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Río Hondo College Adopts Positive Budget for 2021-22 School Year

WHITTIER – The Río Hondo College Board of Trustees adopted a balanced 2021-22 budget during a board meeting on Sept. 8, setting aside ample funding for student financial aid while avoiding the loss of staff and increasing reserves to \$34.8 million in general fund.

The adopted budget allocates about \$23.4 million for student financial aid from the Restricted General Fund and approximately \$27.5 million from the Financial Aid Fund, which includes \$47.9 million from COVID-19 federal emergency revenue. The unrestricted and restricted general fund revenues combined is \$173.3 million, while expenses total \$172 million. For the 2020-21 budget, the College's unrestricted and restricted combined revenue was more than \$115.9 million, while expenses totaled roughly \$114 million.

"Río Hondo College's finances are solvent and stable, especially thanks to COVID-19 relief funds, which were graciously given to local colleges through the Higher Education Emergency Relief Fund I, II, and III." Superintendent/President Teresa Dreyfuss said. "With a strong financial foundation, we can continue to provide education to our community while also assuring strong employment rates."

California's Student Centered Funding Formula provides colleges with 70 percent of their funding based on full-time equivalent student (FTES) numbers, 20 percent as a supplemental allocation and 10 percent as a student success allocation.

In addition to federal COVID-19 emergency student aid funds, Río Hondo College's financial aid funds include the Pell grant, Supplemental Educational Opportunity Grant, Direct Loan, Cal Grant and emergency relief grant scholarships, totaling some \$27.5 million in awards for students.

College faculty, management and confidential employees will also benefit from a 5.07 percent cost-of-living adjustment. Faculty, administrators and confidential salary increased by 6.07 percent and classified increased by 7.5 percent, which includes a 2.43 percent conversion from 50 percent medical premium cashback.

MORE

Río Hondo College is an educational and community partner committed to advancing social justice and equity as an antiracist institution that collectively invests in all students' academic and career pathways that lead to attainment of degree, certificate, transfer, and lifelong-learning goals. For information on the College or its programs, please call 562-692-0921 or visit www.riohondo.edu.

Río Hondo College set aside \$7.3 million in the Public Agency Retirement Service (PARS) pension obligation trust fund for future escalating costs and set aside a trust fund of \$67.5 million for other retirement benefits, fully meeting the Other Post-Employment Benefits (OPEB) obligation. Río Hondo College is one of the few community colleges in California that offers retiree and one dependent life time medical benefits.

“This budget reflects the Board of Trustees’ commitment to our students, staff and community to provide a financially sound institution,” Board President Rosaelva Lomeli said. “I would like to thank my colleagues for their support in maintaining a strong reserve. Despite the challenges posed by the COVID-19 pandemic, Río Hondo College remains strong in many ways.”

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