

**Los Angeles Community College District  
Board Committee Minutes: Budget & Finance**

August 22, 2018

4:30 p.m. – 5:45 p.m.

**Committee Members:**

Andra Hoffman, Chair  
Ernest H. Moreno, Vice Chair,  
David Vela, Member  
Robert B. Miller, Staff Liaison  
Jeanette L. Gordon, Staff Liaison  
James M. Limbaugh, College President Liaison

Trustee Hoffman called the meeting to order at 4:43 p.m.

**Public Speakers**

None

**Reports/Recommendations/Action**

2017-18 Ending Balances

Ms. Jeanette Gordon, Chief Financial Officer/Treasurer, distributed and discussed a document entitled "2017-18 Fourth Quarter Financial Status Report, Budget & Finance Committee August 22, 2018" with respect to the 2017-18 Ending Balance, 2017-2018 Open Orders and Ending Balances, 2017-2018 Year End Reserves, PERS/STRS Liability and PERS/STRS Contingency.

Trustee Hoffman indicated that her understanding is that Los Angeles Mission College (LAMC) has a negative balance due to the expenses that LAMC incurred in its response to the Creek Fire. She requested an update on the status of the FEMA reimbursement claim for LAMC.

Dr. Miller responded that the reimbursement level of the FEMA claim was not as feasible as the college had anticipated. It was a much lower amount.

Trustee Hoffman inquired as to the Los Angeles Community College District (LACCD) policy for unforeseen emergencies that are beyond the college's control.

Chancellor Rodriguez explained that the LAMC deficit is not solely because of FEMA. There are additional reasons why the college is in the red. If there were indeed resources expected to be reimbursed and the college needed a loan in the meantime, the District would have done that to help the college adjust its budget.

A question and answer session was conducted regarding the presentation.

Proposed Final Budget 2018-19 (Board Agenda Item 9/12/2018)

Dr. Robert B. Miller, Vice Chancellor of Finance and Resource Development, gave a detailed summary of the items discussed at the California Community Colleges Chancellor's budget workshop with respect to the State Budget and Economic outlook in terms of interest rates, the stock market uncertainty, and the State's funding priorities.

The State's expenditures are expected to increase 10 percent by 2021-22. The State is encouraging Districts to have reserves of at least 10 percent and/or a minimum of 17 percent set aside in case of an economic downturn. He indicated that they predict that Proposition 98 will continue to grow by 4 percent. He stated that the new funding formula is officially called "Student Centered Funding Formula (SCFF)." He stated that college enrollments are declining (58 of 72 districts have declined). He indicated and discussed in detail the SCFF following three components: regarding Base Allocation—Enrollments (FTES), Supplemental Allocation—Counts of low-income students, Student Success Allocation—Counts of outcomes related to the Vision for Success, with "premiums" for outcomes of low-income students.

Chancellor Rodriguez indicated that the LACCD is well positioned to transition into the new funding formula with Ms. Gordon's involvement with her peers at the State level and President Martinez, Chair of the CEO Board.

A detailed question and answer session was conducted with respect to the presentation.

Motion by Trustee Vela, seconded by Trustee Moreno, to approve the 2018-2019 proposed Final Budget.

*APPROVED: 3 Ayes*

### **Enrollment Update**

Dr. Ryan M. Cornner, Vice Chancellor of Educational Programs and Institutional Effectiveness, gave a brief update on Fall 2018 Credit Enrollment Comparison report Day -6.

Trustee Hoffman requested that FTES data be part of the enrollment update.

### **Internal Audit Quarterly Update**

Due to time constraints, this item was not discussed.

### **AB 19 Funding**

Due to time constraints, this item was not discussed.

### **FUTURE DISCUSSION/AGENDA ITEMS**

None

### **FUTURE BUDGET & FINANCE COMMITTEE MEETING DATES**

September 26, 2018

### **NEW BUSINESS**

None

### **ADJOURNMENT**

There being no objection, the meeting was adjourned at 5:50 p.m.