

Membership**Academic Senate**

Holly Bailey-Hofmann
Angela Echeverri
Jeff Hernandez*
Joseph Perret
Robert L Stewart Jr.
Dan Wanner

Faculty Guild

Nabeel Barakat
Joseph Guerrieri
Sandra Lee
John McDowell
Olga Shewfelt
Joanne Waddell

Unions/Association

Kathleen Becket
Velma Butler/Shirley Chen
Iris Ingram
Paulina Palomino
Hao Xie
Vacant-Build& Const Trade

College Presidents

Kathleen F. Burke*
Erika A. Endrijonas
Larry Frank
Otto W. Lee
James M. Limbaugh
Marvin Martinez
Renee Martinez
Denise Noldon**
Monte Perez

**STUDENT TRUSTEE
REPRESENTATIVE**

vacant

* Co-chairs

**Interim

District Budget Committee
January 31, 2018
1:30 pm – 3:30 pm
Educational Services Center, Board Room

1. Call to Order (*Co-Chair Kathleen F. Burke*)
2. Approval of Agenda
3. Approval of Minutes for November 8, 2017
4. Chancellor's Remarks/Updates
5. ECDBC Reports and Recommendations
6. Enrollment Update (Cornner)
 - Identify and Address Gaps in SIS Implementation
 - Caution on cancelling sections; maintain completion numbers
7. 2018-19 Governor's Budget (Miller)
 - Need to Incorporate Outcomes into Allocation Model
8. FON Update and Discussion (Román)
9. 2017-18 First Quarter Financial Status Report (Gordon)
10. Periodic Review of ESC Budget (Hernandez)
11. District Planning Committee (DPC) Report out (Cornner)
12. DBC Recommendations to the Chancellor
13. Items to Be Addressed by ECDBC
14. Other Business

Future DBC Meetings: Feb 14, Mar 14, Apr 11, May 16, Jun 13

Future ECDBC Meetings: Feb 27, Mar 27, Apr 24, May 29, Jun 26

Supporting Documents can be found at:

<http://laccd.edu/Departments/DistrictLevelGovernance/DBC/Pages/default.aspx>

Los Angeles Community College District

District Budget Committee Meeting Minutes

November 8, 2017

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

Roll Call X Indicates Present

Academic Senate

Holly Bailey-Hoffman	X
Angela Echeverri	X
Jeff Hernandez*	X
Joseph Perret	X
Robert L. Stewart Jr.	
Dan Wanner	X

L.A. Faculty Guild

Nabeel Barakat	
Joseph Guerrieri	X
Sandra Lee	
John McDowell	
Olga Shewfelt	X
Joanne Waddell	X

Unions/Association

Kathleen Becket; SEIU Local 99	
Velma Butler/Shirley Chen Page; AFT Staff Guild	
Paulina Palomino; Local 911 Teamster	X
Iris Ingram; Class Mgmt. Rep	X
Hao Xie; Sup Rep Local 721	

College Presidents

Kathleen F. Burke*	X
Erika A. Endrijonas	X
Larry Frank (Mary Gallagher)	X
Otto W. Lee (Bob Suppelsa)	X
James M. Limbaugh	X
Marvin Martinez (Myeshia Armstrong)	X
Renee Martinez	X
Denise Noldon**	X
Monte Perez	X

(Vacant)-Build & Trade

Student Trustee Rep

Mandie Dixon	
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* DBC CO-chairs

** Interim

Also Present

Resource Persons

Ryan Cornner
Jeanette Gordon
Deborah La Teer
Bob Miller
Albert Román
Maury Pearl

Guests

John	al-Amin	Rasel	Menendes
Violet	Amrikhas	Fernando	Oleas
Grace	Chee	Sarah	Song
Dan	Hall		
Mike	Lee		

1. Call to Order by Jeff Hernandez at 1:36.

2. Approval of Agenda – Approved with no changes.

3. Approval of Minutes for September 13, 2017 & October 11, 2017 – September 13, 2017 minutes approved with no changes. October 11, 2017 minutes approved with no changes.

4. Chancellor’s Remarks/Updates

- The Chancellor was attending the fall Western Interstate Commission for Higher Education (WICHE) as a new 3-year commissioner and had his report read to the committee:
- Enrollments - Declining enrollments for fall continue to be a major concern for our colleges and district, and will be discussed today and at the board’s IESS and Budget meetings next week. An enrollment and retention strategies presentation, following up on the Enrollment Summit that occurred in October, will be delivered to board on December 6 during the monthly board meeting at LA Pierce College.
- California College Promise - AB 19 Signed! - Governor Jerry Brown signed AB 19 (Santiago, Chiu and McCarthy) today enabling all Californians to benefit from a year of high quality community college education without having to pay fees for one full year. The California College Promise, authored by Assembly member Miguel Santiago, passed the State Legislature with bipartisan support. AB 19 restores the intent and spirit of the 1960 Master Plan for Higher Education, stating that public higher education, “shall be tuition free to all students.” AB 19 is an extension of policies and practices already happening in Los Angeles. With the support of Mayor Eric Garcetti and other local partners, including the Los Angeles Chamber of Commerce, LACCD launched the inaugural L.A. Promise Program this fall. More than 4,000 Los Angeles Unified School District high school graduates accepted the L.A. Promise that provides tuition free community college education at one of Los Angeles’ nine college campuses.
- 2018/19 State Legislative Priorities for LACCD
 - a. Base Allocation Increase: Community colleges continue to grapple with operating cost increases (PERS, STRS, OPEB, CBAs, Health Benefits, and Minimum Wage) that are greater than the statutory COLA increase. Additionally, districts are still trying to catch up to cost increases that occurred during the “Great Recession,” a period when community colleges went without COLA increases. We anticipate that costs will continue to increase and the cost of educating a student will increase along with general operating cost increases.
 - b. Growth/Transition Funding: This proposal would call for a minimal amount of growth funding being allocated in the budget; this would be approximately 1%. At the same time, the proposal calls for an additional year of stability being applied across districts in order for a smoother transition to a new funding formula. After the additional stability year, districts would have a “trickle down” reduction that would go, 1/3, 1/3, 1/3. This compromise would ensure that those districts that are growing are funded for the students they are serving while districts that are declining remain stable in a time when the state is discussing a new way to fund community colleges.
 - c. Implementation of the Community College Promise: Now that AB 19 has been signed into law, the measure will need to be funded in the next budget cycle. Not only will it need to be funded, but we will also need to ensure that it is adequately funded to waive all fees for first-time, full-time students. Additionally, we may need some clean-up amendments to ensure that the bill is implemented as intended.
 - d. DACA Work Study: Undocumented students are prohibited from participating in the federal work study program limiting their access to certain financial aid. We’ll explore legislation that would establish a state work study program specifically for AB 540 students that would allow

them to “work” or volunteer in exchange for a stipend or grant. These are some of the most vulnerable students in our system and they are disadvantaged when it comes to financial aid opportunities.

- e. CCCApply: Currently, CCCApply is a barrier for many students who are seeking access to community college. We hear that the process can take close to an hour and many students are discouraged while going through the process. The abandonment rate is much higher than it should be, especially for LACCD colleges. Let’s look at ways to streamline the application process, while still enabling the state to collect the data that it needs.

5. ECDBC Reports and Recommendations

- There was no ECDBC meeting.

6. Enrollment Update (Cornner)

- Winter enrollments have started and numbers should be more concrete when open enrollment arrives.
- FTES calculations have begun and more definite numbers are expected to be reported at the next DBC meeting. Preliminary enrollment projections show that FTES is a bit higher than enrollment and additional FTES is expected beyond the 5% enrollment decrease.
- The Board approved a contract with Interact Communications for student recruitment for Spring at the last meeting. There are two target groups: students who applied but never attended (46% of applicants) and students who attended in Fall but have not registered for Spring. Communications to encourage students to enroll will begin on December 8, 2017.

7. FON Update (Román)

- Currently, the full-time faculty number is 1,679.3. The FON target was 1,654 for 2017 and the District was 31.5 over the FON number.
- Estimated “Early” Separations for 2018 was 40. However, due to SRS retirements, the District expects fewer separations. The new projection is approximately 10-20 separations.
- Faculty hires are being processed for Spring 2018 and will count towards FON reporting in 2018. The District anticipates 15-20 more hires, which will bring the total number of hires to 119 full-time faculty members for next year.
- A plan with detailed information about hires for each college is expected to be presented next month.

8. Prop 98 tests and impact on LACCD (Dr. Miller)

- Prop 98 is the mechanism in which K-12 and community colleges receiving funding. In the calculation of funding distribution under Prop 98, there are three tests that can be chosen. Due to current economic conditions, the Prop 98 test B3 can be waived and would result in a reduction in allocation to K-14 institutions.
- California Community Colleges funding could result in a total reduction of \$450 million. LACCD funding could be reduced \$4.1 million in 2018-19, \$2.7 million in 2019-20, and a little over \$1 million in 2020-21.
- California Community Colleges are organizing and working with legislators to overturn the decision to waive Prop 98 test B3.

9. DBC Recommendations to the Chancellor

- No recommendations to the Chancellor.

10. Items to Be Addressed by ECDBC

- ECDBC will share visits from Harbor and Southwest.
- Functional mapping of District to be taken to ECDBC for review.

11. Other Business

- Discussions about the District Contingency Reserve. A more targeted discussion on this can be brought in future meetings.
- The District Strategic Plan states that the District needs to do Integrated Planning. The District Planning Committee will fine tune the plan and send to the DBC for review in the future.

The meeting was adjourned at 2:35pm.

Future DBC Meetings: Jan 31, Feb 14, Mar 14, Apr 11, May 16, Jun 13

Future ECDBC Meetings: Nov 28, Jan 30, Feb 27, Mar 27, Apr 24, May 29, Jun 26



2018-2019 GOVERNOR'S PROPOSED BUDGET

District Budget Committee

01/31/18

Governor's Proposed Budget Highlights

- New CCC Funding Formula
 - The Governor proposes \$175 million to fund the transition of community colleges to a new Student-Focused Funding Formula for general apportionments similar to the K-12 Local Control Funding Formula (LCFF)
 - Base Grant (50% of funding) - based on enrollment using a per full-time equivalent student (FTES) funding rate, similar to the current general apportionment calculation
 - Supplemental Grant (25% of funding) - based on the number of low-income students who receive a College Promise Grant (formerly Board of Governors) fee waiver or Pell Grant
 - Student Success Incentive Grant (25% of funding) - based on the number of degrees and certificates granted and the number of students completing them in three years or less, with additional funds for each Associate Degree for Transfer granted

Governor's Proposed Budget Highlights

- The proposed Student-Focused Formula includes a hold harmless provision that ensures that no district receives less funding in 2018-19 than is allocated through the general fund apportionment in 2017-18.
- In subsequent years, the hold-harmless provision (LACCD proportionate share – not yet known) is determined based on 2017-18 per-FTES general apportionment funding multiplied by the FTES for the year for which funding is being calculated. Per DOF, COLA will not be applied to the on-going \$175 million transitional funding.
- The Governor has also requested the Chancellor's Office to consult with stakeholders to develop a proposal to consolidate categorical programs in time for the May revision. This is focused primarily on the Student Support Success Program, Student Equity Program, Basic Skills Initiative and others.

Governor's Proposed Budget Highlights

- Other General Apportionment
 - \$161.2 million increase to fund the estimated 2.51% statutory cost-of-living adjustment (COLA)
 - \$60 million increase to fund 1% growth
 - \$73.7 million decrease to reflect unused 2016-17 growth
 - \$20.5 million for a COLA for the Adult Education Block Grant program, along with \$5 million for a shared data collection and accountability system
 - \$17.8 million in ongoing funds for K-12 and community college apprenticeship programs
 - \$30.6 million in one-time funds to backfill shortfalls in the reimbursements provided from 2013-14 through 2017-18
 - \$2 million to fund certified nursing assistant programs

Governor's Proposed Budget Highlights

- Other Programs
 - \$275.2 million in one-time funds for deferred maintenance and instructional equipment
 - \$46 million to support the implementation of the California College Promise program
 - \$44.9 million in Proposition 51 bond funds
 - \$32.9 million to consolidate the Full-Time Student Success Grant and the Completion Grant programs
 - \$20 million in one-time funds for the Innovation Awards program for grants
 - \$7.3 million to fund the 2.51% COLA for DSPS, EOPS, CalWorks and Child Care Tax Bailout programs
 - \$2 million for the State Chancellor's Office

Chancellor Oakley Comments – ACBO Budget Conference – January 17, 2018

- Funding Formula
 - We now have an opportunity to rethink how we are deploying the nearly \$9 billion to CA CCs.
 - CEOs/CBOs/CIOs/CSSOs will do this. Reduce the sole reliance on enrollment growth. Everything we do is wrapped around the current formula.
 - He understands how any change is scary and stated we cannot continue to play the games we do in all our communities. Current funding model forces us to cannibalize each other. The incentives need to be aligned in support of completion; funding model must focus on completion; the current funding model does not support a more educated workforce.
 - Governor, DOF and legislative leadership is confident that Community Colleges have the ability to focus on completion. Reward good work.
 - How do we improve student outcomes and how do we deploy \$9 billion to make that happen? Forces questions about FON, 50% law, categorical programs and provides opportunities to fully engage and support Guided Pathways.

Chancellor Oakley Comments – ACBO Budget Conference – January 17, 2018

- Funding Formula
 - Goal is not to penalize but instead reward transition to new funding formula.
 - Recession will happen — this is our opportunity to change formula while there is money to fund the transition.
 - Increase in base dollars over last few years is to fund long term costs — take a hard look at balance sheet, enrollments, PERS/STRS, etc. There is a lot of red ink out there. He will send teams to review. Make the needed corrections now; don't wait for the crisis to hit.
 - Encourage field to talk to legislators about stabilizing funding to get us through the next recession. Do all we can to bring the 114 colleges together.
 - New Funding Formula is a major goal of the state Chancellor, DOF and Governor. This alignment has not happened before.
 - We can't have it both ways — 72 Districts and a state CC system. Chancellor Oakley wants the former but if we don't get this right, a centralized Community College System could happen.

Proposed 115th Online California Community College

- Accredited and Operated by the California Community College State Chancellor's Office
- Board of Trustees – California Community Colleges System Board of Governors

Proposed 115th Online California Community College

- The Governor proposes \$120 million (\$20 million ongoing) to create a fully online community college
 - Focus on vocational training, career advancement opportunities, and credentialing for careers in
 - Child development
 - The service sector
 - Advanced manufacturing
 - Healthcare
 - In-home supportive services
 - And others
 - The enrollment focus is the 2.5 million working adults that are not currently accessing higher education

Proposed 115th Online California Community College

- Apportionment funding for the fully online college would take into account student enrollment and the number of underrepresented students enrolled in the college
- Question - How is apportionment allocated and to where?
- The online college will focus on student success – workforce certificates, specific skills and job advancement
- The college will not impact traditional community colleges' enrollment because its enrollment base will be working adults that are not currently accessing higher education.
- Term used – Sub-Associate Degree Programs

Chancellor Oakley Comments – ACBO Budget Conference – January 17, 2018

- Online — Sub-Associate Degree Programs — Partner with Strong WorkForce Colleges – the design of the Online College will be worked through with our constituent groups and supporters. No intention to compete with any of the 114 colleges. We want to do something very different.
- The Online College is meant to pullback from the traditional community college calendar and populations and reach a group of Californians in desperate need of job skills. Competency based, available 24/7, partner with business, industry and employers. Provide those stuck in their jobs or lack of job with the opportunity of promotion and wage gains. Innovation will drive the college.

Chancellor Oakley Comments – ACBO Budget Conference – January 17, 2018

- We will learn a great deal and have much to share with the 114 colleges — Goal — faculty awareness of new technology and delivery. A space of innovation. A sandbox to experiment. An opportunity to look at the existing regulatory framework and align it with new delivery strategies.
- California is the number one for-profit online college education market. We want to create a public alternative; affordable and quality driven.
- We are going to work through this over the course of the next few months. We look forward to working with the system to develop a win-win for all.

Governor's 2018-19 Budget and Impact to LACCD

January 10, 2018

Description	Final Signed Budget 2017-18		Governor's January Proposal 2018-19		Governor's May Revise 2018-19		Final Signed Budget 2018-19	
	System	LACCD	System	LACCD	System	LACCD	System	LACCD
General Fund								
Increased Access (1% in FY2018-19; 1.0% in FY2017-18) ^[4]	57,800,000	5,500,000	60,000,000	5,700,000				
COLA (2.51% in FY2018-19; 1.56% in FY2017-18)	97,600,000	9,200,000	161,200,000	15,300,000				
Funding Formula Transition ^{[1][2]} (Base augmentation in 2017-18)	183,600,000	16,400,000	175,000,000	16,600,000				
Apprenticeship (one-time)	-	-	30,600,000	300,000				
Apprenticeship COLA	-	-	17,800,000	200,000				
Total Ongoing Base Increase	339,000,000	31,100,000	444,600,000	38,100,000	-	-	-	-
Categorical/Restricted								
COLA for EOPS, DSPS, CALWorks, Child Care tax bailout ^[2]	5,700,000	500,000	7,300,000	700,000				
Guided Pathways ^[3]	150,000,000	12,800,000	-	-				
Certified Nursing Assistant ^[1]	-	-	2,000,000	?				
Proposition 39	38,900,000	3,700,000	-	-				
Adult Ed Data Sharing	-	-	5,000,000	-				
Adult Ed - COLA	-	-	20,500,000	196,000				
Scheduled Main/Instructional Equipment	76,900,000	7,300,000	275,000,000	26,100,000				
CCCCO System Office	-	-	2,000,000	-				
Innovation Awards (grant based)	20,000,000	?	20,000,000	?				
Online Education Initiative - system office	10,000,000	-	120,000,000	-				
College Promise ^{[1][2]}	-	-	46,000,000	4,400,000				
Integrated Library System - system office	6,000,000	-	-	-				
Other/one time								
Cal Grant B (to Students)	-	-	32,900,000	-				
Total Other/One Time	-	-	32,900,000	-	-	-	-	-
Grand Total	646,500,000	55,400,000	975,300,000	69,496,000	-	-	-	-

^[1] Subject to change; pending information from State Chancellor's Office.

^[2] Projected amount is based on the proportional share of LACCD FTES to the State system, currently 9.5%.

^[3] LACCD projected amount based on FTES share; could be grant based.

^[4] Currently 1 % growth is not likely for LACCD and is not included on 5 year forecasts.

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
LONG-RANGE FINANCIAL PLANNING
5-YEAR Financial Forecast
(Includes SRP adjustments)**

Assumptions:

Current (2017-18) State Funding Formula
\$17m in settlement ;\$3m in state mandate Rev
NO growth revenue
NO salary increase in FY 2019-20
Transition funding of \$16.6m in 2018-19

UNRESTRICTED GENERAL FUND

	2016-17 Actuals	2017-18 Projected	2018-19 Projected	2019-20 Projected	2020-21 Projected	2021-22 Projected
REVENUES						
	<i>FTES</i>	107,991	94,890	106,606	101,186	101,186
State General Apportionment Revenue	\$ 495,526,562	\$ 526,528,290	\$ 550,977,491	\$ 566,140,612	\$ 548,163,218	\$ 568,018,857
Education Protection Act (EPA-Prop 55)	82,795,554	78,197,646	78,197,646	78,197,646	78,197,646	78,197,646
Non-Resident	12,478,647	11,452,459	11,739,916	12,022,848	12,359,487	12,359,487
Apprenticeship	158,273	163,431	663,431	663,431	663,431	663,431
Dedicated Revenue	9,320,123	6,753,516	6,753,516	6,753,516	6,753,516	6,753,516
Other State	35,868,744	27,297,674	24,297,674	24,297,674	24,297,674	24,297,674
Other Federal	0	0	0	0	0	0
Other Local	4,432,353	19,193,000	4,432,353	4,432,353	4,432,353	4,432,353
Incoming Transfers	3,974	0	0	0	0	0
TOTAL RESOURCES	\$ 640,584,230	\$ 669,586,016	\$ 677,062,027	\$ 692,508,079	\$ 674,867,325	\$ 694,722,965
EXPENDITURES						
Certificated Salaries	282,468,123	288,589,390	286,404,714	298,806,714	298,806,714	298,806,714
New Faculty Hires	0	0	12,402,000	0	0	0
Non-Certificated Salaries	127,441,595	130,727,145	132,726,277	132,726,277	132,726,277	132,726,277
Employee Benefits ⁽¹⁾	139,247,170	153,000,000	179,986,517	188,134,569	193,463,423	203,621,025
Subtotal Salary & Benefits	549,156,888	572,316,535	611,519,509	619,667,560	624,996,414	635,154,016
Salary & Benefit %	83%	82%	84%	84%	84%	83%
Books & Supplies	4,470,429	6,972,193	7,147,195	7,319,442	7,524,387	7,762,910
Other Operating Expenses	74,887,859	89,281,556	78,802,991	81,077,594	83,666,901	86,580,052
Capital Outlay	7,596,689	6,781,603	6,951,821	7,119,360	7,318,702	7,550,705
Interfund Transfer	20,054,324	20,895,312	21,419,784	21,936,001	22,550,209	23,265,051
Other	1,675,110	1,181,842	1,211,506	1,240,704	1,270,604	1,301,226
TOTAL EXPENDITURES	\$ 657,841,299	\$ 697,429,041	\$ 727,052,806	\$ 738,360,661	\$ 747,327,218	\$ 761,613,960
NET REVENUES LESS EXPENDITURES	\$ (17,257,069)	\$ (27,843,025)	\$ (49,990,779)	\$ (45,852,582)	\$ (72,459,893)	\$ (66,890,995)
FUND BALANCE						
Beginning Fund Balance (includes PY adj)	\$ 130,325,339	\$ 113,151,933	\$ 85,308,908	\$ 35,318,129	\$ (10,534,453)	\$ (82,994,346)
Net Revenues Less Expenditures	(17,257,069)	(27,843,025)	(49,990,779)	(45,852,582)	(72,459,893)	(66,890,995)
Ending Fund Balance	\$ 113,068,270	\$ 85,308,908	\$ 35,318,129	\$ (10,534,453)	\$ (82,994,346)	\$ (149,885,341)
<i>Fund Balance % of Revenue (to determine salary increase)</i>	17.7%	12.7%	5.2%	-1.5%	-12.3%	-21.6%

Fiscal Headwinds

Additional Costs

- Pension Costs - deferred pension cost obligations (potentially \$53m accumulated from FY 2014-15 through 2023-24)
- 3rd Year of Labor Contract - \$12.7 million in 2019-20
- Health Costs (2.5%) - \$2 million per year
- Faculty Obligation Number (FON) – SRP hires

Exacerbated by

- Governor's Proposed CCC Funding Formula – Could be Positive or Negative – will not know with relative certainty until the May revise
- Deficit Spending (\$17m in 2016-17 and projected over next 5 years)
- New Construction - Total Cost of Ownership
- WSCH/FTEF (486 vs 525 or greater)
- Decentralized model vs centralized services (explore shared staffing and procurement)
- SRP rehire & general hiring – Too Aggressive?
- New SIS system
- OPEB (SRP)

Cost of Labor Contracts

July 1, 2017 through June 30, 2020

Description	2017-18	2018-19	2019-20	Total
Salary Increase @ 2.0% each year or COLA % (if greater) ^[1]	9,210,837	11,849,834	11,663,310	32,723,981
Additional Step on Adjunct Salary Table	1,100,000	1,100,000	1,100,000	3,300,000
30% of Growth ^[1]	-	-	-	-
Increase in District Contribution to Adjunct Health Plan ^[2]	163,620	199,980	236,340	599,940
Total Permanent Increase	10,474,457	13,149,814	12,999,650	36,623,921
HRA @ \$1,500 per employee per year	5,953,500	5,953,500	5,953,500	17,860,500
Total One-time (expires with contract) Increase	5,953,500	5,953,500	5,953,500	17,860,500
Total Three Year Contract	16,427,957	19,103,314	18,953,150	54,484,421

^[1] Raises will not occur if the District Reserves fall below 10%.

^[2] District contribution of \$350/month in 2017-18; \$360/month in 2018-19; \$370/month in 2019-20

Assumptions:	2017-18	2018-19	2019-20
COLA (source: Gov Bud for 2018-19; School Services of California for 2019-20)	1.56%	2.51%	2.41%
Growth	0.00%	0.00%	0.00%

FY 2016-17 LACCD Expenses

Annual	Assumptions		Total
HRA	3,969 employees @ \$1,500/yr		6,000,000
1% Salary Increase	2016-17 Total Salary *1% (plus statutory benefits)		4,600,000

Monthly	Assumptions		Total
Monthly General Fund <u>Unrestricted</u> Salary	Avg of 2016-17 Annual Salary	34,200,000	
Monthly General Fund <u>Unrestricted</u> Employee Benefits	Avg of 2016-17 Annual Benefits	11,600,000	
	Total		45,800,000
Monthly Total Salary, all Funds	Avg of 2016-17 Salaries, all Funds	43,200,000	
Monthly Total Employee Benefits, all Funds	Avg of 2016-17 Employee Benefits, all Funds	15,300,000	
	Total		58,500,000
Monthly General Fund <u>Unrestricted</u> Operating Cost	Avg of 2016-17 supplies, other exp, and cap outlay expenses		7,200,000
Monthly Overall Operation Cost (General Fund, Categorical, SFP)	Avg of 2016-17 Salaries, Benefits, Supplies, Other Exp, and Cap. Outlay EXCLUDES Bond (Fund 9) and Financial Aid Fund (Fund 2)		74,800,000

**Los Angeles Community College District
Cost of Fall 2018 Required FON Hires**

	City	East	Harbor	Mission	Pierce	SouthWest	Trade	Valley	West	Total
# hires	19	33	11	9	11	8	17	11	11	129
Cost @ \$102,000	1,958,400	3,315,000	1,111,800	897,600	1,132,200	795,600	1,764,600	1,142,400	1,071,000	13,188,600



LOS ANGELES COMMUNITY COLLEGE DISTRICT

2017-18 First Quarter Financial Status Report

District Budget Committee January 31, 2018

Projected Ending Balance

Projected Revenue	\$659.6 million
Projected Expenditures	<u>\$690.1 million</u>
Projected Revenue vs Expenditures	\$-30.5 million
Balances Carried Forward for 2016-17	\$113.0 million
Adjustment to Beg Bal	<u>\$.1 million</u>
Projected Ending Balance	\$ 82.6 million
Percent of Projected Expenditures	12.0%

Projected Reserves

General Reserve (6.5%)	42,576,661
Contingency Reserve (3.5%)	8,925,894
Deferred Maintenance	0
Balances/Open Orders	4,217,660
STRS/PERS Reserve	<u>26,900,000</u>
Total Projected Reserves as of June 30, 2018	82,620,215

Unrestricted General Fund Ending Balance by Location

As of September 30, 2017

College	Current Budget	Projected Expenditure as of June 30, 2018	Addition College Revenues	Other Savings	Projected P1 Adjustment **	Revised Total Budget with College Augmentation	Projected Balance
	a	c	d	e	f	g = a + d + e + f	h = g - c
City	57,494,933	60,970,000	0	0	1,808,871	59,303,804	(1,666,196)
East	118,003,493	121,554,259	0	0	3,902,004	121,905,497	351,238
Harbor	33,558,586	34,510,460	0	0	963,963	34,522,549	12,089
Mission	34,254,080	34,510,460	0	0	968,033	35,222,113	711,653
Pierce	74,897,480	78,062,982	0	0	2,246,963	77,144,443	(918,539)
Southwest	28,770,952	31,508,994	0	0	758,854	29,529,806	(1,979,188)
Trade-Tech	59,572,018	59,511,960	0	0	1,824,242	61,396,260	1,884,300
Valley	63,087,203	63,055,529	0	0	1,865,099	64,952,302	1,896,773
West	43,988,817	43,729,877	0	0	1,217,671	45,206,488	1,476,611
ITV	1,496,123	1,372,135	0	0	61,365	1,557,488	185,353
ESC	39,836,596	39,420,619	0	0	0	39,836,596	415,977
Total	554,960,281	568,207,275	0	0	15,617,064	570,577,345	2,370,070

** Pending further analysis, subject to change.

Preliminary 2017-18 P1 Adjustments

College	Assess %	One Time State Mandate Revenue	Assessment Reduction			Total P1 Adjustment
			Insurance	Board Election	Bond Reclass	
		3,005,283	3,363,901	3,000,000	6,247,880	15,617,064
City	11.6%	348,092	389,629	347,480	723,670	1,808,871
East	25.0%	750,885	840,488	749,565	1,561,065	3,902,004
Harbor	6.2%	185,501	207,637	185,175	385,650	963,963
Mission	6.2%	186,284	208,513	185,957	387,278	968,033
Pierce	14.4%	432,396	483,994	431,636	898,937	2,246,963
Southwest	4.9%	146,031	163,456	145,774	303,593	758,854
Trade-Tech	11.7%	351,050	392,940	350,432	729,820	1,824,242
Valley	11.9%	358,912	401,741	358,281	746,166	1,865,099
West	7.8%	234,324	262,285	233,912	487,151	1,217,671
ITV	0.4%	11,809	13,218	11,788	24,550	61,365
		3,005,283	3,363,901	3,000,000	6,247,880	15,617,064

SPRING 2018: Credit Enrollment Comparison

Census day for
Spring 2018 (WSCH)
is February 20

Day

-6

Day relative to beginning of instruction

Tuesday, January 30, 2018

Tuesday, January 31, 2017

HEADCOUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	12,193	20,480	7,379	8,804	16,445	4,636	9,868	14,157	9,389	653	104,004
Spring 2017	15,032	23,611	8,048	8,657	18,085	5,349	11,618	15,857	10,109	1,001	117,367
2018 % of 2017	81%	87%	92%	102%	91%	87%	85%	89%	93%	65%	89%

ENROLLMENT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	29,486	53,082	18,447	19,228	41,994	10,204	22,926	33,365	21,271	857	250,860
Spring 2017	36,469	61,075	20,762	20,210	47,430	12,737	28,088	39,234	24,864	1,245	292,114
2018 % of 2017	81%	87%	89%	95%	89%	80%	82%	85%	86%	69%	86%

SECTION COUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	1,287	2,259	834	681	1,617	456	1,203	1,456	911	88	10,792
Spring 2017	1,413	2,600	929	697	1,653	501	1,273	1,526	982	19	11,593
2018 % of 2017	91%	87%	90%	98%	98%	91%	95%	95%	93%	463%	93%

Enrollment divided by Section	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Spring 2018	22.9	23.5	22.1	28.2	26.0	22.4	19.1	22.9	23.3	9.7	23.2
Spring 2017	25.8	23.5	22.3	29.0	28.7	25.4	22.1	25.7	25.3	65.5	25.2
2018 % of 2017	89%	100%	99%	97%	91%	88%	86%	89%	92%	15%	92%

Source: LACCD Student Information System, PS_CLASS_TBL, PS_STDNT_ENRL tables.

*Enrollment and Section count: Includes Credit PA, WSCH, DSCH, Ind Study, and Work Exp. Excludes Non-Credit Adult Ed and Non-Credit Tutoring. 2017 Section count reflects the information as of the end of the term (instead of the relative day listed above).

District Budget Committee
January 31, 2018

Identify and Address Gaps in SIS Implementation

December 15, 2017 – The District Academic Senate took the following action in response to concerns about gaps in our response to the current enrollment crisis:

Motion to recommend to the Chancellor the establishment of an Enrollment Crisis Response Team.

Hernandez/Stewart M/S/P

January 18, 2018 – During consultation with DAS leadership, Chancellor Rodriguez expressed support for the motion and suggested that, given the constituencies present, DBC be asked how to move forward with this item. One suggestion was that either DBC or a subcommittee could convene to identify and address gaps in SIS implementation.

Initial LACCD Fall 2018 Projected Amounts
Allocation of Fall 18 Hires By College at 100% with adjusted New Hire distribution
(As of January 25, 2018)

<u>Line</u>	<u>City</u>	<u>East</u>	<u>Harbor</u>	<u>Mission</u>	<u>Pierce</u>	<u>South- West</u>	<u>Trade</u>	<u>Valley</u>	<u>West</u>	<u>Total</u>	
1	Fall 17 FON Report FTEF *	212.8	359.5	120.8	97.5	258.0	86.5	202.5	207.4	127.0	1676.6
2	2017 "Late" Separations applied to Fall 17 FON (as of January 9, 2018) ^	26.0	27.0	15.0	10.0	21.0	5.0	20.0	19.0	12.0	156.0
3	Actual 2018 "Early" Separations ^^						1.0		2.0		3.0
4	Fall 17 FTEF Adjusted for Estimated Separations (Line 1 - Lines 2 & 3 & 4)	186.8	332.5	105.8	87.5	237.0	80.5	182.5	186.4	115.0	1517.6
5	Total Planned Hiring at 100% by College as Percent of Fall 17 FTEF to get to Fall 18 Advance Amount	16.6	28.0	9.4	7.6	20.1	6.7	15.8	16.2	9.9	130.2
5A	Total adjusted hire amounts for colleges based on discussions at January 12, 2018 cabinet meeting ^^^					-9.0			-5.0	-1.0	-15.0
5B	Allocation of Hires on Line 5a to specified Colleges using percent of Fall 2017 FTE divided by total of Colleges excluding Pierce and Valley	2.6	4.5	1.5	1.2	0.0	1.1	2.5	0.0	1.6	15.0
5C	Total Planned Hiring at 100% by College as Percent of Fall 17 FTEF with updated count from 5A and 5B (Lines 5 + 5a + 5B)	19.2	32.5	10.9	8.8	11.1	7.8	18.3	11.2	10.5	130.2
5D	Amount of current New Hires by college for Spring 18®	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	1.0
5E	Total remaining New Hires required by Colleges WITH Line 5b Hires included in Total (Lines 5C - 5D)	19.2	32.5	10.9	8.8	11.1	7.8	17.3	11.2	10.5	129.2
6	Total Projected Fall 18 FTEF by College with 5A Allocated but Line 5B in total (Line 4 + 5C)	206.0	365.0	116.7	96.3	248.1	88.3	200.8	197.6	125.5	1647.8
7	Fall 18 FON FTEF Advance Amount **										1647.8
8	Projected FTEF Difference to Fall 18 Advance Amount (Line 7 - Line 6)										0.0
	Fall 17 Full-Time to Part-Time Percentage	71.9%	63.9%	67.7%	55.1%	70.2%	56.2%	71.5%	63.4%	58.9%	65.2%

Fall 18 FON FTEF Advance Amount is 1647.8. If the Fall 18 FTEF at P2 is less than the Fall 18 FON Advance Amount the Fall 18 FON compliance amount would be the P2 FTEF amount.**

Note:

* Amount provided to the State in Fall 17 FON report. Total includes about 4.6 FTE located at ESC.
** Based on memo from CCCCC Assistant Vice Chancellor College Finance and Facilities Planning Division dated October 19, 2017 (memo # 17-13).
^ Late Separations based on document provided by HR to Budget Office on January 11, 2018. Total includes 1 separation at ESC
^^ Based on estimated agreed amount between the Budget Office and HR on January 9, 2018. The allocation by College is a rough estimate.
^^^ Based on the resignation forms received by HR as of January 25, 2018. As a result, this number may increase prior to the "early" separation deadline.
Any increase on this line would require additional hires to meet the Fall 18 FON
® Percentage amount recommended by Budget Office on January 9, 2018. Spread hires using the percent the College's Fall 17 FTEF was of the Total Fall 17 FON FTEF (minus ESC).
Ⓢ Employee #1065292 was cleared 11/28/2017 and set to start employment on Feb 1, 2018. New Hires as of January 23, 2018.
^^^ Does not account for retreats at Southwest (1).