

Los Angeles Community College District

District Budget Committee Meeting Minutes

November 13, 2013

1:30-3:30 p.m., Board Room, District Office

Roll Call X Indicates Present

Academic Senate

David Beaulieu	X
Joseph Perret	
Dana Cohen	X
Jeff Hernandez	X
Lauren McKenzie	
Allison Moore	X

L.A. Faculty Guild

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

Unions/Association

Allison Jones	X
Galen Bullock	X
Lubov Kuzmik	
Leila Menzies	X
James Bradley	
Velma Butler	
Richard A. Rosich	

College Presidents

Nabil Abu-Ghazaleh	X
Kathleen F. Burke*	X
Alma Johnson-Hawkins**	X
Yasmin Delahoussaye* *	
Larry Frank	X
Farley Herzek**	X
Marvin Martinez	X
Renee Martinez	X
Monte Perez	

Student Trustee Rep

LaMont Jackson	X
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* DBC CO-chairs

** Interim

Also Present

Resource Persons

Adriana Barrera	X
Jeanette Gordon	X
Cathy Iyemura	X
Jim O'Reilly	X
Maury Pearl	X
Vinh Nguyen	X

Guests

Mary Gallagher	X
Daniel Villanueva	X
Anil Jain	X
Rolf Schleicher	X
Ann Tomlinson	X
Don Spark	X
Tom Furukawa	X
Maureen O'Brien	X
Ferris Trimble	X
Felicito Cajayon	X

1. **Call to Order** by DBC Co-Chair Dr. Kathleen F. Burke at 1:40 pm.
2. **Agenda as revised and approved** – added FON Update for discussion under Other Business.
3. **Approval of October 16, 2013** – Minutes of October 16, 2013 were approved with few corrections to add “DBC will be provided an update on FON at the November meeting” to the FON & Faculty Hiring section and add to the Report on Board Budget and Finance Committee section about Trustee Veres comments on the “equity funding need to be included in the District’s budget allocation and applying some factors of funding for underprepared college students”.

4. District Office – Funding Request (Action Item)

The District Office’s funding request for 10 additional ten (10) positions was reviewed by the ECDBC and the DBC several times in the last few meetings. The District Office managers made brief presentations and explained their need to fill these positions to the DBC on November 16, 2013, including written summaries of justifications for the positions provided to the DBC.

The positions requested for funding are listed below:

- Vice Chancellor of Human Resources
- Associate Vice Chancellor of Human Resources
- Administrator of Maintenance
- Energy Program Manager
- Facilities Project Managers (2 positions)
- Senior Research Analyst
- Auditor
- Data Communications Specialist
- Capital Outlay Accounting Manager

M/S/F: (N Abu-Ghazaleh/O Shewfelt) moved to approve the funding request for 10 positions to be funded from Contingency Reserve at a prorated basis for the remainder of the year.

Arguments in favor included: the district has held the line on filling vacancies; these positions support the colleges, particularly the small colleges; they can result in savings greater than the cost of filling them; the facilities area is currently at 40% of several years ago and these positions cannot be filled with bond money; need someone in the ESC to manage the deferred maintenance projects; AECOM is doing some of the work these new auditors would do.

Concerns/arguments against included: these positions may be necessary but why can’t the existing district office budget fund them; funding for these positions would increase assessments to colleges, given that colleges have not fully restored their reductions in the last few years and still do not have money and it is difficult to run colleges; colleges cannot afford to fund these positions; District, like colleges, has to figure out how to operate within its budget; and all these positions will be funded from contingency reserve for this year and future years from college assessments.

The motion to approve funding all 10 positions failed with 6 YES and 9 NO.

M/S/P: (D Beaulieu/J Waddell) –To approve 4 positions under Facilities.

Arguments in favor: doesn't make sense not to fill the 4 positions in Facilities when there are potential needs and savings with these positions; the State is funding deferred maintenance and colleges need someone in the District to manage these projects appropriately; don't have an energy manager to work with utilities and different companies, and we don't have managers to effectively run all the technology currently in place; all District Office budgets were tied up in staff, like colleges, they did not have funds for other operating expenses; District Office has been doing more with less, have not filled the Director of Business Services; the Contract Manager is on leave; utilities have gone up; the District has gone through review process to filter down to these 10 positions; Senior Staff reviewed a bigger list of vacant and new positions that managers needed to fill and these 10 positions were filtered through the review process.

Against: we are shooting in the dark and not being informed whether or not the District can make other decisions to make money available for these positions; the District Office should live within its budget allocation; if colleges have to do without and have to come up with money to fill positions, District Office should find the money to fund positions; perception that District Office budget has already been larger than several colleges and not producing any FTES; not enough money for the college to operate; District Office has made some drastic cuts to balance the budgets in the last few years; colleges are held accountable for their budgets and required them to live within their means and this is a double standard (colleges had to come begging last year for funds to deal with accreditation); negative perceptions toward the District; would support funding for these positions if the funding is not from the college assessments; seems like the District gets what it wants but the colleges are underfunded and have to come begging for money, such as getting help to deal with additional work to address accreditation sanctions.

It was proposed that the Board reduce reserves. The Board needs to hear about the lack of adequate funding at the colleges and while still maintaining huge reserves. Several members would be comfortable if colleges are not assessed to fund these positions, and if all money is distributed out to colleges such that the left over ending balance at year end is 10% or less. It is the economies of scale, but the colleges need to know what kind of savings are generated from staffing these positions.

M/S/P: (J Hernandez/D Beaulieu) to amend to fund four (4) positions in Facilities from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

Substitute Motion: (J McDowell /D Beaulieu) Amend the motion to fund from contingency reserve for current year, future funding from other outside funds.

The Substitute Motion failed.

The DBC passed the amended motion to fund four (4) position under Facilities with 12 Yes, 6 No.

M/S/P: (LMenzies/O Shewfelt) – to approve funding for the requested two (2) HR positions (Associated Vice Chancellor and Reclassified Vice Chancellor from Senior Associate Vice Chancellor) from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

The Associate Vice Chancellor position is the Employer and Employee Relation position to handle grievances. The district is also hiring a new Vice Chancellor of HR as there are currently no middle managers in HR. Positions were vacant for several years and budgets were swept and lack of key managers have affected the delivery of services. The new HR organization would include the Employee Health Benefits Unit. The Retirement Unit will remain under Payroll.

Motion to approve funding for two (2) HR positions PASSED.

M/S/P: (N Abu-Ghazaleh/R Martinez) To approve funding for Senior Research Analyst from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

– PASSED with one abstention

M/S/P: (N Abu-Ghazaleh L Menzies) - To approve funding for Auditor position from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

– PASSED with 8 Yes, 5 No, 2 Abstention

M/S/F: (J Waddell/NAbu-Ghazaleh) - To approve funding for Capital Outlay Position from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

– Motion FAILED 5 Yes, 9 No

M/S/P: (N Abu-Ghazaleh)/O Shewfelt) - To approve funding for Communication Data Specialist position from Contingency Reserve for current year on prorated basis for the remainder of the year. For future years, funding is contingent upon an ongoing reduction of general reserve as need to pay for these positions.

– College IT Directors need this position to provide network support services; several colleges have one and may not need these positions; they can be transferred from colleges. The District's IT Department has 60 positions, and Colleges need more IT positions at colleges. Motion PASSED with 8 Yes and 7 No

5. Committee Reports

The revision with DBC members input of the DBC Self-Evaluation was distributed to members for review and will be finalized at the next DBC meeting. No Action was taken

6. Enrollment Update – tabled/no discussion

7. FON & Faculty Hiring Update (Dr. Barrera)

Dr. Barrera reported the District's Faculty Obligation Number (FON) target for this Fall 2013 was 1401; she reported in October that FON for 2012-13 was reported at 1445. Next year FON is 1421. If we replace all retirees we'll have a cushion. We'll have specific FON numbers in January. The projection is needed for colleges to plan hiring for Spring.

Motion: (J Waddell/A Ornelas) moved that at a minimum campuses be allowed to hire the replacement for all retirees/separations.

Motion PASSED with 4 abstentions

8. Report on Board Budget and Finance Committee

Debt Repayment Policy was amended by the Board Budget and Finance Committee on November 6, 2013. Copies were distributed for information.

9. Other Business – DBC December 4th meeting is canceled due to the Board meetings. Staff will survey members through email for possible meeting on December 18th.

The meeting was adjourned at 4:10 pm.

*Future Meetings: ~~Dec. 4~~, Jan. 22, Feb. 19, March 19, April 16, May 21, and June 18
(Note: the meeting originally scheduled for April 23 was changed to April 16)*