

**Los Angeles Community College District**

**District Budget Committee Meeting Minutes**

June 17, 2015

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

**Roll Call**    X Indicates Present

**Academic Senate**

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

**L.A. Faculty Guild**

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

**Unions/Association**

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

**College Presidents**

Renee Martinez	X
Marvin Martinez*	X
Otto W. Lee	X
Monte Perez	X
Kathleen F. Burke	X
Linda D. Rose	X
Larry Frank	X
Erika A. Endrijonas	X
Nabil Abu-Ghazaleh	X

**Student Trustee Rep**

Sami Sandhu

\* DBC CO-chairs

\*\* Interim

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**Also Present**

**Guests**

**Resource Persons**

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

Mike Lee	X
Iris Ingram	X
Ann Tomlinson	X
Dan Walden	X
Nestor Tan	X
Ferris Trimble	X
Vi Ly	X
Violet Amrikhas	X
John Al-Amin	X
Rasel Menendez	X
Rolf Schleicher	X
Nico Ornelus	X

1. **Call to Order** by DBC Co-Chair Mr. John McDowell at 1:45 pm.
2. **M/S/P Agenda** – added Agenda Item 15 – DBC Name Change (Discussion) and Approve.
3. **M/S/P Approval of Minutes** – Minutes of May 20, 2015 were approved as presented.
4. **DBC Co-Chair Election (Faculty)** – John McDowell was nominated. He indicated he will happy to serve for another year and plan to step down next year as he approaches retirement.  
  
M/S/P – Mr. John McDowell was elected by exclamation as DBC Co-chair (Faculty).
5. **Adopt FY2015-16 DBC Meeting Calendar** – M/S/P approved with changes to delete both November 25, 2015 and December 23, 2015 and replace with December 2, 2015.
6. **Chancellor’s Remarks/Updates** – Chancellor Rodriguez commented that FY2014-15 was one of the best years of careful planning because of the leadership and service of the Committee and college constituents. He indicated that, this year, the District generated close to 105,000 FTES. We are still 15,000 FTES below the high point of 120,000 FTES in 2008-09 enrollment level. We have the capacity and interest to serve more people in our community. He commended the Committee’s efforts for supporting our mission and our interest at the state and local levels in serving a wider population for continuing advocates for four the top budget/funding priorities: growth, base allocation, adult education, and concurrent enrollment.

The Chancellor also announced that at the next Board meeting we will be honoring Trustees Mona Field as the Emeritus Trustee after serving 16 years on the Board and Steve Veres for four years on the Board. At the first Board meeting in July at Los Angeles City College, there will be swearing in for three new Board members. There will be a search for new college President for West Los Angeles Community College.

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

Ms. Gordon provided the state budget update from the Conference Committee as of June 9, 2015. The Legislature assumed the level of revenues estimated by the Legislative Analyst Office (LAO), which were higher than the Governor’s May Revise. The Conference Committee approved funding for community colleges, approximately \$80 million over the Governor’s May Revision. Notably, \$266 million increase in base allocation for college discretionary operation expenses, \$626 million for one-time state mandate reimbursements for outstanding claims, and a \$30 million increase for EOP&S program. The State budget is expected to pass and be signed by Governor prior to July 1, 2015.

Chancellor Rodriguez commented that in addition to additional EOP&S funding in the Legislature budget proposal, there was funding for Cal Grand B, 3% enrollment growth, and start up for BA Degree Pilot programs. This is the best budget year of the last three years.

Ms. Gordon indicated that we will be taking the Tentative Budget to the Board next week for adoption and adjustments will continue be made in the next two months before Final Budget adoption in September.

## **8. Enrollment Update and Planning Target (Pearl)**

Maury Pearl reported enrollment summer as of Day 1. Headcount was up 14%. Enrollment was up 18%, and enrollment sections were up 27%. Overall summer offerings (Summer I and II) were larger than last year summer offerings. Enrollment will be updated later as Summer II started in early July. East, Harbor, Mission, and Pierce Colleges will report all summer 2015 enrollment in FY 2015-16.

Maury Pearl also presented the 2015-16 FTES growth/needs scenarios of 3%, the college planned/stated enrollment targets, 5% and 6% planning growth targets on two 2014-15 funded base assumptions: (1) 2014-15 base + 2.75% funded growth and (2) 2014-15 base + 4.77% funded growth. The college planned/stated differential enrollment target rates were polled from each college. The overall district-wide estimated planned growth rate for next fiscal year is 3.57% based on the college planned /stated differential target rates.

There was discussion about potential growth dollars left on the table and the implementation of the State's new growth funding formula. It is noted that the funded growth rate in the State Proposed budget is 3% for FY 2015-16. The District should be looking at higher enrollment growth target to 5%. Because colleges have been going after growth over the last few years and average class sizes have been down, colleges should have better coordination for better enrollment management practices across the District. Members are requesting for a comprehension report on how all the colleges are doing on their enrollment management practices and enrollment trends.

The Committee referred to the ECDBC for further review of the need to provide more information on enrollment management practices and enrollment data/planning to assist local planning and come back to DBC with a proposal on enrollment management.

## **9. FON Planning Targets for Fall 2015 and 2016 (Dr. Roman)**

Dr. Roman distributed a summary of new hires for current year. He reported that Human Resources has received 184 NOI, 72 are replacements, and 112 are new. The numbers were higher than previously estimated. 180 jobs were posted; 71 positions were cleared for minimum qualifications for hire, and the 109 positions are still in progress. The district is well under way to hire all the required FON of 157 FTEF.

Vinh Nguyen reported that in the May Revise, the Governor proposed \$75 million in new funding for full-time faculty hiring, and the District would receive \$6.5 million funding for hiring new full-time faculty. This will require an additional 60 new hires above the required FON for Fall 2016. The full-time faculty hiring fund will be added to the colleges/district base as ongoing funds.

In addition to the current year, it is estimated that colleges have to plan to hire an additional 110 to 140 full-time faculty positions to meet Fall 2016 FON obligation.

## **10. Proposed Student Equity Funding Distribution (Formula) for FY 2015-16 (Gordon)**

Ms. Gordon presented the ECDBC recommended funding formula for the 2015-16 Student Equity Fund. The recommended formula was based on the state factors: Annual FTES (40%), High Need Students (25%), Educational Attainment (10%), Participate Rate (5%), and Poverty (18%), and Unemployment Rate (2%).

Maury Pearl distributed and explained the funding scenarios and copy of the proposed student equity funding formula factors showing how each factor is computed:

- a. **Factor 1:** Annual FTES (40%) – distribute based on share of total district FTES.
- b. **Factor 2:** High Need Students (25%) – distribute based college share of district total students receiving PELL of BOGG students.
- c. **Factor 3:** Educational Attainment for Residential Zip Code (10%) – distribute based ratio (proportion) of the low educational attainment population of each college.
- d. **Factor 4:** Participation Rate (5%) – distribute based on ratio of college participation rate of students between 18-24 years of age compared to the District average.
- e. **Factor 5:** Poverty Rate (18%) - distribute based on ratio of college poverty rate compared to the district average.
- f. **Factor 6:** Unemployment Rate (2%) – distribute based on ratio of college unemployment rate computed based on zip codes represented by the enrolled students compared with the District average.

**M/S/P** – approved the ECDBC recommendation as presented.

#### **11. Board Budget and Finance Committee and ECDBC Committee Report and Recommendations (Gordon)**

Ms. Gordon distributed Harbor College’s request for deferral of the \$923,010 debt payment for fiscal year 2014-15 and City College’s College Report on FY 15 Budget, Enrollment Management, Outreach, and Debt reduction Plan.

She also reported out the ECDBC recommendations (ECDBC memo from Jeanette Gordon, dated June 2, 2015) on Harbor College’s Request for deferral of debt payment and City College’s request not to defer paying back the unearned growth fund in FY 2014-15:

- a. ECDBC recommended that the Chancellor grant Harbor College’s request contingent upon the college’s submission, within 30 days, of a self-evaluation as required in the District Financial Accountability Measures when a college is projecting to end the year with more than a \$500,000 deficit;
- b. ECDBC did not recommend any relief to City College until the college provides additional requested information for further review as indicated in the ECDBC memo from Ms. Gordon, dated June 2, 2015.

**12. 2015-16 Final Budget Development** – Chancellor’s Recommendation was tabled for next month meeting

#### **13. DBC Recommendations to the Chancellor**

- ✓ Student Equity Funding Formula for FY 2015-16

#### **14. Items requested from DBC members to ECDBC**

- ✓ Enrollment Management Practices

#### **15. Proposed DBC Name Change (Discussion) - tabled**

The meeting was adjourned at 3:38 pm.

*Future Meetings: July 15, August 26, Sept 23, Oct 28, Dec 2, Jan 20, Feb 17,  
March 16, April 20, May 18, June 29*