



PLANNING AND BUDGET STEERING COMMITTEE

Summary Meeting Notes February 1, 2017

APPROVED February 15, 2017

Members Present: Co-Chairs: Rod Garcia, Carlos Ayon; **Management Reps:** Cyndi Grein, Rich Hartmann; **Faculty Reps:** Josh Ashenmiller, Pete Snyder; **Classified Reps:** Summer Marquardt, Bev Pipkin; **Student Reps:** Niko Diehr; **Resource Members:** Gil Contreras, Melisa Hunt, Catalina Olmedo.

The meeting commenced at 3:05 p.m.

I. Approval of Summary Meeting Notes: The November 16, 2016 Summary Meeting Notes were unanimously approved with a minor revision.

II.A. Strategic Plan – 2016 Update: Carlos passed around a few copies of the 2015-16 Institutional Effectiveness Report and the 2016 Update to the 2015-17 Strategic Plan for members to review during the meeting. He reported that the Institutional Effectiveness Report contains outcomes of our programs and environmental scans. The 2016 Update to the 2015-17 Strategic Plan contains updates to the progress of the SAPs (Strategic Action Plans) from the programs during Program Review and another update will be provided at the end of the year. Pete asked if the Strategic Plan will be presented to the Board and Carlos stated it is not required. He also stated that the current grid format will be modified to address redundancy in the presentation.

II.B. Institutional Effectiveness Report: Carlos also reported that the IEPI Partnership Resource Team's (PRT) first visit to Fullerton College to evaluate our institutional effectiveness and planning practices is scheduled for Tuesday, April 4, 2017. The team will return to the campus for a second visit on Tuesday, May 2, 2017, to identify and craft an Innovation and Improvement Plan to coordinate our institutional effectiveness across the campus. More information will become available at a future date. Pete asked who will be involved in discussions and Carlos said there will be a hierarchy of groups allocated timeslots such as Faculty Senate, PBSC, Program Review Committee, Associated Students, and other shared governance committees involved in planning. Now that the visit will be after the DRAFT Accreditation Report is due in March, the written DRAFT Accreditation Report should state the college is expecting the IEPI Partnership Resource Team's visit on April 4, 2017.

II.C. Mission Statement Revise: The Mission Statement Workgroup met on November 16, 2016 and conducted a work session on January 27, 2017 following Spring Convocation where 150 people attended to provide input to themes. Transcribers from the OIRP will create and craft a

draft mission statement and then send it to the college committees for review with a revision available in March 2017.

III. Budget Update: Rod distributed two handouts including the summary of the 2017-18 Governor's Budget Release for California Community Colleges and the second, a memo dated December 22, 2016 from the O.C. Department of Education related to the CalPERS Reduction in Assumed Rate of Return (Discount Rate) and Projected Employer Contribution Rates. Rod highlighted summary points from both handouts. The January budget release is comprised of system-wide numbers. There will be a one-time budget augmentation of \$150M for implementation of guided pathways to support community colleges in leveraging the work to help more students achieve their educational objectives. The budget accounts for \$94.1M for a 1.48% COLA to apportionments. This year, we do not anticipate the COLA to go down to zero. More than 2/3 of the college districts are in decline as of P1, and we are 400 FTES below our target. A large concern is that both Cypress and SCE are down too. P2 is in April, and we will get a better sense of the number at that time.

Pete inquired as to the \$79M for 1.34% growth in access and asked why this figure was included. Rod responded that if a college does not hit their FTES target one year, the funds go back in the pot and if you do, you can capture available funds. The state still funds the year you decline because it's based on the prior year's base and there is a one-year grace period that allows you time to meet your target. Last year our growth was 3%. Dr. Nunez is working on dual enrollment and outreach to help us achieve this year's target. The Governor's May Revise will reflect more true numbers.

There was discussion regarding the CSU and UC systems accepting more students. Historically when the economy is better, students go to work and enrollment goes down. Rod stated that Superintendent Michael Matsuda of AUHSD reported high school enrollment has also declined. According to the demographics, Carlos said there is a decline in high school enrollment that may be due to fewer students as a result of smaller families or an increased dropout rate.

As noted in the CalPERS handout, on December 21, 2016, the CalPERS Board of Administration took action to reduce the assumed rate of return (discount rate) for pension plans to 7%. Due to an increase in the employer portion, up 14.312%, there is a need for the District to set aside funds each year so as costs increase, we will be able to adjust through 2022. A 1% salary increase equates to \$1.2M to District cost. In regards to the Irrevocable Retirement Trust, last year the District set aside \$10M. Our current unfunded liability is \$150M, but we are still \$70M short. The ARC (Annual Required Contribution) is \$11M each year. When the District pays, it reduces the Irrevocable Trust in order to free up \$4M each year.

\$10M in technology funding will be available, but there were no regulations or guidance provided. One-time funds of \$43.7M for Physical Plant/Scheduled Maintenance and IE will be available which means \$1.3M for our District to be allocated amongst the three campuses. Last year, our college was given \$1M, and of that we allocated \$500K to IE and \$300K was set aside for computer replacements thus far. \$52.3M in one-time energy efficient Proposition 39 funds are available system-wide, and our college plans to utilize a portion of the funds for replacement of HVAC systems.

Of the 29 state-wide construction projects, only five will be funded in 2017-18, and one is Fullerton College's 300/500 Building Renovation. As a result, we are given a timeframe to spend the money or we lose it. The state is allocating \$16M and we are awaiting a letter from the state which is expected in July 2017, and at that time we can begin work on this project.

Gil stated that he is pleased to see the EOPS COLA because when funds are cut, fewer students are served. He would like to see more emphasis on planning to draw us the growth we need, such as dual enrollment so students can be successful and achieve their goals, be it to graduate, get a job, or transfer.

With the 300/500 Building Renovation moving forward, Rich asked what the status of the Instructional Building is. Rod stated as a result of the EIR Study, we received about 100 letters from the city, historical society, and the community and those concerns need to be addressed to remain on track with our timeline. One solution may be to remove the Sherbeck Field upgrades to seating and lighting from the EIR so it won't hold up the other capital projects. Niko asked if we remove Sherbeck from the EIR what is the impact and Rod responded that Sherbeck field is not funded by bond \$ but from local funds we set aside.

Niko asked what is our plan for the decline in FTES and Rod responded that VPI Dr. Nunez doesn't think we are far off and expects to achieve target. If we don't achieve target, we are not unstable, it means we will not get all the revenue we budgeted for in 1% growth.

IV. Campus-wide Shredding Service: Rod presented his research and findings regarding the vendor quotes to provide campus-wide shredding services at Fullerton College. It was reported that the Shred-Wise vendor is neither able to accommodate nor service our needs of 19 bins (64-gallon) across our campus; and therefore, it was decided that effective fiscal year 2017-18, South Bay Destruction will be contracted as an institutional expense to service Fullerton College's shredding needs for a cost of \$2,100 – \$2,800 per year.

V. Non-Instructional Program Review Funding Requests: The PBSC completed their review of the 2015-16 Non-Instructional Program Review Funding Requests and identified resource requests to approve for consideration of funding by PAC. Rod expressed that he planned to bring a recommendation to the next PAC meeting. Natural Sciences Dean Hartmann expressed concern that item #23 for \$143,000 to replace aging and outdated equipment on the Administrative & Operational Services (AOS) list was removed from consideration with the thought that it had been entirely funded from another source when only \$96,000 was actually funded leaving a balance of \$47,000. The PBSC agreed that Rod would send an email identifying the remaining resource request items and call for an electronic vote to take place on February 2, 2017, and if the voting members approved the items, they would be added to the recommendation to PAC.

A motion was made by Summer, seconded by Rich, with an understanding to review and vote via email on the Natural Sciences resource requests, and if approved, the total of \$47,000 in additional resource requests would be included in the recommendation to PAC to approve funding for 7 Administrative Services (AOS) requests totaling \$155,000.00 and 12 Student

Support Services (SSS) requests totaling \$67,627.00 for a grand total recommendation of \$222,627.00 (includes the \$47,000). The PBSC unanimously approved the recommendation.

2016-17 Instructional Equipment Update: Regarding the 2016-17 Instructional Equipment (IE) funding requests, Rod is working with Dr. Nunez and the Deans to prioritize the over \$2M requests with only \$500,000 in available funding to allocate to these resources. Rod plans to bring a prioritized list of IE items that have no other funding source to the next PBSC meeting so that the committee can review the items and make a recommendation to PAC.

VI: Other/General Discussion: None.

Meeting adjourned at 4:03 p.m.

Meeting Notes were taken and typed by Melisa Hunt

Next Meeting: February 15, 2017