

EL CAMINO COLLEGE
 Planning & Budget Committee
 Minutes Date: September 16, 2021

Function	Amount	Constituency	Name	Attendance
Member	2	Academic Senate	Darcie McClelland	√
			Josh Troesh	√
Member	2	Management	Amy Grant	√
			Vacant	
Member	2	Classified Staff	Lissette Marquez	
			David Mussaw	√
Member	1	ECC Federation of Teachers	Kelsey Iino	√
Member	1	ECC Classified Employees/ECCE	Roy Dietz	√
Member	1	Confidential employees	Shobhana Warriar	√
Member	1	Police Officers Association/POA	Gary Robertson	
Member	1	Associated Student Organization/ASO	Grace Clendenin	√
Co-chair	1	Administrative Services	Ann Tomlinson	√
Co-chair	1	Institutional Research and Planning	Viviana Unda	√

Alternate Members: J. Bourlier, B. Giles,

Support: J. Hinshaw, G. Ou, C. Pineda, M. Guess

Other Attendees: B. Thames, J. Sims

The meeting was called to order at 1:05p.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.

2. Approval of Minutes – August 26, 2021

After review, the minutes were accepted as written. It was moved, seconded and passed to approve the August 26th minutes with no objections.

3. FY2021-22 Budget

We are just going to hit a couple of highlights. After our last meeting, we closed the books so there's a little bit of difference between the tentative and final budget.

a. Payroll Breakdown as requested

Ann shared the breakdown of salaries that was requested by the committee members of the bargaining units by totals and by percent.

Question: *We are interested in the lecture/lab parity on what it is going to cost the district. Can we get information on new manager positions being created or classified or any other positions that are non-faculty?*

Answer: *To keep the boundaries clear for this committee, if these figures are for education of the committee and to communicate to the constituents PBC members represent at the College and to inform them of the components that make up the College budget, then that is the purview of Planning and Budget Committee. If it is data or information that is being requested by a bargaining unit for bargaining purposes, we do not do that here.*

Question: *Can we bring people from Enrollment Management or any of the work groups regarding scheduling on campus in terms of classes? As you know, our schedule makes up 70% of our revenues on the budget side and about 51% of our expenditures on the academic salary side.*

Answer: *It is appropriate for PBC to know what the schedule costs, which is totally in the scope of this group. What it is not in the scope of this group is to talk about what's been scheduled and how it's being scheduled. That's not in this group.*

b. [Budget Book Pages](#)

The budget assumptions are pretty much the same except there's some corrections, as a result of closing the books. We have paid all the bills for FY2020-2021 and all that we have projected is very close to being accurate, but then there's some bills that come in and some adjustments that we ended up making.

- We started out with \$56M of fund balance at this point, rather than the \$52M. Estimated revenue \$144M.
- COLA + Growth part of the general apportionment was \$125M. We are being still funded at 18,994 FTES. Projected cost of living adjustment or COLA was 5.07%. Now, the state gave away more money than they actually wanted to give away or could give away so that's that less 1.03%. It is called a deficit factor, and that means that they took back the 1.28M.
- Course offerings in 2019-20 were about 5,112 and in looking at course offerings for 2021 is around 4,800. However, that's about a 6% drop in courses and yet the FTES dropped by 20%. So those are probably going to have to realign a little better.
- The step and column for all certificated was about 900,000; classified, 380,000. Employee benefit is around \$663,000. PERS ended up being 730,000 & STRS around \$470,000. Projected utility cost is about \$98,000.
- The significant part of the tentative budget we were projecting at \$5.5M deficit because we're spending at the same rate. However, we went back and made significant contributions from the restricted funds on things that were applicable. We still have a good bit of lottery and Strong Workforce money that we should spend.
- We put aside \$3M for the OPEB, but the actuarial study reported that the retirement fund was fully funded so we moved this money back into the general fund.
- We reduced \$2.4M from adjunct faculty for spring semester.
- Page 9 through 14 are Fund 12 which is restricted funds. We are hoping this year the way we are going to get through this crisis of not having as much money is to use these restricted funds and spend those funds before dipping into the general fund.
- Base revenue on page 37 through 40 from the budget book shows the funding rate as \$4,212, SCFF Metrics and COLA. Review the rest of the pages, which will show how we get funded, because the majority of our funding does come from enrollment and the student-centered funding formula.
- The strategic initiatives, page 43 in our budget, I just wanted to point out that planning and budget are tied.
- Lottery revenue, page 57, this is money that we get based on our FTES and it can be spent on library materials and library resources.

c. [Budget Presentation](#)

- Slide 2 shows the State's changes: The COLA was initially in the tentative budget 4.05% and in the final budget, it turned out to be 5.07%. There was no deficit factor, but there was reduction of about \$1.2 million and in the final budget they decided to take a little bit back so in the tentative budget there was \$127M available but, in the final budget about \$125M.
- Slide 3 shows the tentative budget vs final budget: The change is highlighted in yellow. The \$3M that we removed from the OPEB Trust. The \$2.4M that we reduced in budgeted spending for adjunct assignment from spring semester. Savings of \$900,000, almost a million dollars by shifting costs to restricted funds (Note: In the future, the restricted funds will be spent before the general funds is used).

Question: *Assuming that the OPEB actuarial study was referring to the need for contribution this year and was not long term, are we going to need to effectively pay some amount, maybe not \$3M, but some significant amount next year or was that a long-term study?*

Answer *It was a long-term study. There was a certain amount of money we were to put in. It was started back a few years ago and the amount that we are supposed to put in, we have met that at this time, so it should not come back next year.*

Question: The chart on slide 7 shows the fund balance. FY2019-20 are audited figures. Can we get audited figures for FY2020-21 to compare those two to see if our fund balance is increasing or decreasing and why?

Answer: So, the fund balance is the amount of money that is partly contributed by the 6% reserve, which the Board of Trustees requires we put aside. We have had one-time money that we have wisely put in our fund balance. But to answer, yes, definitely when the time comes, we'll evaluate the difference.

Question: Why are we talking about restricted funds when this was not brought up in the past?

Answer: Don't know about the past, but we see some substantial balances and, in the past, with the prior leadership, they did not want to go into the restricted funds, but now we have an opportunity to focus on really making the best use of these funds and have support from current leadership.

- d. [Legislative Analyst's Office](#) (LAO) CCC Budget
Information from the Legislative Analyst Office regarding the Community College funding and budget.
 - e. [Approved Budget Allocation](#)
President's letter that went out last week to the campus on the approved budget allocation for FY2021-22.
4. [PBC Charter Revised](#)
Viviana wanted to remind the committee that last year the members wrote a PBC Charter, which is the document that allows us to understand what this committee does and the membership, etc. Viviana wanted to share the two modifications that were requested by the committee. The two changes that were made are highlighted on page 4 under PBC Tasks.
5. [PBC Goals 2021-22](#)
Viviana shared the proposed goals for PBC for FY 2021-22, these are not the goals of the College but the goals for this committee. These goals were based on the results of the survey and also some of the suggestions coming from PBC members. This would be the first reading of the goals for PBC FY 2021-22. We will wait until the next PBC to vote so representatives can go back to their constituencies and review these proposed goals with their constituents.

Question: Every year we have an elaborate planning process for faculty to put input and we rank them, and then we send them up, and then we rank them again, and then we get nothing, and this happens year after year after year, and so, if there is more clarity in the process, that would be very helpful.

Answer: Discussion on the next agenda is, what is an operational budget versus an augmentation. It was noted that the resource allocation process should be for one type of funds that are the result of a portion of the fund balance. It should be one-time allocations that are either used to seed something from a program review, and when it demonstrates results, it is institutionalized or they are for truly one-time requests. Either way, it involves planning and budget. Right sizing a departmental or operational budget should be done through a budget augmentation request process.

NOTE: For next PBC meeting, there will be discussion about the operating budget versus the augmentation and program improvement and discuss a little bit the difference between those two things, so we can go through the annual planning process that we're starting at the end of September

6. [Other Discussion](#)
We are proposing a little budget workshop for the deans on what is an operational budget vs. budget augmentation
 - a. [Wrap Up](#)
 - Went over the approval of the budget for FY2021-22 and we went over the cleansing of the budget and talked about the tentative budget versus the final budget changes.
 - Went through the Board presentation that is available to you.

- Shared the legislative analyst office budget report, which is an outlet that would be of interest to you.
- We reviewed again the PBC Charter; we showed it to PBC members, the adjustments that were requested so that everybody could see that they were incorporated.
- We did a first reading of our PBC goals for FY2021-22. There were no adjustments asked for now. Amy Grant reiterated the idea of us clarifying the planning and budgeting process.
- Next meeting, we will be doing some of that education and understanding the difference between the operational budget and augmentation of finance.

7. Adjournment

It was moved and seconded to adjourn the August 26th meeting. The meeting adjourned at 2:00p.m.