



Special Planning & Budget Committee (PBC) Minutes

February 4, 2022 9:30 a.m.

Regular Meeting

Recorder: Dawn Renee Neideffer

Note: 10 members required to meet quorum

Attendance:

Chairs (3)	Classified Senate (3)	Joanne Bishop-Wilbur	Bobby Nakamoto
<input checked="" type="checkbox"/> Jonah Nicholas (DO) non-voting	Noell Adams (CC)	Julia Dozier	
<input checked="" type="checkbox"/> Noell Adams (CC)	<input checked="" type="checkbox"/> David Rodriguez (LPC)	Heather Hernandez	
<input checked="" type="checkbox"/> Sarah Thompson (LPC)	<input checked="" type="checkbox"/> Chasity Whiteside	Dr. Cynthia Gordon da Cruz	
Administration (5)	Classified Union (3)	Ron Gerhard	
<input checked="" type="checkbox"/> Dr. Theresa Fleischer Rowland (DO)	<input checked="" type="checkbox"/> Virginia Criswell (CC)	Angela Castellanos	
<input checked="" type="checkbox"/> Dale Wagoner (CC)	<input checked="" type="checkbox"/> Stephany Chavez (LPC)	Dr. Terri Anderson	
<input checked="" type="checkbox"/> Anette Raichbart (LPC)	<input type="checkbox"/> Cathy Gould (DO)	Dr. Susan Sperling	
<input checked="" type="checkbox"/> Rajinder Samra (LPC)	Student Senate (2)	Heike Gecox	
<input checked="" type="checkbox"/> Nathaniel Rice (CC)	<input checked="" type="checkbox"/> Thomas Blakely (LPC)	Danita Romero	
Faculty Association (2)	<input checked="" type="checkbox"/> Stacy Harris (CC)	Rosalie Roque	
<input checked="" type="checkbox"/> Jeff Drouin (CC)	Guests:	Christine Read	
<input checked="" type="checkbox"/> Thomas Orf (LPC)	Jeanne Wilson	Jennifer Lange	
Academic Senate (4)	Daniela Baliff	Dr. Dyrell Foster	
<input checked="" type="checkbox"/> Miguel Colon (CC)	Billy delos Santos	Dave Fouquet	
<input checked="" type="checkbox"/> Tina Inzerilla (LPC)	Brian Goo	Paulette Lino	
<input checked="" type="checkbox"/> Dr. Patricia Shannon (CC)	Dionicia Ramos	Kirti Reddy	
Sarah Thompson (LPC)	Sui Song	Walter Blevins	

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. Members and guests were introduced to the new Director of PRMG, Dionicia Ramos. Quorum met with 18 voting members, excluding Jonah Nicholas.</p>	None
XX	<p>DEMC Report-out <i>For information</i></p> <p>Theresa F. Rowland gave a report-out of the DEMC meeting held on February 4, 2022. DEMC is a contractual committee set by the Faculty Association to focus on FTES and FTEF yearly targets. A robust conversation around multi-year planning was had. Future planning efforts are multi-pronged. Discussion to build-back enrollments included two main focuses. One is how to reach new segments in the community while intentionally naming target populations. Thought would be given to systems and structures for outreach and engagement of these adults in the community and how we can connect them to our colleges. The other pertains to enrollment management and how we can put courses on the schedule that support student success; which led to a conversation about guided pathways and how we can help students move toward completion of their educational goals. Collaboration amongst the colleges was discussed, as well as the possibility of forming an advisory subcommittee that would report to Chancellor Gerhard.</p>	
2.	<p>Approve Today's Agenda <i>For action</i></p> <p>Before the agenda was reviewed, a DEMC report-out was added. This will become a standing item on PBC's agenda. Jonah Nicholas asked for a motion to approve the agenda, Thomas Orf moved and Dale Wagoner seconded the motion. <u>The agenda was approved, unanimously.</u></p>	February 4, 2022 agenda approved
3.	<p>Approve Previous Meeting Minutes <i>For action</i></p>	<p>January 21, 2022 minutes approved</p> <p>Yes 17 No 0</p>

	The minutes from the special meeting held on January 21 st were reviewed. Jonah Nicholas asked for a motion to approve the minutes Dale Wagoner moved to approve, David Rodriguez seconded the motion. <u>The minutes were approved, with one abstention.</u>	Abstained 1
4.	<p>Budget Status Reports <i>For information</i></p> <p>The budget is on track for all sites.</p>	None
5.	<p>Budget Development Calendar <i>For information</i></p> <p>Budget Officer, Rosalie Roque, gave a report-out of the FY 2022-23 budget development calendar. Currently, most of the data in the calendar are projections. The position control worksheet will be shared with the sites for feedback. Changes in position control for FY 2022-23 must be made by early March. In consideration of the many, new employees districtwide, training for budget development is being offered. Contact Rosalie Roque to schedule. Adjustments for the adopted budget must be made between July 1st and early August. The goal is to finalize the adopted budget by the end of July; at that time, PBC will be able to review the adopted budget. The adopted budget is presented to the Board of Trustees on August 16, 2022.</p>	None
6.	<p>Revenue and Expense Assumptions for Tentative Budget FY 2022-23 <i>For information</i></p> <p>Jonah Nicholas expressed to the committee his desire to have a recommendation to the Chancellor on the final budget allocation model (BAM) by the time the adopted budget is presented to the Board of Trustees.</p> <p><u>General Assumptions</u></p> <ul style="list-style-type: none"> ○ a 5.33% COLA ○ a reflection of the SCFF and hold harmless funding ○ the tentative and adopted budgets will be balanced ○ there will be a contingency reserve of 8% ○ the District and colleges will use planning documents and planning processes as a basis for the development of expenditure budgets <p><u>Revenue Assumptions</u></p> <ul style="list-style-type: none"> ○ an apportionment deficit factor of 1% will be budgeted ○ the COLA revenue of approximately \$6.4M 	

	<ul style="list-style-type: none"> ○ enrollment growth of 0% ○ funded base credit FTES of 15,987; DEMC recommended target of 15,93810 ○ funded base non-credit FTES of 360; DEMC recommended target of 14411 ○ funded Special Admit Credit FTES of 388; this figure is included in the DEMC recommended target of 15,938 <p><u>Expenditure Assumptions</u></p> <ul style="list-style-type: none"> ○ the District intends to meet all negotiated contractual obligations ○ current vacant and funded positions, all funding sources, will remain vacant to the greatest practicable or legal extent; salary and benefit savings will be used to offset identified deficits ○ step and column salary increases are projected at \$1.5 million ○ projected statutory and health and welfare benefit increases of 9.50% (~\$1.4 million) ○ projected CalSTRS employer-paid pension remains constant year-over-year at 16.92% ○ projected CalPERS employer-paid pension remains constant year-over-year at 22.91% ○ any restricted funding reductions or cost increases must be borne by the respective program <p>There are talks from the state chancellor’s office to have college districts reserve two months of operating costs. This would be in addition to the current mandatory reserve of 8%, putting the mandatory reserve at about 16%. Discussion ensued. This topic can be revisited at a future meeting.</p>	
7.	<p>Budget Allocation Model (BAM) Timeline <i>For discussion</i></p> <p>Sarah Thompson shared the BAM Timeline worksheet, this is a working document outlining the various points to discuss when building the new BAM. With the governor’s budget proposal, some of the timeline-markers may need to be reordered, especially around the advocacy toward the SCFF cost-of-living modifications. Last December, the committee began to look at the questions under number three on the worksheet:</p> <ul style="list-style-type: none"> ○ 3. Do we allocate based on the state model of revenue generation? Does the revenue true-up at year-end include the FTES three-year average or do we utilize the FTES target? Something else? What best reflects our mission? Do we need a transitional funding plan? <ul style="list-style-type: none"> ▪ November 5 - Generate questions ▪ November 19 - Modeling/Data ▪ December 3 – Discussion ▪ December 17 - Action Item <p>There are options under the extension of hold harmless; the most ideal option is to modify the SCFF. Questions that remain:</p> <ul style="list-style-type: none"> ○ 4. What reserve levels are appropriate and/or required at each site? 	

	<ul style="list-style-type: none"> ▪ December 17 - Generate questions Reserve ceiling? What best reflects our mission? ▪ January 21 - Modeling/Data ▪ February 4 – Discussion ▪ February 18 - Action Item <ul style="list-style-type: none"> ○ 5. How is overspending that results in negative fund balances handled? <ul style="list-style-type: none"> ▪ February 18 - Generate questions ▪ March 5 - Modeling/Data March 19 – Discussion ▪ April 2 - Action Item ○ 6. Do ALL unrestricted state revenues run through the model or do some (FTF funds, Office Hours, etc.) get distributed directly to the colleges? Irrelevant if the DO/M&O are supported at cost. What best reflects our mission? <ul style="list-style-type: none"> ▪ April 2 - Generate questions OR Skip to #8 ▪ April 16 - Modeling/data ▪ May 7 – Discussion ▪ May 21 - Action Item ▪ May 21 - Decide Summer Sked for #8 & #9 ○ 7. Do we want to have flexible language detailing the model's mechanics to deal with potential changes in the state funding formula? Or do we want to revisit it if there are changes in the funding formula? What best reflects our mission? ○ 8. How do we invest in growth? What best reflects our mission? <p>Items 4, 5 and 7 above, (reserves, overspending and funding formula) can be addressed by a PBC subcommittee. Consensus was built to have the current PBC Subcommittee, who're working on step 3A, address these topics as well.</p>	
8.	<p>Student Centered Funding Formula (SCFF) White Paper Review <i>For information</i></p> <p>Rajinder Samra, Cynthia Gordon da Cruz and Ron Gerhard shared a review of the SCFF White Paper Analysis from 2019-2020. This document is a summary of evidence-based data that shows the inequities and flaws in the impending SCFF. This White Paper Analysis was previously shared with State Chancellor Oakley and others across the state. The districts most hurt by the SCFF are those districts located in high-cost [of living] areas. A breakdown of a 9-month student budget was given to show the disproportionate cost of living compared to the revenue derived from the SCFF allocations. It was also noted, PELL and Promise grants only serve a small segment of students. Even students who receive financial aid face financial challenges due to living in this high-cost region.</p>	

	This research supports the advocacy toward a recommendation to adjust the supplemental allocation with a cost of living index that better reflects the number of economically vulnerable students a college serves, particularly in regions with a high cost of living. Discussion ensued.	
9.	<p>Future Agenda Items <i>For discussion</i></p> <p>1. New budget allocation model (BAM Timeline)</p>	None

Meeting adjourned 2:25 p.m.