



Special Planning & Budget Committee (PBC) Minutes

February 19, 2021 9:30 a.m.

Special Meeting

Recorder: Dawn Renee Neideffer

Note: 10 members required to meet quorum

Attendance:

Chairs (3)	Classified Senate (3)	Sui Song	Yvonne Craig Wu
<input checked="" type="checkbox"/> Ron Gerhard (DO) non-voting	<input type="checkbox"/> Noell Adams (CC)	Dr. Dyrell Foster	
<input checked="" type="checkbox"/> Cathy Gould (DO)	<input checked="" type="checkbox"/> David Rodriguez (LPC)	Rosalie Roque	
<input checked="" type="checkbox"/> Rajeev Chopra (LPC)	<input type="checkbox"/> Pedro Ruiz de Castilla	Angela Castellanos	
Administration (5)	Classified Union (3)	Heather Hernandez	
<input checked="" type="checkbox"/> Dr. Theresa Fleischer Rowland (DO)	<input checked="" type="checkbox"/> Virginia Criswell (CC)	Kirti Reddy	
<input checked="" type="checkbox"/> Dale Wagoner (CC)	<input checked="" type="checkbox"/> Stephany Chavez (LPC)	Kathy Medina	
<input checked="" type="checkbox"/> Anette Raischbart (LPC)	Cathy Gould (DO)	Dr. Cynthia Gordon da Cruz	
<input checked="" type="checkbox"/> Rajinder Samra (LPC)	Student Senate (2)	Dr. Susan Sperling	
<input checked="" type="checkbox"/> Samantha Kessler (CC)	<input type="checkbox"/> Michelle Diaz-Nava (LPC)	Danita Romero	
Faculty Association (2)	<input type="checkbox"/> Stacy Harris (CC)	Rachael Tupper Eoff	
<input checked="" type="checkbox"/> Jeff Drouin (CC)	Guests:	Christine Herrera	
<input checked="" type="checkbox"/> Thomas Orf (LPC)	Jonah Nicholas	Chasity Whiteside	
Academic Senate (4)	Betty Castaño	Andi Schreibman	
<input checked="" type="checkbox"/> Miguel Colon (CC)	Dr. Matthew Kritscher	Billy delos Santos	
<input checked="" type="checkbox"/> Sarah Thompson (LPC)	Bobby Nakamoto	Rachel Ugale	
<input checked="" type="checkbox"/> Dr. Patricia Shannon (CC)	Arnold Paguio	Christina Read	
Rajeev Chopra (LPC)	Na Liu	Wyman Fong	

Meeting commenced 9:33 a.m.

Agenda Item	Information/Discussion	Action
1.	<p>Welcome Guests and Quorum Check <i>For information</i></p> <p>All welcomed. Quorum met with 15 voting members, excluding Chancellor Gerhard.</p>	None
2.	<p>Approve Today's Agenda <i>For action</i></p> <p>Agenda reviewed, no discussion had. Chancellor Gerhard asked for a motion to approve, VC Nicholas moved and VP Raichbart seconded. <u>Agenda approved, unanimously.</u></p>	Feb. 19, 2021 agenda approved
3.	<p>Approve Previous Minutes from December 18, 2020 <i>For action</i></p> <p>December 18th minutes were reviewed. No discussion had; Thomas Orf moved to approve, VC Nicholas seconded. <u>Minutes approved unanimously.</u></p>	Dec. 18, 2020 minutes approved
4.	<p>Review Scope of Special PBC Meetings and Revisit Ground Rules <i>For information</i></p> <p>The scope and ground rules are a living document and standing item for PBC special meetings . The purpose is to establish accountability to each other as the committee continues to proceed in this work. This is a living document and at any time, members are encouraged to offer revisions, additions or comments to the group.</p>	None
5.	<p>Budget Development Calendar <i>For information/discussion</i></p> <p>Everything in blue font on the document refers to PBC; members will be provided budget development information, as necessary, throughout the year. FY21-22 budget will be loaded [into Banner] by July 1st. The budget book will be built between July 13th and July 30th; the first reading to the Board of the adopted budget is Aug. 17, 2021. The Board approves the actual budget September 14, 2021. Budget Office Roque asked that members stick to the dates and deadlines in the Budget Development Calendar. Last year's budget was adopted late and created</p>	None

	<p>challenges for the District and Colleges. If the State Chancellor’s Office allows additional time for the submission of the adopted budget this fiscal year, VC Nicholas said we would adhere to the internal Budget Development Calendar deadlines.</p> <p>Presentation Resource: Budget Development Calendar</p>	
<p>6.</p>	<p>Discussion of Revenue Framework for the BAM <i>For discussion</i></p> <p>Chancellor Gerhard opened the discussion by noting the new BAM will shift from a revenue-only to a revenue and expenditure based allocation model, as discussed in previous meetings. This discussion and supporting draft-document are to set the process by which resources will be allocated. Special note to the second paragraph in the document as it speaks to who has responsibility and authority in certain areas. When building the model, it is important to stay aligned with accreditation standards. For CLPCCD, OPEB is roughly a \$200M liability. It was noted technology should be included in the second paragraph for accreditation as well as later in the document for functional support. Cathy Gould clarified ITS is either directly responsible for or assists in regulatory reporting of MIS data, 311 reports, 1098-Ts etc.</p> <p>Question posed: should CLPCCD’s model resemble that of the State’s allocation, [SCFF - Student Centered Funding Formula], meaning funds are allocated to the Colleges in the same manner it is received by the State. To build the new budget model, the plan is to run simulations, analyze, discuss and run more simulations. VC Nicholas noted, the SCFF-split builds a level of uncertainty compared to SB-361, but gives reason to look at the Colleges having their own fund balances and reserves to offset shifts that can occur to the detriment of one college over another. The funds come from the State on a Districtwide basis; disaggregating the data may help to make decisions on the split. Rajinder Samra noted disaggregating data can be a difficult process, especially since the State presents the information in a different way; Rajinder Samra also noted it is important to establish decision-points in order to determine which college gets the [metric] points. Chancellor Gerhard noted college-level planning is where budgetary decisions will be made to align with Program Review. It was also noted that collective planning may be necessary to see the overall budgetary picture. Sarah Thompson noted a level of confidence and belief in what the Colleges do, and do well, is important to note in budgetary discussions to counter State-driven budget cuts. VC Fong added, all people and programs Districtwide are interdependent on each other and HR is mindful of protecting permanent jobs; there are still vacancies from 2012 that have not been filled and it does impact the services offered from those departments. David Rodriguez noted, what happens outside the classroom is as important to the student as what happens inside the classroom for education and educational support. Discussion ensued.</p>	

Consensus was built around the notion that the funding allocation model portion needs to be reflective of the SCFF, at some level. In the chat, the following points were summarized: 1) the model needs to be straightforward and easy to understand, 2) the model should be conducive to multi-year planning, 3) the philosophy statements need to align with CLPCCD's mission and values, 4) there should be integration of contract education planning, 5) periodical evaluations of the budget and planning/budget allocation model are needed, 6) set [fund] reserves by site and 7) and make known the TCO (total cost of ownership).

Chancellor Gerhard began the discussion for this model with the base allocation of 70% (FTES); here revenue follows expense and is budgeted from the Colleges' base budget. Conversation returned to the question of whether or not to start from how the District disburses money (how funds are allocated from the State), and then later address how that money is allocated; or look at the minimum level of expenses and try to later match the revenue to that allocation model. Important to note: how CLPCCD receives revenue is finite, how it is spent is not. VC Nicholas said looking at the minimum level of expenses for accreditation and critical operating costs is already built into the model, to a degree, and it's necessary to define the [budgetary] constraints first, such as how revenue is earned and what is provided by the State. The basic allocation is tiered by the size of each college. Chabot gets about \$4.7M and LPC gets about \$4M. The State recognizes in their basic allocation the need at each college for essential staffing; revenue for centers on each campus are similarly funded. VP Wagoner said as long as the revenue is [FTES] target-based, the CEMC/DEMC process and the budgeting process can be merged with eyes wide open to the college-split and cautioned some may be tempted to chase growth to maximize the funding metric. VC Nicholas offered a reminder that we are not funded through the SCFF on what is achieved with FTES within a particular year, but rather a three-year average, which in a lot of ways disincentives' growth-chasing since the numbers are likely to fluctuate when the growth levels are averaged over a three-year span.

Chancellor Gerhard noted it's important to understand the difference between 'base allocation' and 'basic allocation' when looking at essential funding for staff. Dr. Shannon suggested, given the analysis of FTES the last couple of months, looking at other populations for FTES is a good idea. Chancellor Gerhard asked where PBC members feel the line should be drawn between centralization via the budget allocation model document and in a top college economy in terms of course offerings, programs and services. Rajinder Samra said to set the framework for those granular [budgetary] decisions at the college-level; David Rodriguez said looking at the numbers only doesn't always offer a clear direction to leadership in regard to how changes to populations are addressed and adjustments to college programs are made. Members built consensus toward streamlining, or right-sizing, the model with Districtwide coordination. Discussion recap: transition to revenue and expense allocation model, that on the revenue side reflects and is in concert with the SCFF.

	Presentation Resource Intro to the New BAM: Partnership Between the District Office and the Colleges, draft	
7.	Future Agenda Items <i>For discussion</i> 1. BAM: Look at SCFF-model simulations	None

Meeting adjourned 11:30 a.m.