

Planning and Budget Committee Meeting

APPROVED MINUTES

Meeting date **Oct. 4, 2019** | Time **12:30PM** | Meeting location **District Office Board Room**

Meeting called by VC of Business Services
Type of meeting Planning & Budget
Tri-Chairs Doug Roberts, Rajeev Chopra & Cathy Gould
Note taker Dawn Neideffer
Timekeeper Doug Roberts

Attendees: Tamica Ward, Sarah Thompson, Paulette Lino, Miguel Colon, Diane Brady, Chasity Whiteside, David Rodriguez, Jeff Drouin, Noell Adams, Cathy Gould, Ashley Young, Rajeev Chopra, Theresa Fleischer Rowland, Thomas Orf, Dale Wagoner, Mworia Lilian, Chris Ytooma, Wyman Fong, Doug Roberts and Dawn Neideffer. *On the phone:* Trish Shannon, George Walters, Matt Kritscher.

AGENDA TOPICS | MEETING COMMENCED AT 12:41

Time allotted | **2 min** | Agenda topic **1.0 Approval of Agenda** | Presenter **Doug**

Discussion No discussion had.

Conclusion Agenda approved by consensus.

Action items	Person Responsible	Deadline
1. Agenda approved		

Time allotted | **3 min** | Agenda topic **2.0 Approval of Minutes** | Presenter **Doug**

Discussion No discussion had.

Conclusion Minutes approved by consensus.

Action items	Person Responsible	Deadline
1. Minutes approved		

Time allotted | **10 min** | Agenda topic **3.0 EDCE Split** | Presenter **Doug**

Discussion Doug handed out an updated chart of the [unrestricted general fund](#) (UGF) ending balance. A couple of EDCE items still need to be closed, but no significant changes are expected other than to EDCE fund balances. Of the \$3.6M net revenues EDCE has from 18/19FY, \$1.8M will be distributed to RUMBLE in 19/20FY; and about \$1M will be distributed to the District and Colleges. Of the \$1M distribution, roughly 10.48 percent goes to District, 8.5 percent to M&O, 48 percent to Chabot and

33.5 percent to LPC. In dollars to the colleges, that's approximately \$350K for LPC and

\$480K to Chabot.

Conclusion

EDCE balance split is 50 percent toward RUMBL, 30 percent to Colleges and District Office and 20 percent stays in EDCE's fund.

Action items

Person Responsible Deadline

None noted

Time allotted | **15 min** | Agenda topic **4.0 Reserve/Rollback Funding** | Presenter **Doug**

Discussion

UGF ending fund balance was recalculated by separating EDCE monies into its own fund. With this fund separation, and exclusion of EDCE's expenditures from the 8 percent reserve, more funding was available for the SCFF reserve. The other recalculation is a CalSTRS expenditure that was redirected to District Services fund, bringing the SCFF reserve to near-original projections. A conversation about SCFF expenditures and continuing to keep a SCFF reserve during hold harmless years ensued. Currently, a revenue loss is expected after the hold harmless years. Hold harmless status is held through 21/22FY. Current Rollback Reserve is at \$7.5M. New labor contracts and other budgetary obligations will change future expenditures. It may be beneficial to hold back on spending all SCFF reserve monies until a better understanding of the SCFF era is had.

Conclusion

Assuming the same amount of revenues will be reserved during the hold harmless years, a multi-year projection on past expenditures and expected expenditures for 19/20FY through 21/22FY, will help the committee run comparisons and project the shortfall for 22/23FY. PBC needs to decide if: a few years of revenue should be held back; if a percentage of the revenue should be held back; if just enough money to cushion a shortfall should be held back; or if a proration of the reserve expenditures should be implemented, for example, if there's a \$10M rollback reserve, the first year we can spend \$4M, then \$3M the second year and \$2M the last year. It was noted that creative ideas for the SCFF proposals should keep in a mind saving revenue for projected 'SCFF cliff'.

Action items

Person Responsible Deadline

1. Compile multi-year SCFF projections

Doug

Not noted

Time allotted | **5 min** | Agenda topic **5.0 Report Out of SCFF Projects** | Presenter **Miguel**

Discussion

Data was pulled from DocuSign. A recap of a few of the SCFF proposals in the completed queue of DocuSign was handed out. Forty-five proposals are waiting for action. No proposals came from District staff; many proposals did not have approvers added, which prevented those applications from moving forward to approvers. Most proposals were not marked for District-wide

implementation. The *FFC Proposal Subcommittee* may be able to identify and flag proposals that can span District-wide.

Conclusion

The DocuSign part of the SCFF application process will be adjusted where applicable to make it more user friendly for all stakeholders. The SCFF application process needs to be reinforced by SCFF coaches before users begin filling out the application. The internal process at the colleges will be refined for Spring 2020 to eliminate incomplete applications in DocuSign and to enable approvers to review applications before they're sealed into a DocuSign format. The Spring 2020 round of SCFF proposals will give faculty and staff enough time to collaborate and better understand the application process.

Action items

Person Responsible Deadline

None noted

Time allotted | **5 min** | Agenda topic **6.0 CW/P Budget Model Examples** | Presenter **Chris**

Discussion

Chris brought [budget model examples](#) from North Orange (three-college district), Coast College (three-college district) and Rancho Santiago (two-college district). Examples of how funds are allocated at the different colleges was presented.

Conclusion

CW/P currently works with these three multi-college districts, among several others. The districts listed as examples above have spent considerable time discussing and modeling their intra-district funding models and are relatively advanced in their thinking about what their budget allocation models should look like in this new era of SCFF funding. These other districts have strong, independent-minded colleges that want to operate as autonomously as possible within their funding allocations under the new SCFF funding model. They realize the SCFF funding model, with its three funding components aligned to enrollments, low-income students and student outcomes, gives strong, goal oriented colleges incentives to improve their funding by improving their outcomes associated with the three SCFF funding components. These three districts all have relatively good-sized, comprehensive colleges and they want a budget allocation model that offers as many incentives as possible to improve fiscal outcomes.

Action items

Person Responsible Deadline

None noted

Time allotted | **20 min** | Agenda topic | **7.0 Scope & Timeline for New Budget Allocation Model** | Presenter **Doug/Rajeev**

Discussion: To embark on a new budget model, a good starting place is to look at what worked and what didn't work when the current BAM was developed; also to look at past timelines and determine what went wrong.

Conclusion It is important to look at what was done in the past before moving forward. PBC meeting notes from 2014/15 to present are at the bottom of the [PBC webpage](#)

Action items

Person Responsible Deadline

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- | | | |
|---|------------------|--------------|
| 1. Bring summary of BAM history for information | Past PBC members | Next meeting |
|---|------------------|--------------|

Time allotted | **5 min** | Agenda topic **9.0 Future Agenda Items** | Presenter **All**

1. Timeline and Scope for New Budget Allocation Model
2. Multi-year Projected Expenditures (Doug)
3. SCFF Cliff and Rollback Reserve (Doug)
4. Summary of BAM History (to alleviate brainstorming during PBC meetings)

Summary of Actions Items:

1. Agenda approved
2. Minutes approved
3. Doug will compile multi-year SCFF projections
4. Past PBC members to bring data for summary of BAM history

Meeting adjourned at 2:35