



Administrative Services - Area Council
June 30, 2020

PRESENT:

Luis Bonilla	√ Iris Ingram	√ Sophie Dao	Patrick Papetti
√ Francis Baylen	Dan Cahill	Michael Good	√ Valerie Wagner
Michael Dalton			

Minutes from April 28th was postponed.

❖ Budget

- a. State is facing a \$54B deficit.
- b. El Camino has a \$14M deficit for FY2020-21.
- c. No COLA for FY 2020-21.
- d. State is going to defer our revenue payment to later into the summer. One payment of \$6M is deferred for the current FY 2019-20. Another two payments of \$6M each is going to be deferred for the coming FY2020-21, which all together will be \$18M deferred over the next 12 to 18 months.
- e. Governor has made it clear his first priority is in dealing with COVID-19 and the second priority is dealing with the potential wildfires this summer and fall.
- f. State is depending on the HEROES Act funding bill being signed by the Senate for funding.
- g. At ECC, we still need to move forward with our plan for cut spending to decrease the \$14M deficit so we can balance the budget.

❖ COLA (cost of living adjustment)

- a. COLA is not designated for pay raises.
- b. COLA is recognition of the fact that it costs more every year to do business. The costs include salaries and benefits, but it also includes gasoline, paperclips, electricity, water, lab items and all the things that we buy into order to keep this campus running. That is what COLA is there to cover it is not reserved for salaries and benefits.

❖ Return to Campus:

- a. It is not up to us entirely, the county tells us when we are allowed to resume our operations as normal. We need to plan on a two-phase approach. That there are some programs that are allowed to return in the Fall, because they don't have a means of offering instruction totally online. Fire Technology, EMT, Rad Tech., Nursing and Respiratory therapy.
- b. Before the Fall semester begins areas need to formulate plan of action on what they are going to do in those areas. How often are you doing to clean it, how many students can you accommodate in a particular lab or area, what about the HVAC and air handling in that area, what we need to do to change it to make sure that we don't have germs lingering in the air. Do we have PPE to give to every student, faculty and staff on a regular basis in those areas? What do we have to do in terms of marking off spaces in those areas so that people know what the six foot of social distancing looks like? Do we need to put plastic partitions or move things around in order to accommodate the new social distancing rules? So all of those plans needs to be memorialized in writing, so that we know what we are doing.

- c. We do not know when we will be on campus. We will be there only if the county tells us we can do it. We need to be prepared in case the county does say yes, go ahead. However, it is not going to do us any good if we do not have plans in place and you should be talking to your managers. Managers should be putting together plans.
- d. Need to make sure that each level of the organization understands what we are doing and why, because everybody has a piece of this, and that includes those staff members who are currently working from home and not everyone is going to be able to keep working remotely. Nevertheless, there needs to be a determination as to what absolutely has to be done on campus, who needs to do it, how often and it may require some rotation of staff.
- e. Plans need to start being discussed and put in place now. I do not anticipate students to return and campus life getting back before spring 2021 if even then. So if we are going to do planning, let us plan for fall, with the understanding that it may not happen widespread. Then for the bigger return plan for January with the understanding that, again, it may not happen because so much of this is outside of our control.

Question: Are we going out for TRANS?

Answer: it is an option that is not favored by the VP. TRANS is a revenue anticipation note.

- *Borrow money now in anticipation of future revenue to meet your day-to-day expenses. TRANS has to be paid back in the fiscal year that it is borrowed with interest. There are TRANS that can cross fiscal years, which will require special approval from the State.*
- *Right now, our cash flow is sufficient to get us through the next two years, based on our conservative spending, the cuts that we need to make, and our existing reserves. We have enough reserves for two to three months, depending on how frugally we use in paying our bills and payroll on a monthly basis.*
- *If the necessary budget reduction for FY2020-21 are not made then no, we will not make it through the end of the next FY. We do not anticipate needing to take a TRANS. We are also carefully monitoring all expenditures to make sure that we do not have any large unexpected expenditures against Fund 11. We are also looking at Fund 12 expenditures.*

Question: Is the reduction going to include staff hours or positions?

Answer: It could. A set of Guiding Principles was developed by PBC to talk about how we would go about deciding what areas needed to be reduced or cut based upon what is important to the college in terms of its mission and values.

- *We are generated a list of potential cuts and are looking at of what would be the cost savings from those potential reductions*
- *Other than the furloughs for management there been no clear decisions made about what other reductions or cuts will be currently.*
- *Those impacts to salaries with the representative group that will have to be negotiated and cannot be done unilaterally. There are other things that we do not have to negotiate, but it will still be discussed such as operating expenses, by cutting travel and reducing and the amount. We are currently calculating those numbers to see the cost savings. Discussion on those savings will be occurring at cabinet level.*
- *Compensation totals (which is salaries wages and benefits) are about 88% of our entire operating budget. We would assume that you cannot achieve \$14 million in*

savings by strictly looking at reductions and operating expenses, so they are going to have to be some kind of reductions in compensation, but what they are we have no idea.

If you have any questions, please email me directly or you can contact Shobhana and she will let me know.

Meeting adjourned at 9:33 a.m.