



Special Planning & Budget Committee (PBC) Minutes

June 3, 2022 12:30 p.m.

Regular Meeting

Recorder: Dawn Renee Neideffer

Note: 10 members required to meet quorum

Attendance:

Chairs (3)	Classified Senate (3)	Heather Hernandez	
<input checked="" type="checkbox"/> Jonah Nicholas (DO) non-voting	Noell Adams (CC)	Christine Read	
<input checked="" type="checkbox"/> Noell Adams (CC)	<input checked="" type="checkbox"/> David Rodriguez (LPC)	Rosalie Roque	
<input checked="" type="checkbox"/> Sarah Thompson (LPC)	<input checked="" type="checkbox"/> Chasity Whiteside	Sui Song	
Administration (5)	Classified Union (3)	Dave Fouquet	
<input checked="" type="checkbox"/> Dr. Theresa Fleischer Rowland (DO)	<input type="checkbox"/> Virginia Criswell (CC)	Dr. Kristina Whalen	
<input checked="" type="checkbox"/> Dale Wagoner (CC)	<input type="checkbox"/> Stephany Chavez (LPC)	Rachel Ugale	
<input checked="" type="checkbox"/> Anette Raichbart (LPC)	<input type="checkbox"/> Cathy Gould (DO)	Ron Gerhard	
<input checked="" type="checkbox"/> Rajinder Samra (LPC)	Student Senate (2)	Billy delos Santos	
<input checked="" type="checkbox"/> Nathaniel Rice (CC)	<input type="checkbox"/> Thomas Blakely (LPC)	Dionicia Ramos	
Faculty Association (2)	<input type="checkbox"/> Stacy Harris (CC)		
<input checked="" type="checkbox"/> Jeff Drouin (CC)	Guests:		
<input checked="" type="checkbox"/> Thomas Orf (LPC)	Theresa Pedrosa		
Academic Senate (4)	Joanne Bishop-Wilbur		
<input checked="" type="checkbox"/> Miguel Colon (CC)	Daniela Baliff		
<input type="checkbox"/> Tina Inzerilla (LPC)	Dr. Dyrell Foster		
<input checked="" type="checkbox"/> Dr. Patricia Shannon (CC)	Brian Goo		
Sarah Thompson (LPC)	Kirti Reddy		

Meeting commenced 12:30 p.m.

Agenda Item	Information/Discussion	Action
1.	<p>Welcome Guests and Quorum Check <i>For information</i></p> <p>All welcomed. Quorum met with 13 voting members, excluding Jonah Nicholas.</p>	None
2.	<p>Approve Today's Agenda <i>For action</i></p> <p>Jonah Nicholas asked for a motion to approve the agenda. Nathaniel Rice moved to approve the agenda and Thomas Orf seconded the motion. <u>The agenda was approved, unanimously.</u></p>	June 3, 2022 agenda approved
3.	<p>Approve Previous Meeting Minutes <i>For action</i></p> <p>The minutes from the previous meeting were reviewed. Jonah Nicholas asked for a motion to approve the minutes. Miguel Colon moved to approve the previous meeting minutes, Chasity Whiteside seconded the motion. <u>The minutes were approved, unanimously.</u></p>	May 6, 2022 minutes approved
4.	<p>Summer and Fall Enrollment Report-out and Discussion <i>For information and discussion</i></p> <p>Enrollment numbers are down at both colleges. Sarah Thompson noted the record graduation numbers for this year's show student success, which is a victory. She said there are two options to consider, 1) that the colleges need to budget with an intent to capture enrollments, or 2) colleges need to budget with a major correction in the allocation model. Discussion ensued.</p>	None
5.	<p>May Revise and Tentative Budget Update <i>For discussion</i></p> <p>Jonah Nicholas presented a slide deck on the tentative budget and the governor's May revise.</p> <p>Highlights:</p>	None

- Unrestricted fund is balanced districtwide
 - Surplus of approximately \$2.7M or about 2.1% of the expenditure budget
 - Surplus achieved through a combination of factors:
 - Significant COLA of 5.33%
 - Unfilled vacancies
 - Reliance on federal stimulus dollars where appropriate
 - Hold harmless funding
- Ending Projected Fund Balance of \$25.5M
 - Equates to a reserve level of 19.59%, well above the 8% target reserve in AP 6305
 - As we begin the FY 2021-22 closing process, this figure can and likely will shift, perhaps significantly, by the Adoption Budget
 -

Major Assumptions:

- FTES Assumptions
 - Chabot College – 9,540 FTES
 - Las Positas College – 6,542 FTES
- Revenue Assumptions
 - COLA of 5.33% - Approximately \$6.4M in additional apportionment revenue
 - Enrollment Growth of 0%
- Expenditure Assumptions
 - Step and column increases built into position control

The May revise has better news:

- Overall state budget is over \$300B with \$227B in the state general fund.
- The state budget has a surplus of \$49B
- Prop 98 has over \$4.5B over prior year; the vast majority of this is being allocated for one-time uses

Community College System:

- Cost of Living Adjustment (COLA) went from 5.33% to 6.56%. (if enacted, an additional \$7.9M will go to the District)
- \$1.25M for basic allocation increases in technology
- \$250M to increase the credit rate per FTES
- \$750M in one-time funds for the block grant
- \$1B in one-time deferred maintenance and instructional equipment funds

May Revision Hold Harmless:

	<ul style="list-style-type: none"> • Revenue protection for districts through FY 2024-25 • A district’s FY 2024-25 revenue level could become its new base • Beginning in FY 2025-26, districts who do not generate funding through the SCFF, greater than their FY 2024-25 revenue base, would no longer be given cumulative COLAs (COLAs would essentially become one-time money in years in which it was given) <p>Discussion ensued.</p>	
6.	<p>How to Fund ISAs <i>For action</i></p> <p>Sarah Thompson shared a statement from LPC regarding a potential ISA policy: “Colleges have a choice of a) having FTES covered by step 3A, but FTES then comes from the District instead of being college based, and b) covering the cost of the ISA and being able to count the FTES as part of the college total. This way we can provide stability for programs while not chasing enrollments and allowing the colleges the ability to grow when we are chasing enrollments.” Discussion ensued. Jonah Nicholas said there are incentives for the colleges to pay for ISAs because the cost would be about .50 cents to the dollar.</p> <p>Jeff Drouin led the conversation at Chabot. Chabot wants to make sure the ISA-conversation stays on the table about the previous request at DEMC, that was forwarded to PBC, to fund the Sheriff’s Academy for FY 2021-22. There is a discrepancy in the projected FTEF compared to the actual FTEF. There was no historical data in Argos to show FTEF for the Sheriff’s Academy. Trish Shannon asked where the funding is coming from for these programs and said the program funding is coming from the reserves? Jonah Nicholas replied this is true if there are no reductions being made elsewhere. If existing programs are scaled back, we would reallocate those dollars toward the ISA. If the program is good for the community, as well as contributing to enrollment growth, then the money to fund the program doesn’t necessarily come from the reserves. Trish Shannon said she wants to invest in attracting new students and retaining those students we have in the pipeline. The FTEF to run the Sheriff’s Academy is at about 40 when it was originally projected to be 13, and there is a question if running the Sheriff’s Academy is negatively impacting other programs by taking limited resources. Miguel Colon added that it is important to build relationships with the students in the academy (and other programs) to possibly add to their education. For example, a student can finish the academy and also earn an AA degree. Miguel acknowledged some of these efforts may fail, but the effort needs to be made; David Rodriguez countered with caution that failures could mean the loss of jobs. Rajinder Samra said the Sheriff’s Academy has a lot of moving parts and asked if the FTEF helped fund the academy in 2020-21. Jeff Drouin confirmed it did. Fiscal Year 2021-22 showed 521 FTEF, and 2021 had a higher allocation. Jonah Nicholas said the focus is to come up with a process that avoids these issues when a new ISA is onboarded.</p>	None

	The ideas and actions from the committee are commended. No action will be taken today and this item will carry over to the next agenda.	
7.	<p>PBC Subcommittee Report-out <i>For information</i></p> <p>The PBC Subcommittee met on May 20, 2022. It was a robust and long meeting that went step by step through the potential allocation model. In general, the potential model was looked upon positively and as being college-centric. One of the bigger changes is that the colleges are funded upfront on specific allocations, such as faculty full time hiring and the office-hours allocation (from the state). These allocations went to the colleges first before any revenue went to the District. The next subcommittee meeting is slated for July 14, 2022, shortly after the state budget is enacted, and will give the subcommittee a chance to incorporate the state changes into the potential model.</p>	
8.	<p>Budget Status Reports <i>For discussion</i></p> <p>A shout out to Chabot was given for their adjustments to academic salaries. LPC looks good. The academic salaries showing for the District are a result of some SCFF-funded projects. M&O encumbrances will begin dropping off during the yearend-close process, but their budget looks good. Budget is on track for all sites.</p>	
9.	<p>Future Agenda Items <i>For discussion</i></p> <ol style="list-style-type: none"> 1. How to fund ISAs, for action 2. Show the ISAs in the model for discussion 	

Meeting adjourned 2:04 p.m.