

Los Angeles Community College District

District Budget Committee Meeting Minutes

July 15, 2015

1:30-3:30 pm, Board Room, Educational Services Center

Roll Call X Indicates Present

Academic Senate

Vacant	
Joseph Perret	
Leslie Milke	X
Jeff Hernandez	X
Donald Gauthier	X
Vacant	

L.A. Faculty Guild

Joanne Waddell	X
Olga Shewfelt	X
Sandra Lee	X
John McDowell *	X
Armida Ornelas	X
John Sikora	X

Unions/Association

Luis Dorado	
Hao Xie	X
Kathleen Becket	X
Leila Menzies	
Velma Butler/Shirley Chen Page	
Richard A. Rosich	

College Presidents

Renee Martinez	X
Marvin Martinez*	X
Otto W. Lee	X
Monte Perez	
Kathleen F. Burke	X
Linda D. Rose	X
Larry Frank	X
Erika A. Endrijonas	X
Robert Sprague **	X

Student Trustee Rep

Sami Sandhu

* DBC CO-chairs

** Interim

Also Present

Guests

Resource Persons

Adriana Barrera	X
Jeanette Gordon	X
Maury Pearl	X
Bobbi Kimble	X
Vinh Nguyen	X
Chancellor Francisco Rodriguez	X

Mike Lee	X
Iris Ingram	X
Ann Tomlinson	X
Dan Walden	X
Selina Chi	X
Ferris Trimble	X
Bob Suppelsa	X
Violet Amrikhas	X
John Al-Amin	X
Rasel Menendez	X
Angela Echeverri	X

1. **Call to Order** by DBC Co-Chair Mr. Marvin Martinez at 1:40 pm.
2. **M/S/P Agenda** – Approved with one change – withdrawn Agenda Item #4, Proposed DBC Name Change.
3. **M/S/P Approval of Minutes** – Minutes of June 17, 2015 were approved with corrections to note that Leslie Milke as not present and “Mr. John McDowell was elected by **acclamation**...”
4. **Proposed DBC Name Change** - Withdrawn
5. **Chancellor’s Remarks/Updates** – Chancellor Rodriguez commended the Committee’s efforts for supporting our mission and our interest at the state level funding for continuing to advocate for four of the top budget/funding priorities in FY 2014-15 that the District was focusing on: growth, base allocation, adult education, and concurrent enrollment.

The Chancellor also provided briefly the status of the State funding for FY 2015-16 in Adult Education, Concurrent Enrollment, Full-time Faculty Hiring, and Dual Enrollment. He indicated that the budget is good, but is still not fully restored back to the funding levels of 2008-09. The District has to invest for future down times and address many future needs and challenges such as increases in STRS and PERS contributions, OPEd, infrastructure needs for each college, Proposition 30 temporary tax expirations, and other future needs of the District.

Some members expressed reservations regarding Chancellor’s comments on OPEd and indicated that they would not support any increases funds to OPEd beyond the current OPEd funding level.

Mr. Marvin Martinez announced and welcomed to the DBC, Mr. Robert Sprague as the interim president at the West Los Angeles College.

6. **State Budget Update (Gordon)**

Ms. Gordon distributed the 2015-16 Final Budget Development document. She provided summary highlights funding for California Community Colleges as in the State Adopted Budget (AB93) signed by Governor and the impact on the LACCD budget for FY 2015-16:

For apportionment:

- COLA (1.02%) - \$5.18 million for LACCD
- Growth (3%) - \$14.3 million for LACCD
- \$266.7 million increase in Base Allocation Funding - \$22 million (est.) for LACCD
- \$62.3 million for full-time faculty hiring - \$5.6 million (est.) for LACCD

Other Additional Funding:

- \$60 million in one-time funding for Basic Skills and Outcome Transformation Program – competitive grant
- \$100 million increase for Student Success and Support program (SSSP) and \$85 million increase for Student Equity - \$8 million in SSSP and \$6.8 million in Student Equity for LACCD
- \$148 million for Deferred Maintenance with no matching requirement - \$14 million for LACCD
- \$603 million to pay down outstanding mandates - \$50 million for LACCD
- \$2.5 million to fund COLA for categorical programs - \$300,000 (est.) for LACCD
- \$500 million for Adult Education - \$15 to \$25 million for LACCD

The committee discussed the proposed distribution of the \$5.6 million of full-time faculty hiring fund based on FTES similar to the State allocations to all districts. The District will be required to hire 60 new faculty to receive this new revenue. Some members would like to see the funding distribution be aligned to the FON hiring requirements. FON obligations are directly related to FTES growth. As the colleges and the District generated additional funded growth FTES and received additional funded growth revenue, additional numbers of new faculty (FON) are required.

The Committee recommended to having a full study and review by the ECDBC of this item before distributing the full-time faculty fund to the colleges.

M/S/P – Withdraw the distribution of the \$5.6 million fund for Full-time Faculty Hiring until ECDBC review and provide recommendation back to the DBC. (3 No and 1 Abstain).

7. 2015-16 Enrollment Planning Target (Pearl)

Maury Pearl distributed the 2015-16 FTES Growth Target for each college based on the projected 2015-16 Funded Base FTES with a 3% growth rate scenario and the college planned growth rates (targets). The college planned rate is based on the feedback from each college, and this will achieve an over all 4.54% growth target for the District for FY2015-16:

- City – 0%
- East – 7%
- Harbor – 3%
- Mission – 5%
- Pierce – 7%
- Southwest – 3%
- Trade-Tech – 6%
- Valley – 3%
- West – 3%

Members commented on the college planned growth rates, specifically for a college that plans for zero growth and the impact to the growth funding available to colleges. How does college planned growth rate align with the colleges' demographic areas? Each college plans its enrollment target. However, the District sets an overall growth policy and target to achieve the enrollment growth target

that the District will receive the funded growth revenue for. The new state growth funding formula will provide a higher growth rate and more growth dollars for the District. Discussions need to take place on the individual college enrollment targets and their impact on the district's overall enrollment target.

8. Board Budget and Finance Committee and ECDBC Committee Report and Recommendations (Gordon) – None

9. 2015-16 Final Budget Development (Gordon)

Jeanette Gordon distributed the 2015-16 Final Budget Development which includes the State Adopted Budget update, impact on LACCD budget, and the Chancellor's Proposed/Recommendations on the uses of the estimated \$50 million of the State Mandate Reimbursement.

The Committee reviewed the Chancellor's proposal on uses of \$50 million of the State Mandate Reimbursement:

- \$20 million for a Special Reserve fund to cover future college budget shortfalls (increase from \$10 million to \$20 million)
- \$1 million for accreditation planning activities
- \$3.9 million for SIS Project Completion
- \$250,000 for Professional /Leadership Succession
- \$250,000 for West LA College's Startup Baccalaureate Program
- \$2.5 million for ESC Electrical System Upgrade, Alleyway Improvement, and Network Connection for Disaster Recovery
- Additional Proposed Funding Priorities and Initiatives: Basic Skills Initiatives, Emergency Preparedness, Bond Program Monitoring, Increase OPEB Contribution (GASB 45), Scheduled Maintenance, Repairs and Infrastructure Needs, College/District Safety Needs, College/District General Operational Costs Increases, District-wide Resources Development and Institutional Advancement.

Members raised concerns about the need to provide more time for college input and more money needs to go to college instead of holding back in reserve, lack of processes allowing colleges input of identifying needs, and how the uses of these monies align with the District/Colleges missions and priorities. The Committee requested an additional DBC meeting in August to continue discussion on the Chancellor's proposal and make final recommendations to include the Final Budget for Board adoption.

M/S/P - The committee also requested a special DBC meeting on August 12, 2015 to review the ECDBC recommendations to incorporate changes to Final Budget.

The Committee requested the ECDBC to specifically review the following proposals in the Chancellor's Recommendations:

- Funding for SIS Completion Project – 3 years,
- Centralized District/College Safety – Sheriff's Contract,
- \$20 million for Future Budget Shortfalls, and
- Funding Growth Rate

10. DBC Recommendations to the Chancellor - None

11. Items requested from DBC members to ECDBC

- ✓ Distribution of \$5.6 million for Full-time Faculty Hiring Fund
- ✓ Review Chancellor's Recommendations/Proposals – Uses of \$50 million State Mandate Reimbursement

The meeting was adjourned at 3:30 pm.

*Future Meetings: August 12, August 26, Sept 23, Oct 28, Dec 2, Jan 20, Feb 17,
March 16, April 20, May 18, June 29*