



## BUDGET Advisory Committee

### Minutes

November 5, 2018

Meeting

*Approved*

#### ATTENDANCE (A = absent):

X	Chris Carter	X	Marlene Dunn	X	Cindy Baker
X	Sara Blasetti	X	Ryan Carroll	X	Sem Chao
X	Lee Douglas	A	Gene Durand	A	James Henchey
A	Mike Muñoz	A	Anthony Moguel, Jr.	A	Nash Neyra
A	Jorge Ochoa	X	Seth Ramchandran	A	Karen Roberts
A	Kathy Scott	X	Steve Skille	X	John Thompson
A	Susan Trask	A	Heather Van Volkinburg	X	Jeff Wood

**NOTE TAKER:** Erin Murphy

#### 1. Welcome (Chris)

Chris welcomed everyone to the meeting and introductions were made.

#### 2. Approval of Minutes (Chris)

The minutes of the September 5, 2018, meeting were approved as presented.

#### 3. State Budget Update (Marlene)

*(Refer to "Simulation Using Prior Year Data" handout)*

Marlene updated the Budget Advisory Committee on the state budget with the following highlights:

- The State Chancellor's office webinar series on the Student Centered Funding Formula (SCFF) provided additional information and direction. Marlene mentioned the requirement that each college adopt goals that align with the Chancellor's office Vision for Success by Spring 2019.
- Dr. Seth inquired about the College Promise and whether additional funding was available to support disadvantaged students and address equity issues. Marlene explained that whereas the state-level budget will ultimately allocate 60% based on FTES, 20% based on students receiving financial aid, and 20% based on student completion metrics when the SCFF is fully implemented, individual colleges may have ratios that differ, depending on their student populations. Marlene noted that in FY2018-19, the state-wide ratio is 70% / 20% / 10% for the first year of SCFF implementation, whereas LBCC's actual data produce a ratio of 68.0% / 24.6% / 7.4% based on the state simulation.
- Marlene added that Academic Affairs and Student Support Services were working on goals in support of increasing Pell grant counts and completions.
- Marlene noted that students' uncertainty regarding immigration status can be a discouraging factor in applying for federal financial aid. Sara mentioned the DREAM Act, and Chris noted that Pell grants are federal.

#### **4. 2018-19 First Quarter Budget Performance Report (John)**

*(Refer to "2018-19 First Quarter Budget Performance Report" handout)*

John reviewed the 2018-19 First Quarter Budget Performance Report with the following highlights:

- John highlighted the variances between the adopted budget, the current budget, and actuals. Regarding apportionment funding, John noted that as of yet, there were no major changes, but that the prior-year recalculation may result in changes in Spring 2019.
- Regarding local revenue, John noted that the summer recreation program had generated more revenue than projected.
- Regarding expenditures, John reported that variances were primarily due to vacancies, which represented a budget savings of \$83,725 (academic) and \$1,182,567 (classified), as well as corresponding savings in benefits tied to a percentage of salaries.
  - Chris asked if there were any additional savings from restructuring classified positions. Marlene responded that the District captured savings by not hiring full-time faculty the first year after the Supplemental Employee Retirement Plan (SERP) was offered, as well as due to efforts to reorganize in all areas. She added that restructuring can take time, so the effects are likely not yet fully realized. She noted that current efforts had resulted in a deficit reduction of \$2 million between tentative and adopted budgets.
  - Seth asked if the District planned to offer another SERP in 2021, and Marlene responded that she would not recommend offering a SERP more frequently than every five years to truly provide an incentive.
  - Sara asked whether the academic salaries expenditures included other pay, and John responded that salary includes stipend, overload, and part-time. Marlene added that classified management does not earn stipends or overtime. Sara referred to data she had read on TransparentCalifornia.com regarding a salary paid to an academic administrator, and Marlene responded that TransparentCalifornia.com is a data warehouse that shows compensation for public employees and assigns a value to such items as car allowance and life insurance. Chris added that the salary amount posted online might also be due to a buy-out. John confirmed that the salary expenses in the District's report included all types of pay, even buy-outs.
  - Lee asked whether the increase in minimum wage that will occur in January 2019 is in the projected budget. Marlene responded that the Personnel Commission agenda for November 5, 2018, includes adjustments the salary schedule, but that the increase was not anticipated to have a large impact on the budget. Lee replied that it would affect the number of hours tutors work at a time when a completions and success are necessary.
- John reviewed the supplies and materials, contract services and operating expenses, and indirect expenses. He noted that the adopted budget has already reduced travel, supplies, and hospitality as identified in the deficit reduction plan.
- Marlene commented that although the District still has an ongoing deficit, the report demonstrated that progress was being made in decreasing it.
  - Lee asked about the Faculty Obligation Number (FON) for 2019-20, and Marlene responded that as the FON is reliant on FTES, it has not yet been determined.

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- Marlene added that as an example of cost savings, Business Support Services will be implementing a new process to print parking permits that lessens the expense from \$60,000 to \$30,000, and she encouraged everyone across campus to consider similar strategies to realize additional savings.

**5. Other (Chris)**

No other items.

The meeting adjourned at 3:50 p.m.

**Next Meeting:** Wednesday, January 23, 2019, at LAC – T-1046 at 3:00 p.m.