

**Planning & Budget Committee (PBC)**  
**Minutes, Approved 9/4/2020**  
**August 7, 2020 12:30 p.m.**  
*Minutes Prepared by: Dawn Renee Neideffer*

*Note: 10 members required to meet quorum*

**Attendance:**

<b>Chairs (3)</b>	<b>Classified Senate (3)</b>	Christine Read
<input checked="" type="checkbox"/> Doug Roberts (DO) non-voting	<input type="checkbox"/> Noell Adams (CC)	Ron Gerhard
<input checked="" type="checkbox"/> Cathy Gould (DO)	<input checked="" type="checkbox"/> David Rodriguez (LPC)	Kirti Reddy
<input checked="" type="checkbox"/> Rajeev Chopra (LPC)	<input type="checkbox"/> Pedro Ruiz de Castilla	Yvonne Craig Wu
<b>Administration (5)</b>	<b>Classified Union (3)</b>	Dr. Stacy L. Thompson
<input checked="" type="checkbox"/> Dr. Theresa Rowland Fleischer (DO)	<input type="checkbox"/> Vacant (CC)	Dr. Kristina Whalen
<input checked="" type="checkbox"/> Dale Wagoner (CC)	<input type="checkbox"/> Vacant (LPC)	Nathaniel Rice
<input checked="" type="checkbox"/> Anette Raischbart (LPC)	Cathy Gould (DO)	Samantha Kessler
<input checked="" type="checkbox"/> Rajinder Samra (LPC)	<b>Student Senate (2)</b>	Rachelle Ugale
<input type="checkbox"/> Vacant (CC)	<input type="checkbox"/> Michelle Diaz-Nava (LPC)	Tamica Ward
<b>Faculty Association (2)</b>	<input type="checkbox"/> Vacant (CC)	Chasity Whiteside
<input checked="" type="checkbox"/> Jeff Drouin (CC)	<b>Guests:</b>	Dr. Susan Sperling
<input checked="" type="checkbox"/> Thomas Orf (LPC)	Jennifer Lang	
<b>Academic Senate (4)</b>	Sui Song	
<input checked="" type="checkbox"/> Miguel Colon (CC)	Kathy Blackwood	
<input type="checkbox"/> Sarah Thompson (LPC)	Rosalie Roque	
<input checked="" type="checkbox"/> Dr. Patricia Shannon (CC)	Billy delos Santos	
Rajeev Chopra (LPC)	Matt Kritscher	

Meeting commenced 12:30

Agenda Item	Information/Discussion	Action
1.	<p><b>Welcome Guests and Quorum Check</b> <i>For information</i></p> <p>Consultant, Kathy Blackwood, introduced and welcomed. Quorum met with eleven voting members, excluding Doug.</p>	None
2.	<p><b>Approve Today's Agenda</b> <i>For action</i></p> <p>Agenda reviewed, no discussion had. Doug asked for a motion to approve, Rajeev moved and Anette seconded; <u>agenda approved, unanimously.</u></p>	<b>Aug. 7, 2020 agenda approved</b>
3.	<p><b>Approve Previous Minutes</b> <i>For action</i></p> <p>Minutes reviewed; no discussion had. Doug asked for a motion to approve, Rajeev moved and Thomas seconded; <u>July 2, 2020 minutes approved, unanimously.</u></p>	<b>July 2, 2020 minutes approved</b>
4.	<p><b>Cash Flow Scenarios for Projected State Deferrals</b> <i>For discussion</i></p> <p>Doug reviewed the <a href="#">cash flow scenarios</a> for projected State deferrals. The District will not have to go outside of the County Treasury, and borrow money on the open market, as long as the District has a net-positive cash balance over all of the accounts it has at the County Treasury. The hundreds of millions held for the District's bond monies guarantee a districtwide net positive balance. The General Fund cash-account (at the County Treasury), however, will be negative most of the year. On a quarterly basis when interest is distributed, the accounts that have a negative balance, will get negative interest. All of the District's accounts at the County Treasury must have a positive balance by June 30. The county treasury will work with us for a short-term, bank collateralized loan backed by the County Treasurer, or, we can temporarily make a transfer from one of our own accounts, and pay the</p>	None

	<p>money back by July 2; the only issue with that is we would need to true-up the interest between the accounts so the full-interest is allocated to the account that earned it.</p> <p>With regards to the numbers in the spreadsheet, the calculated numbers are rough estimates, as the FY19-20 books are still being closed. The large increase in December's cash flow is due to the receipt of property taxes, same for April; there is a bit of spill over in the adjacent month's due to when the property tax revenue is actually received. Come March/April 2021, we are looking at a negative cash balance of approximately (\$35M).</p>	
5.	<p><b>Review of Full-time Faculty Obligation Number (FON)</b> <i>For discussion</i></p> <p>Doug presented data for <a href="#">review of FON</a> for fall 2021. This info was compiled by the State Chancellor's Office (State CO). CLPCCD's compliance number for fall 2019 was 279 FTE, we reported just under 311. For fall 2020 the State CO's advance apportionment calculation had us at 341, but the fall 2020, based on the P2 number, was 285 , and the FON is the lower of whatever is calculated per the advanced apportionment numbers or the P2. For fall 2020, the CO's higher number is related to the rollback into FY17-18, and later numbers relate to the switch to the 3-year average. In the past the FON was based on just one year's information; but due to the SCFF, the State went to a 3-year average. For P2 2020 the calculated FON was 285 FTEF; and will be the same for this year's advanced apportionment figure. The State CO has projected a reduction in FTES in FY20-21, which results in the lower FON number shown in the FON table (linked above). Dave Fouquet asked about the FTE numbers being low; Doug said it correlated to the 3-year average and subsequent calculations. The 3-year average created a new calculation model.</p>	None
6.	<p><b>Overview of COVID Funding</b> <i>For discussion</i></p> <p>Doug presented an <a href="#">overview of COVID funding</a>. This newest addition to such funding was the State's Budget Act's, COVID 19 response block grants. There are federal and state portions (all dollar amounts are listed in column L); the green highlighted box shows the 'spend by date'. December 30, 2020 is the deadline to spend the federal portion of the new funds. The State portion has to be encumbered by June 30, 2022. The spend-by dates in column K are for the CARES Act funding that has to be spent in one year from date the agreement with the feds was certified. For FEMA money, we can continue to get reimbursement through the pandemic, but the items they will fund is more narrow than other programs and they will only fund 75 percent of expenditures.</p> <p>Doug reviewed the <i>California Community Colleges COVID-19 Response Block Grant Quarterly Expenditure Report</i>. Dave Fouquet asked about student reengagement and asked if student debt forgiveness is part of the reengagement process. Guisselle (PRMG) or VC Theresa (Ed Services) may have more information on student reengagement.</p>	None

	<p>Conversation about allocations ensued. Trish revisited the student engagement question and asked about a timelier resolution in order to use the current enrollment window.</p> <p>Rajinder said grants must go directly to the students for reimbursement of tuition and fees. Financial Aid looked at the payments and verified the payments go directly to the students and not through the Colleges or District. Expenditures for the institutional portion of reimbursements can be found on page 6 of the <a href="#">overview</a>. All State issued PPE must be documented and tracked. Doug contacted CalOES to inquire about second shipment of masks and is awaiting a reply.</p>	
7.	<p><b>Revised Allocation Model</b> <i>For discussion</i></p> <p>Rosalie presented the revised <a href="#">revenue allocation model</a>. The new BAM revenue allocation model for FY20-21 adopted budget can be seen in row 71, page two. These are the numbers to be used for the Adopted Budget, budget development. Doug shared the latest <a href="#">budget update</a> which includes projections to the District fund for FY20-21 and budget risks and opportunities. Lively conversation about budget projections and development ensued. Ron said State revenues are not expected to return to pre-COVID levels until after FY24-25. Hold-harmless funding through 2023-24 gives us time to shore up our funded metrics and align with the SCFF and figure things out, but it does not prevent reductions needed to be made in FY20-21. CLPCCD does not have cuts, but does have a cash deficit in terms of projected deferrals. Next year, CLPCCD has to manage deferrals and cash flows, as well as real reductions. These conversations about reductions will happen in PBC this fall. Town halls have been scheduled across the District to keep all informed of the changing budgetary data. This is a multi-year issue; hold-harmless is not the solution but buys time for budget development. Dr. Sperling said there is a misunderstanding of budget information and it behooves everyone to look at communications regarding budget.</p>	None
8.	<p><b>Future Agenda Items</b> <i>For discussion</i></p> <p>Doug suggested budget modeling. No other discussion had.</p>	None

Meeting adjourned 2:37 p.m.