



PLANNING AND BUDGET STEERING COMMITTEE

Summary Meeting Notes March 1, 2017

APPROVED April 5, 2017

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

The meeting commenced at 2:02 p.m.

I. Approval of Summary Meeting Notes: The February 15, 2017 Summary Meeting Notes were unanimously approved.

II. Planning Update: Co-Chair Carlos Ayon was absent; there was no report.

III. Budget Update: Rod distributed a PowerPoint handout on the 2017-18 Preliminary Budget Assumptions that was presented to the Board on February 28, 2017 by Vice Chancellor of Finance & Facilities Fred Williams and Interim District Director of Fiscal Affairs Kashu Vyas. Rod identified a change on Page 5 stating there is an update to the P-1 numbers on the chart based on the recent census in that Fullerton College's FTES shortfall is now 692.7, down 3.6% from Target FTES, and 2% decrease from actual FTES Target. On Page 4, the impact of the January Budget results in an additional \$3.3M potential net ongoing General Fund deficit, which includes the 3% salary increase and 1.48% COLA for a potential net deficit next year of \$8.4M. Between now and June, the District will talk about growth that won't be captured. \$6M of the deficit is covered by "stability" whereas in the year a college does not generate/meet their target, the State will still fund the college at the previous target for that year, and the college will not receive any growth funding for one year.

Discussion following Rod's presentation included: Pete stated we have several students under the Dream Act and Financial Aid that affect the college. Gil stated 1/3 to 1/2 of our students are not applying for financial aid, and we have 1,000 undocumented students. Also, he stated some of those students have a sense of insecurity and fear that their instructor may turn them in or their parent. He mentioned the story called "My Undocumented Life" that discusses these concerns. In regards to the Veterans' Resource Center and the 1,200 veteran students we serve, Gil stated the administration should review SSSP and other categorical monies from different viewpoints as related to the positions funded from these resources because the state will cut these funds first and we may lose those staff. Bev raised a concern in that hourly staff shall not be hired to perform the work of contracted classified staff. Gil said that we hire Classified

Substitute Hourlies to perform those duties. Gil would like to see Classified Specialists hired instead of Professional Experts being paid from categorical monies.

Rod continued his report stating we were 11 positions above the FON, but now it is 20 above the FON. The District will not stop the current process of faculty hiring, but the positions of those retiring may not be filled. A soft freeze is when vacant positions are analyzed at the campus level to determine if they are still needed in that department or elsewhere on campus. Cal State Universities are raising their tuition and increasing allowable enrollment. In 2008, the NOCCCD implemented a hard freeze where all positions were discussed and approved at Chancellor's Staff. Josh asked Rod if we have last year's and this year's enrollment numbers for the International Students. Gil stated we will not know the numbers until Fall since we are still recruiting. Pete asked if there is a limit on their enrollment and Gil replied no, and he clarified that the limit is based on our ability to serve these students. We currently have 388 students with a goal to enroll 500 students in 2018.

Update to PBSC Recommendation for 2015-16 Non-Instructional Program Review Funding:

Rod reported that the PBSC's recommendation for PAC to allocate funding for the 2015-16 Non-Instructional Program Review Resource Requests totaling \$222,627 was approved by PAC on February 8, 2017 and accepted by President Schulz on February 22, 2017. The Deans/Managers awarded funds were notified via email on February 27, 2017, with instructions to use the funds by the District's purchasing deadline of April 17, 2017. These funds may be carried over should they not meet the deadline.

IV. Allocation of FY 16-17 Instructional Equipment (IE) Funds: Fullerton College set aside \$500,000 for FY 16-17 IE. The PBSC's recommendation to PAC to approve the 2016-17 IE funding allocation of \$499,770.96 was not considered by PAC on February 22, 2017 because Dean Willoughby voiced a concern. President Schulz expressed that if a revised recommendation is presented and approved by PAC at the next meeting on March 8, he will accept the recommendation on the spot. In order to expedite the process to develop the items for the first recommendation, Rod met with the Deans with significant items and requested a prioritized list. Dean Willoughby asked that the list be reviewed as some resource requests were improperly categorized by the Program Review Committee and should be considered as valid IE requests for the prioritized list. A new prioritized list was developed with items added from the Business and CIS Division, Humanities Division, and Library. The revised list was distributed to the PBSC members amounting to \$506,336.00. Rod said the \$6,336 will be covered by IE contingency funds. A motion was made by Pete Snyder to approve the recommendation to allocate FY 16-17 Instructional Equipment funding in the amount of \$506,336 for 34 instructional equipment resource requests. Bev Pipkin seconded the motion, and it was unanimously approved by the members present.

Gil asked Rod to explain the Push-out Allocation Model Chancellor Marshall discussed as a possible change to the District's Budget Allocation Model. The Push-out Model requires that once State funding is released, it allows the District to pass out the monies to the institution where the funds/money was generated and then the campus will chargeback services. Since FC generates more FTES than CC, then FC will receive more funding. The problems with this model include: 1) Salary negotiations – The District will never approve separate salary increases at

each college, 2) Standard Costs at District – How do we cover the chargeback salaries – how would we grow? 3) When we analyze the numbers, SCE spent way more than they produce, so we would need to phase in this model over 3-5 years as Cypress and SCE would be losing money. Pete asked if other campuses are using this model and Rod stated yes, some do use this model. This model would require direction of the Chancellor and is currently being evaluated. Rod reported that there will be a breakout session at the upcoming retreat and Josh expressed that there will be enrollment management training on FTES.

V. A.S. Resolution – Sherbeck Field: Niko was absent from the meeting; the item was tabled.

VI. Other/General Discussion: Pete discussed that at last night's Board meeting, Cypress College was not happy with one of the Board Member's comments in regards to their accreditation.

Meeting adjourned at 2:50 p.m.

Meeting Notes were taken and typed by Melisa Hunt

Next Meeting: March 15, 2017