

**EL CAMINO COLLEGE**  
 Planning & Budget Committee  
 Minutes Date: August 26, 2021

√	Amy Grant - Management	√	Kelsey Iino – ECCFT
	vacant - Management		Breanna Bond – Classified Staff
√	Darcie McClelland – Academic Senate		Sophie Dao – Classified Staff
√	Josh Troesh – Academic Senate		Gary Robertson - Campus Police
√	Ann Tomlinson – Chair (non-voting)	√	Grace Clendenin - ASO, Student Rep
√	Viviana Unda – Co-Chair (non-voting)	√	Shobhana Warriar – Confidential
√	Roy Dietz – ECCE		

**Alternate Members:** J. Bourlier, B. Giles,  
**Support:** J. Hinshaw, G. Ou, C. Pineda, M. Guess  
**Other Attendees:** B. Thames, J. Sims, G. Perez

The meeting was called to order at 1:03p.m.

1. Agenda Review

The committee moved, and seconded the approval of the agenda for today’s meeting. The committee accepted the agenda as presented with no objections.

Ann mentioned that the budget was not ready, because we found some editing errors and missing pages, so we are going to have to table it for the next meeting, but will still give you an update today.

2. Approval of Minutes – June 12, 2021

After review, the minutes were accepted as written. It was moved, seconded and passed to approve the June 12<sup>th</sup> minutes with no objections.

3. Budget Assumptions

Jeff discussed the [updated budget assumptions](#) page:

- a. Beginning Fund balance for FY2021-22 is \$56M.
- b. Our estimated revenues, which include all sources for this current fiscal year is \$144.7M.
  - a. Moreover, it is composed of several different pieces, grants, lottery and other monies that come in, but our main source of revenue is the Student-Centered Funding Formula of \$125.8M.
  - b. No Federal revenues projected.
  - c. Other State revenue, consisting of lottery and a few other sources that do not have a legally restricted usage and they can be used for any educational purpose is estimated at \$9.9M.
  - d. Other local revenue sources include rental income as well as international student fees that come into our general fund is estimated at \$5.3M.
  - e. Contributions coming into Fund 11. We have about \$3.66M that is coming in from Fund 16, if you recall several years ago, back in FY2016-17 we set aside some money into Fund 16 to cover annual increases in rates that we get for the employer portion of PERS and STRS liability.
- c. SCFF (Student Center Funding Formula) this drives a lot of our operational income.
  - a. We are being funded for 18,994 FTES, which is an average of what we had the three years prior to the pandemic.
  - b. Our actual FTES, as of 2020-21, was 14,778.88. That's quite a significant loss of FTES, but we are being held harmless.
  - c. The COLA (cost of living adjustment) is the increase of the cost of delivering government services across the state of California. The COLA is 5.07% in the preliminary budget, which the state overextended, and after final state budget, they took back 1.03% of our total revenue calculation.

*Notes: Committee members requested to have a meeting workshop on how to understand COLA. This would give them a better understanding to explain things to their constituents .*

- d. Projected course offerings with an estimate of 4,896 for this year; 5,205 last year; and 4,896, the year before. The course offerings have decreased by 6% and the FTES have decreased by more than 6%. We need to look at creating greater efficiency.
- e. Step in column movement on the expenditure side, which we've got an estimate based on where everybody is placed on the salaries schedule.
  - a. Certificated projecting about 1.75% increase to under a million dollars
  - b. Classified projecting about a 1.3% increase roughly 380,000.
  - c. Increase in employee benefits is estimated at \$663,030. This is the employer paid expenses for staff.

**Question:** *Is there is a way to get a breakdown of certificated administrators, classified managers, temporary workers, and student workers? Because you mentioned that this includes certificated administrators and also classified as managers. However, that also includes temporary workers and others student workers?*

**Answer:** *yes, but we do not apply the increase to the student and temporary workers. These are only applied to the full-time permanent staff.*

- f. Restored the 30% across the board reductions in budgets for supplies, services, contracts and equipment, which is estimated to be roughly about \$1.5M, this have been put back in the budget and is available at the division level for those departments.
- g. Pension contribution
  - a. PERS increase by 2.300% to 23.000%, which is estimated to be \$730,642.
  - b. STRS increase by .0770% to 16.920%, which is estimated to be \$470,684.
- h. Utility cost increase estimated to about 3% over 2020-21 projected to be about \$98,700.
- i. Additional cost items are the inter-fund transfers out from Fund 11:
  - a. Going out to Fund 12 (restricted funds) \$2,024,836:
    - i. Transfer of \$1.5M into Parking Services. Ideally there is enough revenue to make Parking Services a self-sustaining program, however, that not being the case, in order to make sure all the costs for delivering are covered, we have to transfer the funds.
    - ii. Transfer of \$500,000 for technology refresh to replace aging and no longer functional equipment, in order to maintain a proper technology infrastructure, as well as the equipment in the hands of our staff and students.
  - b. Additionally, we have about a half a million dollars going into Fund 41 for capital outlay for the total cost of ownership to make those repairs as necessary, replace damaged and or aging equipment.
  - c. Transfer of \$1.7M into Fund 62 Property and Liability Insurance to pay our premiums and pay any percentage of claims that were required to pay for property and liability issues.
  - d. Transfer of \$200,000 for Return to Title 4, we have students that qualify at the outset to get PELL grant then, for whatever reason, perhaps they drop a class or don't attend class during the year and they're not in qualification, so we have to send the institutional portion of the money back to the Department of Education. We award approximately \$5M in PELL grants and have to return a small amount back to the federal government.
- j. Fund 11 expenditure for FY2021-22 budget reduced or moved to other sources since Tentative Budget.
  - a. \$3 million reduction to interfund transfers out (To Fund 69 – OPEB)
    - i. Actuarial Liability no longer requires this contribution
  - b. \$2.4 million reduction to Adjunct Faculty budgets
    - i. Will strategically realign these budgets to offered sections
  - c. \$400 thousand – Fund 11 budgets for instructional materials expenditures shifted to Instructional Materials Block Grant (Fund 12)

- d. \$500 thousand - Fund 11 budgets for library books and instructional software moved to Restricted Lottery (Fund 12)
- k. Budgeted total FY2021-22 expenditures about \$144M.
- l. Good news is we have a projected surplus of \$44,594 for FY2021-22.
- m. Projected ending fund balance of \$56M.

We were about \$5M over what our revenue was, but part of closing the books is that we go back and try to use all the special funds or one-time money that we have to offset those expenditures.

**Question:** *So, when we saw the preliminary, just a couple weeks ago, we were \$5M over revenues spending. You figured out how to shave that down to a balanced budget by closing the books. How did that \$5M over budget disappear?*

**Answer:** *We moved \$3M back from fund 69 (j) (a) to fund 11. Fund 69 is the Irrevocable Trust for Other Posts Retirement Benefits, it was a \$3 million-line item we had on the tentative budget. It turns out, based on the actuarial study we received, that our liability dropped below the amount requirement.*

**Question:** *Clarification to the question earlier: how did we transfer the expense to the close of the books?*

**Answer:** *we need to bring that list and go over it at our next meeting because we are just not prepared to do that right now.*

**Question:** *We would like the certificated managers and classified managers pulled out from the salaries line and put on a different line so we can see the breakdown of how much managers are paid versus faculty versus classified staff?*

**Answer:** *We absolutely can break it out into groups.*

**Question:** *we are trying to figure out if the budget problems that we are being told about now is due to lost students because of COVID, or is it the high cost of living in Southern California that have driven young families East?*

**Answer:** *We do not know, but we will look into this when we are doing the external scan with the comprehensive planning. This data will inform us about how we build back post COVID, because this is an institution that is built itself on high schools and transfers, but now when there are almost two million unskilled working adults that need to upscale or re-skill, that requires a different frame of reference, different curriculum, and different focus.*

*Note: Concern was raised on faculty being pushed to come back to campus in the spring, even though the variant of the virus is circulating. There should be sections both on campus and online classes offered to students.*

#### 4. [Revised Self-Assessment Survey Report](#)

At the last meeting, one of the slides was misplaced within this report and that was on the completion of our goals. So, we had three goals last year: (1) committee members reviewing roles and responsibilities of PBC; (2) Strengthen members' level of understanding & engagement in planning & budgeting processes to help performance/role; and (3) Engage the campus community in discussions around funding priorities & available resources. On the first two goals, the committee agreed that it was reached. The third goal, 29% of our respondents thought it was partially completed, and we have 14% of respondents saying we really didn't even start this goal and another 21% saying that they weren't sure.

#### 5. [PBC Charter Revised](#)

The revised PBC charter was shared with the committee.

#### 6. [PBC Goals 2021-22](#)

The slide of possible PBC goals for FY2021-22 was shared with the committee; these were some of the suggestions made at the last meeting.

- 1. Implement role and responsibilities of members of the Planning and Budget Committee, as stated in the PBC Charter.

2. Strengthen PBC members' level of understanding and engagement in the College planning and budgeting processes to help in the performance of their role.
3. Craft transparent committee messaging so that PBC members can communicate to their constituencies their role in College planning and budgeting processes and other related topics.
4. Work collaboratively with the Enrollment Management Committee to approve and communicate an updated Enrollment Management Plan.
5. Revisit role of management in PBC membership.

The third slide will be determining how to track the progress and how to go about achieving the approved goals for FY2021-22.

The committee members were engaged on other topics of discussion; motion was made, moved, seconded and approved that agenda items 5 and 6 be tabled for the next meeting on September 16, 2021.

## 7. Other Discussion

### a. Wrap Up

- i. Breakdown of the salary information, some training for better understanding COLA and some training for better understanding the preliminary versus the final budget.
- ii. The revised self-assessment survey results brought back one slide that has to do with PBC goals and the level of completion of PBC goals for FY2020-21.
- iii. Review proposal of PBC goals for FY2021-22 but we decided to table that item and also item number five, PBC charter revised, for next month until representatives of PBC get more information and more clarity about some topics that they need to talk about.

## 8. Adjournment

It was moved and seconded to adjourn the August 26<sup>th</sup> meeting. The meeting adjourned at 2:30p.m.