

EL CAMINO COLLEGE
Planning & Budgeting Committee
Minutes
Date: August 27, 2015

MEMBERS PRESENT

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| <input checked="" type="checkbox"/> David Brown - ECCE | <input type="checkbox"/> Vacant – Student & Community Adv. |
| <input checked="" type="checkbox"/> Connie Fitzsimons – Academic Affairs | <input checked="" type="checkbox"/> Cheryl Shenefield–Administrative Services |
| <input type="checkbox"/> Vacant -Management/Supervisors | <input type="checkbox"/> Dean Starkey – Campus Police |
| <input checked="" type="checkbox"/> Ken Key - ECCFT | <input type="checkbox"/> Vacant – ASO, Student Rep. |
| <input checked="" type="checkbox"/> Rory K. Natividad – Chair (non-voting) | <input checked="" type="checkbox"/> Lance Widman - Academic Senate |

Other Attendees: Members: W. Garcia, E. Rader, A. Sala, J. Sims, E. Solarzano, G. Turner **Support:** L. Beam, J. Ely, I. Graff, J. Higdon, C. Jeffries, J. Nishime, J. Shankweiler, **Guest:** T. Fallo, L. Smith, A. Garten, W. Warren, S. Firth

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

Approval of the August 6, 2015 Minutes

1. Clarification was requested for the second sentence under #5, Title IX Compliance and Updates. R. Natividad will follow up with J. Ishikawa for specifics.
2. The revised minutes will be sent back out to the committee and posted on the website.

Final Budget Presentation – Dr. Fallo (Handouts)

1. The 2015/16 final budget was presented by President T. Fallo to the PBC. The tentative budget was previously presented to the board. The final budget will be presented for approval at the board meeting in early September.
2. It was reported the state is inundated in funding for K-14 education. There is a Cost of Living Adjustment (COLA) of 1.02% and the growth statewide is 3%. El Camino's growth is approximately 2% and the state is allocating each district additional money for faculty hires. There is a great windfall of paying off state mandates. The State recently surprised the system with a large state-wide allocation for mandated costs and COLA of \$600 million and another \$266 million allocation and strongly suggested it be used for future pension liability. Statewide apportionment was also increased for community colleges by 4%.
3. The handout on the summary of FTES was reviewed by the committee. It was noted the administration wants to bring back the winter intersession for many reasons one of which is to generate additional FTES. The FTES projected to be borrowed from 2015-16 summer is 1,000. Since summer 2011-12 we have steadily increased the borrowing from the summer. In two years we could make up the 1,000 FTES we have borrowed if we had the winter intersession in place. We are going to plan a healthy winter session for 2017 to help lower this figure down to zero and have everything contained in the same fiscal year.
4. In 2013-14 it was thought we had stabilized the FTES for Compton at 6,060 but this didn't happen. Instead of Compton borrowing in summer they are going one year of stabilization. They will get the money for the previous year's FTES but they will have to make that up. Even after Compton went

- into stabilization for 2014/15 they still have to borrow 200 in their projection right now for 2015/16. Compton will also have a winter inter session in 2017. This should help Compton get back on track.
5. It was acknowledged a couple of years back, the District wanted to get rid of the winter intersession and have two summer sessions to attract different groups of students. It was asked why is the school so confident going back to having the winter intersession again instead of the two summer sessions. It was noted attracting different groups of students was only one of the reasons for letting go of winter. The other concern during that winter period was whether or not we were going to have to close down the college between fall and spring when no school was in session. Also at that time we were not in need of the FTES. The college is at a place now where the important issue is we do need the FTES back so winter needs to be brought back. This should succeed because it is succeeding everywhere else. Concern was expressed if having winter back again will just be for the short term will it be reinstated for the long haul. It was pointed out winter will be here for the foreseeable future. It was noted that even if we are self-sufficient in our winter and summer sessions, it is thought that FTES will still be an issue because of California being a growth-“cult” state. It was discussed and recommended that decision to add winter be decided early before rolling over spring.
 6. Page 3 of the final budget is the most important page of the budget as it tells what is happening at the State level. Our ending balance from last year and our beginning balance from this year is \$17 million. An important notation is h) – Full-Time Faculty Hiring, which is a new program by the governor to provide \$620 million for faculty hires to increase the colleges faculty obligation numbers. This relates to nine new full-time faculty hires for El Camino College. For each new faculty hire it is estimated to cost \$115,000. The faculty hiring process will start immediately in the fall to allow for early spring interviews. It is important for El Camino to get announcements out and complete the process early since there is an anticipated that community colleges could hire approximately 620 new faculty members this coming year.
 7. One of the critical issues in this budget is what happens to Proposition 30 which expires in two different years: the 21% from sales tax expires on December 31, 2016 and the 79% from income tax expires December 31, 2018. The government has specified this is a one-time only tax.
 8. Notation j) – Mandated Cost Claims –P/Y Pay Down. We were given \$10.6 million which no one expected this amount. The State is going to be giving this money in the future based on FTES.
 9. The most important part of the expenditure side of the budget is listed on page 6 of the final budget proposal. The governor included a 4% increase in our apportionment. The Chancellor’s Office suggested that this money be put away for future increases in each districts cost for PERS and STRS. We now have to report on the 311 form (Pension Contribution Costs) how we are going to fund this long-term obligation.
 10. Notations Pg. 8 tentative budget x) – Reserve For Future Pension Liabilities in PERS/STERS and y) – Reserve for One-Time Expenditures were noted . We will use about \$3 million of our previous year’s reserves which would then put us at \$14.5 million at the end of the current fiscal year.
 11. It was reported last week, Assemblyman Gibson held a special joint audit committee of the legislature including senators and assemblymen at the Compton Center. Comparisons were made as to why the accreditation of Compton was not like the accreditation of San Francisco. The issue was what the assemblyman going to do as a result of this audit. There was a hearing on Tuesday in Sacramento of the audit committee and the request for an audit was pulled. We are now pleased with where we are with the Compton Center. The goal is for Compton to become a self-sufficient campus within the El Camino Community College district for about a month and then we can transfer the control to the Compton Community College district.
 12. The summary of allocations for fund 14 was reviewed and a correction was noted. Number 19 – Other Services needs to be corrected to reflect the amount of \$60,507. The new total will be corrected to \$1,189.695.
 13. The summary of allocations for fund 15 was reviewed and money has been earmarked for the Campus Technology Plan - \$3 million. It was noted this money will not be here in the long run so it was encouraged to get all expenditures done. A report is requested by the Board to update them monthly

on what is happening with the IT plan. A chief technology officer is anticipated to soon be hired and the board item presented to the Board by October.

14. Another allocation of \$1.5 million from Compton to El Camino is for the police department at the Center. The officers are employees of the El Camino Police Department and when we separate those employees will become part of Compton College again.
15. It was pointed out for professional development there used to be separated money which was allocated from the Chancellor's Office but it has now diminished to almost nothing. There was some discussions regarding putting some professional development funds in the state budget this year as part of AB 2488. We haven't heard if this has happened. It was noted an answer would try to be found regarding any specific allocation for flex actives.
16. All of the monies for the specially funded programs like the SSSP and SEP have almost doubled this year. They are sources for support for students and faculty.
17. It was noted there was rather significant increases in the accounts for instructional and non-instructional supplies. An allocation of an additional \$500,000 was made from our plans for instructional and non-instructional supplies. This will be looked at further but for now the money is just a place holder.
18. The budget will be brought back at the next PBC meeting, September 3, for further questions and approval.
19. It was noted the board members who are up for re-election are running unopposed so there will be not election for them. They will be appointed in-lieu of election.

Adjournment – R. Natividad

1. The meeting adjourned at 2:04 p.m. The next meeting is scheduled for **September 3, 2015, at 1:00 p.m.**, in Library 202.

RKN/lmo