

**EL CAMINO COLLEGE Planning & Budgeting Committee**  
**Minutes Date: June 9, 2021**

√	Amy Grant - Management	√	Kelsey Iino – ECCFT
√	Greg Toya - Management	√	Breeanna Bond – Classified Staff
	Darcie McClelland – Academic Senate		Sophie Dao – Classified Staff
√	Josh Troesh – Academic Senate		Gary Robertson - Campus Police
√	Iris Ingram – Chair (non-voting)	√	Vigneshwar Balaji - ASO, Student Rep
√	Viviana Unda – Co-Chair (non-voting)	√	Shobhana Warriar – Confidential
√	Roy Dietz – ECCE		

**Alternate Members:** J. Bourlier, G. Patel, B. Giles, E. Hess

**Support:** J. Hinshaw, G. Ou, C. Pineda

**Other Attendees:** D. Maloney, J. Baranski, H. Herrera, G. Perez

The meeting was called to order at 1:02p.m.

1. Agenda Review

The committee moved, and seconded the approval of the agenda for today’s meeting. The committee accepted the agenda as presented with no objections.

2. Approval of Minutes – May 27, 2021

After review, the minutes were accepted with a minor change to second page adding a “0” next to .5%. It was moved, seconded and passed to approve the March 18<sup>th</sup> minutes with no objections.

3. FY2021-22 Tentative Budget

Iris went over the highlights of the FY2021-22 Tentative Budget:

- The President’s letter summarizes to the Board and the community what can be expected with the closing out of the fiscal year and going into the new fiscal year. It includes the budget information since September of 2020 to the present and talks about the inclusion of all of the HEERF funding and how that has impacted our budget and the bottom line. Funding for FY2021-22 is based on what we know from the January release of the Governor's proposed budget, and the subsequent May Revision and what we expect after the budget is passed by the State legislature in June. The letter also talks about some of our assumptions, as well as some of the areas where our resources have been expended over the last year, which includes our capital projects that we have completed and occupied, as well as the buildings that are now under construction.
- Assumptions are what the budget is built on. Below is the list of assumptions for the upcoming budget effective July 1<sup>st</sup>:
  - a. Estimated Beginning Fund Balance = \$ 52,285,450
  - b. Estimated Revenue including Federal, State and Local Sources = \$ 149,438,079
    - i. General Apportionment Revenue = \$ 128,730,073 (*COLA and Growth are applied only to General Apportionment portion of Revenue*)
    - ii. Federal Revenue = \$ 0
    - iii. Other State Revenue = \$ 11,644,698
    - iv. Other Local Revenue = \$ 5,423,500
    - v. Contributions in to Fund 11 = \$ 3,639,808 (*From Fund 16 – PERS / STRS Liability*)
  - c. General Apportionment Revenue is based on generation of 15,096.21 FTES (*Actual*)
    - i. Credit FTES = 15,078.17
    - ii. Non-Credit FTES = 18.04
  - d. Projected Course Offerings: 4,896 sections for the 2021-22 Academic Year.
  - e. Projected Cost of Living Adjustment (COLA) increase = 4.05% (plus 0.5% growth), equals an increase of \$5,010,637 above 2020-21 General Apportionment Funding
  - f. Step and Column Movement:
    - i. Certificated: 1.75% = \$ 991,603

- ii. Classified: 1.30% = \$ 380,267
  - g. Increase Employee benefits Costs resulting from item F = \$ 663,030
  - h. Restoration of 2020-21 of the 30% reductions to discretionary Budgets for the 2021-22 Budget Year = \$ 1,511,209 (*information will be sent out on where these funds have been restored and what the account string is*)
  - i. Pension Contributions:
    - i. Public Employee Retirement System (PERS) Increases by 3.300% to 23.000% = \$ 691,428
    - ii. State Teachers Retirement System (STRS) Decreases by 0.230% to 15.920% = (\$ 136,552)
  - j. Budget for projected utility cost increases of 3% over 2020-21 projected costs = \$ 98,700 (*we have signed an agreement with a power buying consortium that locks in our electricity prices for the next four years*)
  - k. Budget for Interfund Transfers Out from Fund 11 (Unrestricted General Fund) –
    - i. \$ 2,024,836 to Fund 12 (Restricted General Fund)
      - 1. \$ 1,524,836 for Parking Services (*all of the transfers that we are going to make in and out of Fund 11, we are supporting the parking services fund because they have not been able to charge for parking permits or issues citations and they have stuff paid out of the parking services fund so we are offsetting those losses*)
      - 2. \$ 500,000 for Technology Refresh (*established a technology refresh, which is partially paying for the computer replacement plan that we have instituted for the campus*)
    - ii. \$ 500,000 to Fund 41 (Capital Outlay)
      - 1. For Total Cost of Ownership – Facilities (*this is same as the technology refresh fund, but this will be to cover some of the local renovation and repair projects that the State does not pay for and to also make sure that we can keep up with some of the deferred maintenance on our building*)
    - iii. \$ 3,000,000 to Fund 69 (OPEB Irrevocable Trust) (*we might not have to transfer due to the performance of the stock market in the last year, which means that the \$3M would remain in Fund 11. We will not know until the actuarial study that we have commissioned is completed in July or August. Once we know we would adjust the final budget, which goes to the Board in September*)
    - iv. \$ 1,771,771 to Fund 62 (Property & Liability Insurance)
    - v. \$ 200,000 to Fund 74 (Student Financial Aid-Return to Title 4)
  - l. Budgeted Total 2021-22 Expenditures: \$ 152,082,874
  - m. Projected Deficit Spending for 2021-22 Fiscal Year (\$ 2,644,795) (*this will be eliminated by (1) us not having to transfer the \$3M into the OPEB trust and (2) by off-setting some of the expenses from Fund 11 to HEERF funding, which we don't know what those are yet*)
  - n. Projected Ending Fund Balance: \$ 49,640,655
- The rest of the tentative budget show all of the revenues and planned expenditures for different funds.
  - The pages for Fund 14 and 5 were associated to Compton partnership and they have been zeroed out, but we cannot eliminate these funds without a resolution from the Board asking LACOE to eliminate these funds. The resolution will be going to the July Board.
  - We will continue to make refinements to this document as we get more information. As soon as we complete all of the review of the prioritization decisions that came out of cabinet and allocate them to the proper funding source, then the expense categories will be updated.
  - Next step after that you will be this document again in August 12, after the Board adopts the tentative budget, and they have to do that before June 30, or else we cannot legally expand fund effective July 1<sup>st</sup>.
  - At the August 26<sup>th</sup> meeting you will see the final budget before it is sent to the Board for adoption at its September 7<sup>th</sup> meeting.

**Question:** *Is the hold harmless clause still given for the upcoming FY even though our enrollment is down significantly.*

**Answer:** *Yes, there was a general hold harmless under the SCFF. El Camino was not part of that hold harmless, because we were one of the colleges that did relatively well under the SCFF, and so our total computational revenue actually went up a little. However, we are being held harmless from the impact of the enrollment due to the coronavirus, so while we got paid for 18,000 FTES this year and we will be paid for about 18,000 FTES next year even though we actually only earned 15,000 FTES. So unless we are going to make up 3000 FTES in the next year, we will be held harmless from the impact of that although it is going to eventually catch up and we will have to pay along with everyone else. The Chancellor's Office is trying to figure out how to give all the colleges a soft landing.*

**Question:** *In the tentative budget there is no Fund 72, can we include this account since we have student representation on this committee?*

**Answer:** *Yes, we can include this fund in the tentative budget.*

**Question:** *The classified salaries, there is a huge increase in that line item. Does that also include management or is that just classified staff.*

**Answer:** *Looking at page 10, that total includes classified management salaries that includes Directors & Assistant Directors and then above that the Academic salaries that includes the salaries of the Deans.*

**Question:** *The unemployment insurance is a large dollar amount that is under staff benefits.*

**Answer:** *Unemployment insurance is a statutory benefit, and it is based on the percentage of salary, because we don't know who is going to be drawing unemployment at the time it's paid, so what the state does is they give a formula and then we have to pay, based on what the bottom line compensation is. A lot of the increase had to do with the fact that the law changed with respect to unemployment insurance because of the increase in the amount that were given out, even though a lot of it is the Feds. Not everybody is eligible but, again, we pay a rate, based on the state's need based on a formula that is calculated for every employer. Therefore, because of COVID-19, the Feds as well as the State expanded the eligible classes of people who can apply and receive unemployment insurance.*

#### 4. [PBC Charter](#) Review & Approval – 2<sup>nd</sup> Reading

This is our second reading of this document and all changes from members have been incorporated.

Highlights as follows:

- a. Inquiry was made to Dr. Maloney about membership and if we decide to have more conversations about membership, and want to change it, we would have to make a proposal to College Council and ask for their approval.
- b. One of the area that had changes was Page 4 Part V; we included a third column, where we are talking about what the chairs or the guest speaker's tasks would be and another column for PBC members.

**Question:** *PBC votes on the final budget, but we do not do anything with the tentative Budget.*

**Answer:** *There is nothing that precludes this committee at a certain point in time, maybe in January when the governor's budget is released; this committee could do a general statement saying these are the priorities that we think the College needs to look at for funding locally. It also could serve as a guide for cabinet when cabinet reviews budget request and prioritize them.*

- c. After much discussion, the following was agreed upon by the committee:
  - (1) Go through the whole document and check for grammatical or spelling mistakes;
  - (2) Change the word chairs for co-chairs so it's very clear that we are referring to the PBC co-chairs; and

(3) Recommendations from PBC based on PBC's belief of what the College priorities should be for funding in the upcoming year and then these recommendations go to either College Council or Cabinet.

Shobhana made the motion to approve this document with the recommended corrections and Joshua Escalante Troesh seconded. It has been moved and seconded that this document be approved with the recommended changes that Viviana summarized.

#### 5. 2020-23 Institutional Goals Report

There are five goals for the institution and they are in alignment with our Vision for Success goals, the ones that are championed by the Chancellor. In order to track the progress of our institutional goals, we determined to have lagging and leading indicators.

- a. There are seven lagging indicators and six leading indicators which provide us with some information that it's related to student progress.
- b. The leading indicators are more actionable and the lagging indicators are after the fact, so it is more difficult for us to work towards those indicators, because students have already left, so the idea is that if we work towards leading indicators, we would see results on our lagging indicators.
- c. The data depicted shows if the goals have been attained or close to attaining or falling behind significantly. The data shows overall counts and rates for the whole population of college and disaggregation by disproportionately impacted groups. What this means is that, for each indicator, we had different disproportionately impacted groups and see that those groups of students will vary depending on the indicator that we are looking at. The small table only references the future goals for 2021-22 and for 2022-23, and the reason that we stop there is because these institutional goals end in 2023, which is when the Vision for Success ends.
- d. The following are the recommendation of Institutional Research and Planning in regards institutional goals:
  - Develop qualitative research with specific groups of students to figure out the why of some of these results.
  - Create targeted activities/interventions for indicators that are not on target to meet 2022-23 goals.
  - Encourage collaborative work with areas of the College that show success with specific disproportionately impacted groups of students.
  - Explore ways to improve career education indicators: Living Wage and Employable Skill Attainment.
  - Research specific strategies to tackle Black/African American students' areas of focus.

**Question/Comment:** *One of the things as you work on the qualitative data that would be helpful, is looking at the interrelationships between the impacts of efforts toward certain measures versus others so as an example. Each semester a number of students take more units than they can handle. The measure of trying to increase the 30-unit attainment in the first year may actually be increasing withdrawal rates and failure. So just looking for those interrelationships that we do not blindly try to increase measures through certain things that might actually harm other measures.*

**Answer:** *Agreed, we are trying to understand the nuances and complexities that are behind these large measures. Some metrics were more imposed by Vision for Success, because these are the metrics that we need to report on. With the new incoming leadership, we could look into some metrics that we can continue reporting internally and add or drop other metrics.*

#### 6. Other Discussion

Before we move on to the next part of the other discussion there was a question related to the tentative budget:

**Question:** *The tentative budget, can we have a breakdown of the Academic and Classified salaries?*

**Answer:** *These are all the expenses of the College, you can get more detail where you show sub-object codes. Under each of these categories, for example, academic salaries there are two or three or four*

*lines below that and the same thing for Classified, management is shown in two places we have management salaries under academics, because deans are academic administrators. We also have management salaries under classified, because there are directors who are classified as classified managers. In terms of the format of the budget, we are given the format by the State. We can give you that information separately in another document, but in terms of changing the format of the budget book that really is up to the Board. We can accommodate what you want in a separate document that shows the breakout between the different versions of academic and classify salaries that are more detailed. You can request it via email to me and I would instruct staff to do it now. If you wanted a more formal continual process by which management salaries for both academic and classify salaries are broken out in the budget, I would suggest that a formal written request to Cabinet be done. Because it's talking about changing the format of the tentative and adoption budget, which is not something that I can unilaterally do but providing you with a document statement that shows a more detailed breakout of budget line items is certainly within my purview and can be done quickly.*

a. Wrap Up

1. Reviewed the tentative budget and then, there have been some requests, with respect to additional items of information which may or may not result in reformatting the budget for a future time.
2. Reviewed the PBC Charter and made some suggestions with respect to both grammatical edits as well as adding a process for creating a document of recommendations of how priorities by PBC can go to cabinet at mid-year.
3. We also reviewed our Institutional Goals that brought everyone up to date with respect as to where we were on our goal attainment..
4. Our next meeting is scheduled for August 12, it is an additional meeting that everyone has agreed to in order to review the permanent adopted budget prior to the Board Budget workshop.
5. Dr. Unda congratulated Iris on her new position and thanked her for all of the work she has done for PBC.

7. Adjournment

It was moved and seconded to adjourn the June 9<sup>th</sup> meeting. The meeting adjourned at 2:35p.m.