserve for economic uncertainties that shall be no less than 7.5% of the projected unrestricted revenue and 20% of excess property taxes available for basic aid. Additionally, each college and District Services must maintain a general fund reserve for economic uncertainties of no less than 3.5% of their respective projected unrestricted expenditures.
- **Restricted Funds** are used to account for resources available for the operation and support of educational or other programs specifically restricted by law, regulations, donors, or other outside agencies. Examples of restricted funds are EOPS, DSPS, and grants.
- **Scheduled Maintenance Funds** are state or local funds that are provided for major repairs of buildings and equipment, water conservation projects, and energy savings projects. At the District, the working definition of scheduled maintenance includes scheduled maintenance or repair of major building systems at the end of their life cycle that require planning, allocation of a significant amount of time and funds, and a high degree of coordination.
- **State Capital Project Funds** are funds provided by the California Community College Chancellor’s Office for District capital construction projects that meet their criteria for receiving funds from the State. These funds are matched by the District.
- **Strategic Plans** refer to the Strategic Plans at both colleges and the SOCCCD *Inspire 2035*.

- **Technology Master Plan** is the long-term plan for technology improvements that aligns with the District and college Strategic Plans.
- **Unrestricted Funds** are funds that do not have limitations on their use or disposition by their funding source (i.e., do not have specific restrictions placed upon them). These funds can be used for general purpose operating expenses and support of educational programs of the District.
- **5 Year Construction Plan** uses the project lists developed during the Facilities Master Planning process. The college presidents work every year with their campuses to update the two colleges' lists of project priorities. The separate campus priority lists are merged into one District-wide project priority list vetted through the Capital Improvement Committee (CIC) and approved by the Board of Trustees for submittal to the CCC Chancellor's office. This Five-Year Construction Plan is the basis for the CCC Chancellor's Office determination of which projects they will consider for funding. All Initial Project Proposal (IPP) and Final Project Proposal (FPP) submittals must be drawn from this list.