

Los Angeles Community College District

District Budget Committee Meeting Minutes

June 19, 2013

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

Roll Call

Committee members present as indicated (X).

Academic Senate

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

L.A. Faculty Guild

Joanne Waddell	X
Olga Shewfelt	X
Carl Friedlander*	
John McDowell	X
Armida Ornelas	X

Unions/Association

Bobbi Kimble
or Allison Jones
Leila Menzies
James Bradley
Velma Butler
Lubov Kuzmik
Richard A. Rosich
Jim Adams

College Presidents

Farley Herzek**	X
Jack E. Daniels III	X
Nabil Abu-Ghazaleh	
Monte Perez	X
Kathleen F. Burke*	X
Marvin Martinez	X
Roland Chapdelaine	
Sue Carleo	X
Renee Martinez	X

Student Trustee Rep

Joseph Tucker

* DBC CO-chairs

** Interim

Also Present

Resource Persons

Dan LaVista
Adriana Barrera
Jeanette Gordon
Perrin Reid
Cathy Iyemura
Maury Pearl
Vinh Nguyen
Yasmin Delahoussaye
Betsy Regalodo
Michael Shanahan

Guests

Ed Keller
Leticea Barajas
Violet Amrikhas
Daniel Villanueva
Don Gauthier
Ann Tomlinson
Ken Takeda
Rolf Schleicher
Maureen O'Brien
Christopher Bonvenuto
Ferris Trimble
Tom Furukawa

1. Call to Order

The meeting was called to order by Dr. Kathleen F. Burke at 1:45 pm.

2. Approval of Agenda

The agenda was approved without changes. Agenda Item # 7 was tabled.

3. Approval of Minutes for April 24, 2013

The minutes were approved without changes.

4. State Budget Update (Gordon)

Jeanette Gordon reported out the Conference Committee budget as approved by the legislature waiting for the Governor to sign. Highlights of the budget as its related to the California Community Colleges are as follow:

- COLA - 1.57% => LACCD \$7.3 million
- Enrollment Growth/Restoration - 1.63% => LACCD \$7.1 million
- Student Success - \$50 million augmentation (total \$99.2 million) => LACCD \$ 9 million
- \$38M more in categorical funding than was proposed by the Governor - \$15M for DSPS, \$15M for EOPS, and \$8M for CalWORKs => LACCD : approx. \$3.8 million
- \$30M for deferred maintenance => by projects => LACCD approx. \$3 million
- \$25M for local planning grants related to new adult education consortia – competitive grants
- \$48M for energy efficiency activities related to Proposition 39 to be allocated in a manner determined by the Chancellor’s Office. District reporting requirements will be specified in trailer legislation. An additional \$3M will be moved into the Energy Conservation Assistance Act (ECAA) revolving loan program administered by the California Energy Commission.
=> LACCD – \$4 million to 5 million if distributed by FTES
- \$16.9M for the Online Education Initiative - statewide
- \$150k in funding for the Academic Senate – for State Academic Senate
- The budget agreement will pay down \$30M in deferrals in 2013-14 whereas the May Revision would have paid down \$63.7M => LACCD : \$3 million (reduced deferrals to \$70 m for LACCD)

There were discussions about COLA and enrollment growth adjustments. It was noted that the Final Budget will be adjusted accordingly when the State Budget is adopted. Members suggested receiving update in the future update from the Board Finance and Audit Committee regarding the District's reserves.

5. Student Success Initiatives Update (Dr. Delahoussaye)

Dr. Delahoussaye provided a briefing of SB 1456, Student Success and Support Program (SSSP) Credit Funding Formula. The funding will be based on 40% college headcount and 60% students served at the colleges, in which 10% initial assessment, 10% initial orientation, 10% Abbreviate Student Educational Plan (SEP), 15% Counseling/Advising, 35% Comprehensive SEPs, 15% At Risk Follow-up Services, and 5% Other Follow-up Services. She also provided the current state and areas of potential vulnerability of the District's MIS data, documentation, and tracking/documenting follow-up services. The District is trying to use technology as much as possible to meet the program requirements.

She also noted that SB1456 is scheduled for a second reading of the Board of Governors in July, and is expected that the requirements for mandated services will go into effect in Fall 2015. There will be cost associated with implementing the PeopleSoft system. She emphasized that SB 1456 funds are based on outcome. The legislative held off on performance based funding to see if SB 1456 works.

6. 2013-14 Enrollment Planning Targets (Gordon/Dr. Delahoussaye)

Dr. Delahoussaye reported the status of 2012-13 enrollment (FTES). Five colleges need Summer's enrollment FTES to meet FTES target. District is projecting 97,759 FTES for 2012-13 and has 936 unfunded FTES or about 1% over cap. For 2013-14 enrollment target is 98,776 FTES. The preliminary planning growth target is at 2%. The May Revise's funded growth is at 1.63%. There are some potential opportunities for the district to get more growth funding given that the districts are struggling to make growth.

Jeanette Gordon presented the 2013-14 proposed growth incentives to colleges to achieve the district-wide growth goal at 2% above the state funded growth cap. The District's growth target will be at 3.63%. She proposed that:

- Fully funded for each college up to its funded growth cap;
- Provide a one-time district-wide growth over-cap funding to pay the colleges for the costs of over-cap growth FTES that they generate up to the district-wide growth goal.

There were discussions about how and when the funds were allocated to colleges. Funding will be proposed from the Contingency Reserve and provided to colleges as reimbursements when the colleges achieve the goal at the end of the fiscal year. Members concerned about what the district is doing to actively recruiting students.

The Committee passed a motion (1 abstained) supporting a plan for a 3.63% growth for 2013-14 year, which is 2% above the state funded growth cap, and the ECDBC reports back next with a detail plan for funding.

7. 2012-13 Preliminary Year-end Balance (Gordon)

Jeanette Gordon reported the preliminary ending balance at \$81.8 million (or 16.15%). She also indicated that if the estimated RDA shortfall is not backfilled the projected ending balance will be at \$52.5 million. Two colleges and District Offices were projecting deficits. She also requested to the restoration of the remaining cuts to the District Offices. Members requested the ECDBC to further look at the District Office budget before making any recommendations.

There were also discussions about spending down further the District's reserves to provide more funding to colleges to serve students more sufficiently. It is recommended that the reserve issues are deferred to the ECDBC for review.

8. DBC Recommendations to the Chancellor

No recommendation was made.

9. Other Business

The Chair recognized Chancellor LaVista and President Dr. Roland Chapdelaine of LA Trade-Technical College for their contributions on their departures from the District.

The revised 2013-14 DBC Meeting Calendar was distributed. The DBC meeting date for April 23, 2014 was changed to April 16, 2014 to accommodate the revised Board meeting date for April 23, 2014.

The meeting adjourned at 3:30 pm.

The next meeting will take place on July 17.