

1. **CALL TO ORDER – PLEDGE OF ALLEGIANCE**

2. **ANNOUNCEMENT OF CLOSED SESSION ITEMS**

- a. Conference with Labor Negotiators Government Code 54957.6
Agency Negotiators: Bruce Baron and Dr. Lisa Norman
CTA, CSEA, Management/Supervisors, Confidential Employees
- b. Public Employee Discipline/Dismissal/Release/Non Re-Employment Government Code 54957 and
Education Code 87678: 2 cases
- c. Public Employment: Government Code 54957 – 2 cases
 - i. Title: College President – CHC
 - ii. Title: College President - SBVC

3. **PUBLIC COMMENTS ON CLOSED SESSION ITEMS**

The San Bernardino Community College Board of Trustees offers an opportunity for the public to address the Board on any agenda item prior to or during the Board's consideration of that item. Matters not appearing on the agenda will be heard after the board has heard all action agenda items. Comments must be limited to five (5) minutes per speaker and twenty (20) minutes per topic if there is more than one speaker. At the conclusion of public comment, the Board may ask staff to review a matter or may ask that a matter be put on a future agenda. As a matter of law, members of the Board may not discuss or take action on matters raised during public comment unless the matters are properly noticed for discussion or action in Open Session.

Anyone who requires a disability-related modification or accommodation in order to participate in the public meeting should contact the Chancellor's Office at (909) 382-4091 as far in advance of the Board meeting as possible.

This is an opportunity for members of the public to address the Board concerning closed session items.

4. **CONVENE CLOSED SESSION**

5. **RECONVENE PUBLIC MEETING**

6. **REPORT OF ACTION IN CLOSED SESSION (if any)**

7. PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

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8. BUDGET PRESENTATION

- i. Tentative Budget Support (p3)
- ii. FY 16-17 Proposed Tentative Budget (p11)
- iii. 2016-05 Fiscal Services Update (p18)

9. ACTION AGENDA

- i. Consideration of Approval of Revised Prioritized Board Directives for the 2016-17 Budget (p20)
- ii. Consideration of Approval of Agreement for Measure M Program Management Services with Kitchell CEM Inc. of Ontario CA (p22)
- iii. Consideration of Approval of Interim Management Appointment (p24)
- iv. Consideration of Approval of Appointment of District Employee (p25)

10. INFORMATION

- i. Prospectus SBCCD-SBETA Merger (p26)

11. ADJOURN – The next meeting of the Board: 8am, June 2, 2016 (Interview of Presidential Candidates)



Business & Fiscal Services Tentative Budget Challenges & Questions

FY 2016-2017

- Set asides for
 - Retirement and health care costs
 - Costs for PERS/STRS for next 4 years - \$4MM included in forecast (**see attached**)
 - Higher costs for Health Benefits – included 7% annual increase in forecast
 - Full-time Faculty Positions / FON
 - Growth goals for next 5 years (**see attached**) – included in forecast
 - District Budget Committee’s task by Chancellor – not included in forecast
 - Facilities – not included in forecast
 - Total Cost of Ownership (new buildings)
 - Facilities Needs Assessment (**see attached**)
 - Staffing needs (colleges and district)
- Growth
 - Potential loss of students (BOG waivers)
 - 2% State-wide growth from State (Estimated at 4.25% for SBCCD as of P1)
 - Current goal for FY 16-17 is 2%; 3% thereafter (**see attached**)
 - Should we have a more aggressive enrollment plan?
 - Many districts will probably shift summer to this fiscal year
 - Marketing Outreach Plan and funding to support the growth at both colleges
 - Do we use the expected one-time funding (\$1MM) or fund balance?
- Key positions for EDCT & KVCR (\$690,000 not including assistants)
 - Associate Vice Chancellor?
 - KVCR General Manager?
 - Assistants?
 - Foundation Directors?
- Program Review
 - Budget does not have any program review requests at the moment
 - Do we use the expected one-time funding (\$1MM) or fund balance?
 - Valley is carrying over \$530K from current fiscal year to next fiscal year
- Fund balances
 - 15% or 12% minimum goal?
- Grants & Other Funds
 - Do we charge a monthly set amount for retirement benefits?
 - According to our latest actuarial, the average Annual Required Contribution (ARC) per employee is \$980 (\$80 per month)
 - \$157,780 per year (161 employees x \$980 ARC)
 - Currently, when a Grant funded (or other funds) employee retires, the Unrestricted General Fund pays for the benefits.
 - We currently have 161 Grant funded (or other funds) Employees
 - Possible costs at retirement is between \$8.4 M (5 Years) or up to \$16.7 M (10 Years)
 - Logistically, it will work the same way as Worker’s Compensation

San Bernardino Community College District
Employer Pension Rates
2013-14 to 2020-2021

Revised: 05/24/16

Employer Rates by Fiscal Year								
System	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
PERS	11.44%	11.77%	11.85%	13.89%	15.50%	17.10%	18.60%	19.80%
STRS	8.25%	8.88%	10.73%	12.58%	14.43%	16.28%	18.13%	19.10%

Rate Increases by Fiscal Year								
System	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
PERS	Base year	0.33%	0.08%	2.04%	1.61%	1.60%	1.50%	1.20%
STRS	Base year	0.63%	1.85%	1.85%	1.85%	1.85%	1.85%	0.97%

Estimated Amount Increases by Fiscal Year							
Classification	Base Salary	2016-17	2017-18	2018-19	2019-20	2020-21	
Confidential	\$ 1,031,452	\$ 21,042	\$ 16,606	\$ 16,503	\$ 15,472	\$ 12,377	
Classified	\$ 19,170,710	\$ 391,082	\$ 308,648	\$ 306,731	\$ 287,561	\$ 230,049	
Academic	\$ 22,431,114	\$ 414,976	\$ 414,976	\$ 414,976	\$ 414,976	\$ 217,582	
Management	\$ 10,468,707	\$ 213,562	\$ 168,546	\$ 167,499	\$ 157,031	\$ 125,624	
Totals	\$ 53,101,983	\$ 1,040,661	\$ 908,777	\$ 905,710	\$ 875,039	\$ 585,632	
Cummulative Total Increase		\$ 1,040,661	\$ 1,949,438	\$ 2,855,147	\$ 3,730,186	\$ 4,315,818	*

Note:

* The estimated increases for all 4 years could be higher due to Step & Column Increases

San Bernardino Community College District
Faculty Obligation Number (FON)
Multi-Year Estimates by College

College	Projected Enrollment Goals				
	Growth Goal FY 16-17	Growth Goal FY 17-18	Growth Goal FY 18-19	Growth Goal FY 19-20	Growth Goal FY 20-21
Valley	2.00%	3.00%	3.00%	3.00%	3.00%
Crafton	2.00%	3.00%	3.00%	3.00%	3.00%

RAM Allocation		Estimated State Requirements By College (Based on RAM)				
College	FY 16-17 By College	Fall 2016 Estimated Requirement	Fall 2017 Estimated Requirement	Fall 2018 Estimated Requirement	Fall 2019 Estimated Requirement	Fall 2020 Estimated Requirement
Valley	68.06%	163.59	168.50	173.55	178.76	184.12
Crafton	31.94%	76.77	79.07	81.45	83.89	86.41
	100.00%	240.36	247.57	255.00	262.65	270.53

RAM Allocation		Full-Time Faculty Conversion				
College	FY 16-17 By College	Fall 2016 Estimated Conversions	Fall 2017 Estimated Conversions	Fall 2018 Estimated Conversions	Fall 2019 Estimated Conversions	Fall 2020 Estimated Conversions
Valley	68.06%		4.91	5.05	5.21	5.36
Crafton	31.94%		2.30	2.37	2.44	2.52
	100.00%		7.21	7.43	7.65	7.88

Note:

SBCCD's FON requirement will increase only if we are able to meet our enrollment growth. For purposes of forecasting costs, the assumption is that we will meet our enrollment goals.

FACILITIES RENEWAL PLAN

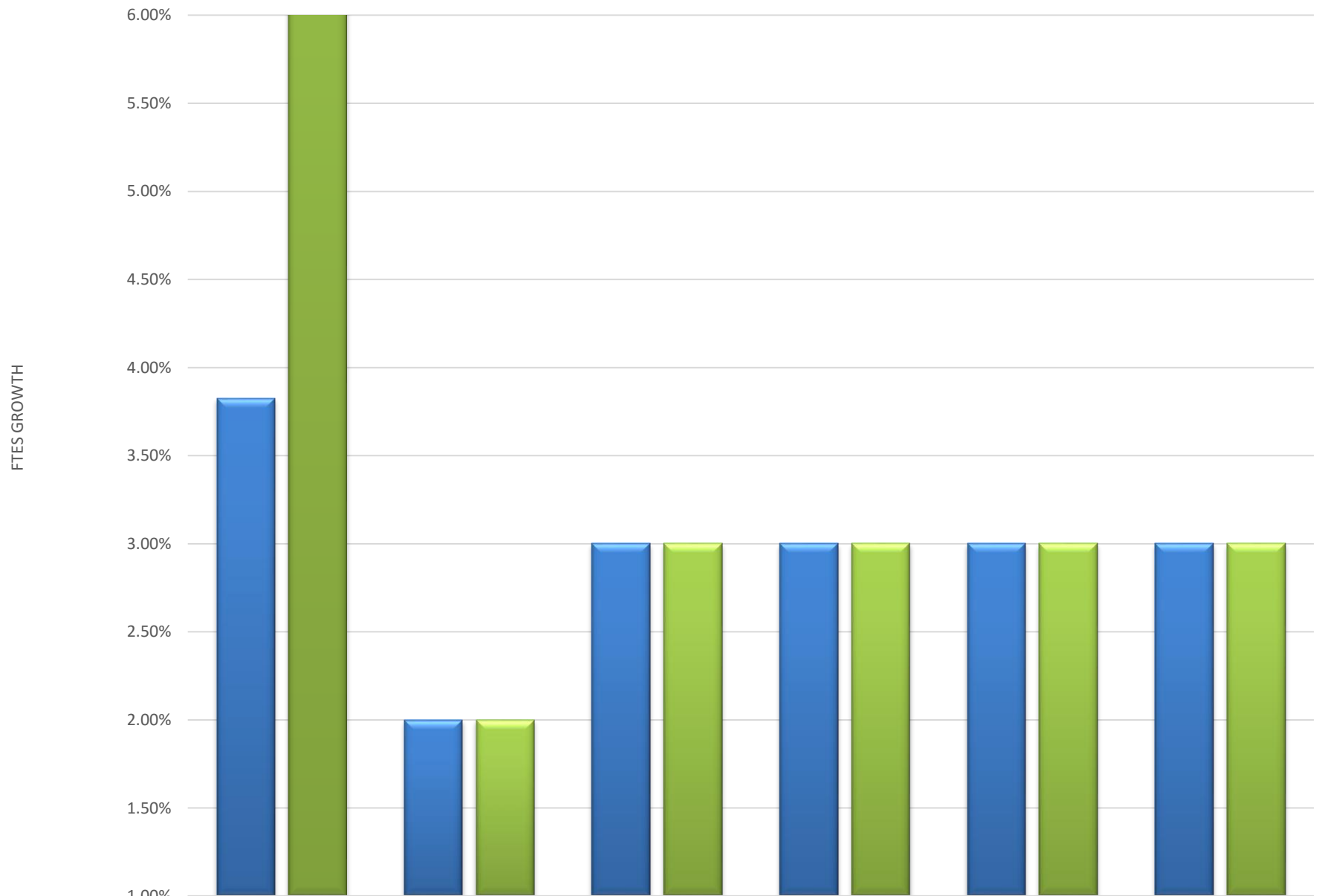
All dollars shown as Present Value

CATEGORY	NON-RECURRING PROJECT NEEDS			RECURRING COMPONENT REPLACEMENT NEEDS											
	Immediate	Critical	Non-Critical	Deferred Renewal	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	TOTAL
ACCESSIBILITY	5,581	453,412	545,723	0	0	0	0	0	0	0	0	0	0	0	\$1,004,716
EXTERIOR	0	14,307	65,118	2,868,787	43,334	89,130	151,572	0	790,033	20,340	0	0	79,087	321,954	\$4,443,661
INTERIOR	0	0	0	3,050,314	684,114	1,416,819	751,539	200,927	1,581,220	352,056	1,079,936	691,506	127,937	1,541,750	\$11,478,118
PLUMBING	0	910	52,421	5,578,140	548,259	36,919	5,723	51,569	611,958	10,896	13,841	29,808	19,247	143,149	\$7,102,840
HVAC	0	0	0	8,617,227	35,840	182,771	1,894,284	220,528	765,683	288,729	1,145,839	1,596,251	719,704	1,485,637	\$16,952,493
FIRE/LIFE SAFETY	11,869	394,438	2,452,412	1,399,932	43,125	0	552,900	121,257	109,186	332,881	38,802	222,481	442,774	161,199	\$6,283,257
ELECTRICAL	0	0	646,402	8,257,847	157,529	138,508	966,280	434,215	955,140	112,307	14,990	562,111	819,165	1,223,177	\$14,287,672
SITE	0	0	43,848	0	0	0	0	38,095	12,286	0	0	0	0	0	\$94,228
VERT. TRANS.	0	0	0	1,550,157	60,773	60,773	0	0	480,399	60,773	303,865	121,546	0	0	\$2,638,286
HEALTH/EQUIP.	0	126,539	7,676	0	9,048	36,193	0	0	0	0	0	0	0	0	\$179,455
SUBTOTAL	\$17,450	\$989,605	\$3,813,599	\$31,322,406	\$1,582,022	\$1,961,111	\$4,322,299	\$1,066,591	\$5,305,905	\$1,177,981	\$2,597,272	\$3,223,704	\$2,207,915	\$4,876,867	\$64,464,726
TOTAL NON-RECURRING PROJECT NEED			\$4,820,654	TOTAL RECURRING COMPONENT REPLACEMENT NEEDS										\$59,644,072	

CURRENT REPLACEMENT VALUE	\$391,986,000
FACILITY CONDITION NEEDS INDEX	0.16
FACILITY CONDITION INDEX	0.08

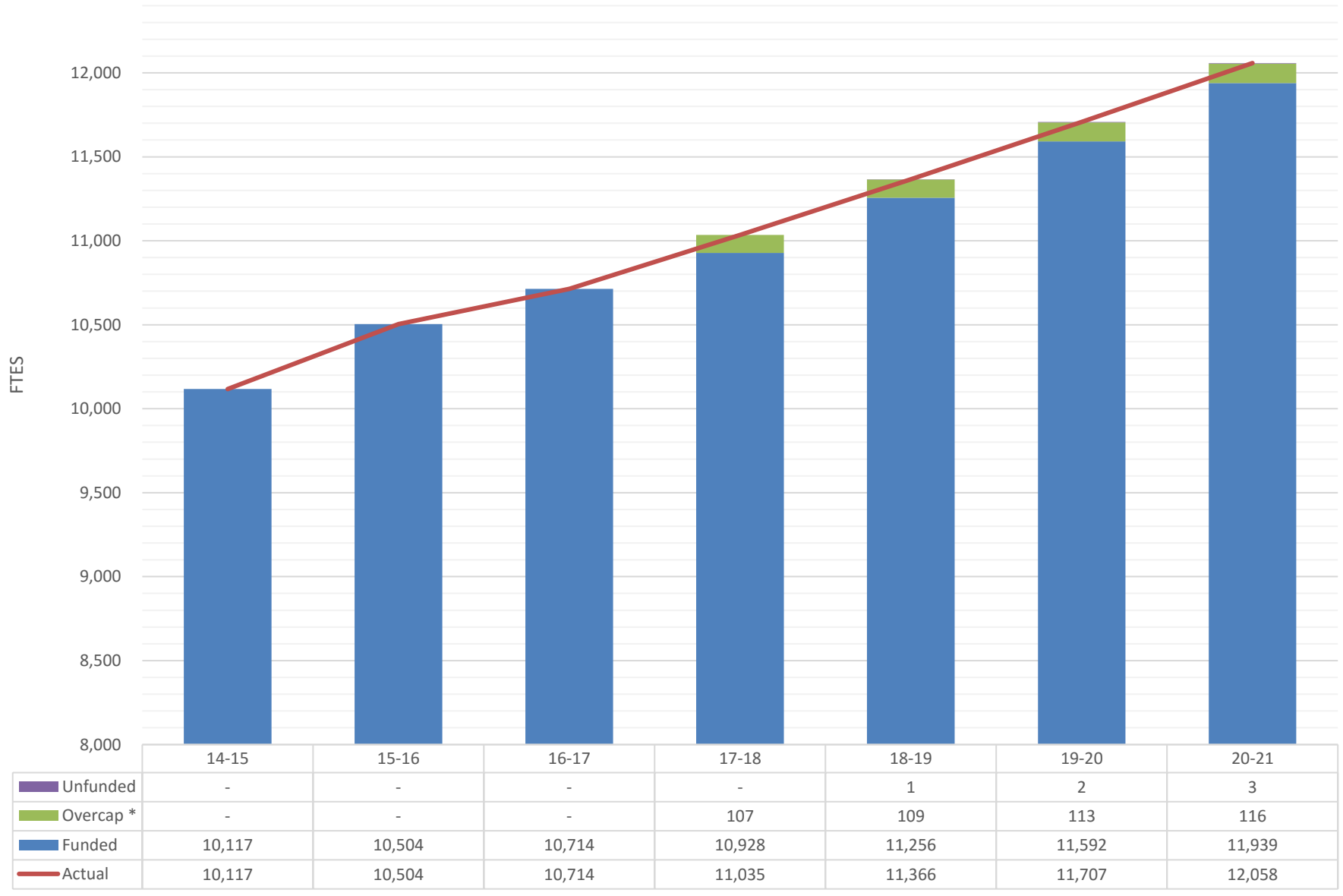
GSF	TOTAL 10-YEAR FACILITY RENEWAL NEEDS	10-YEAR NEEDS/SF
1,031,471	\$64,464,726	\$62.50

SBCCD - Multi-Year Proposed Growth by College - Final Budget

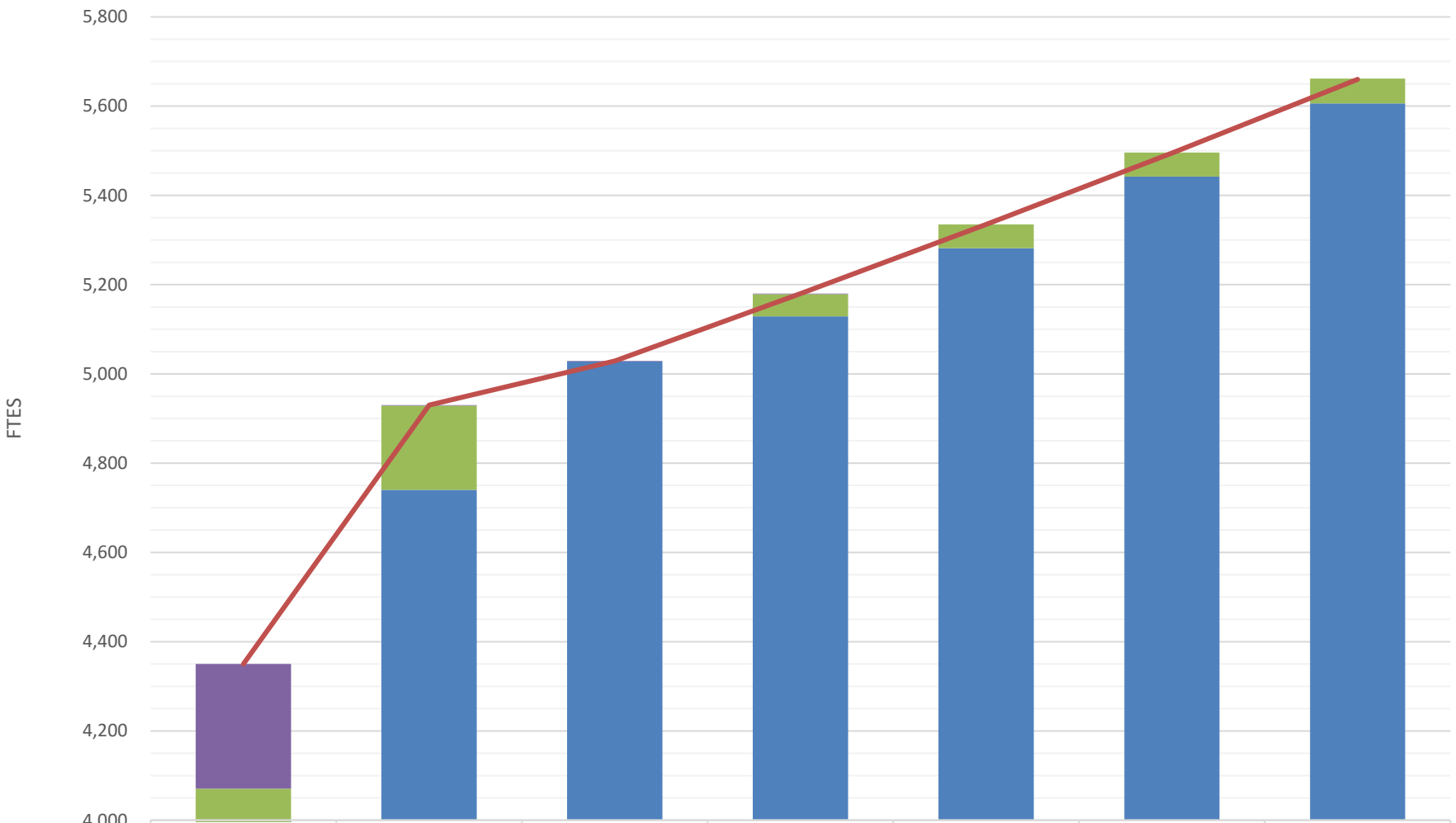


	15-16	16-17	17-18	18-19	19-20	20-21
Valley's Growth Percent - Final Budget	3.83%	2.00%	3.00%	3.00%	3.00%	3.00%
Crafton's Growth Percent - Final Budget	13.33%	2.00%	3.00%	3.00%	3.00%	3.00%

San Bernardino Valley College Enrollment Projections by Fiscal Year

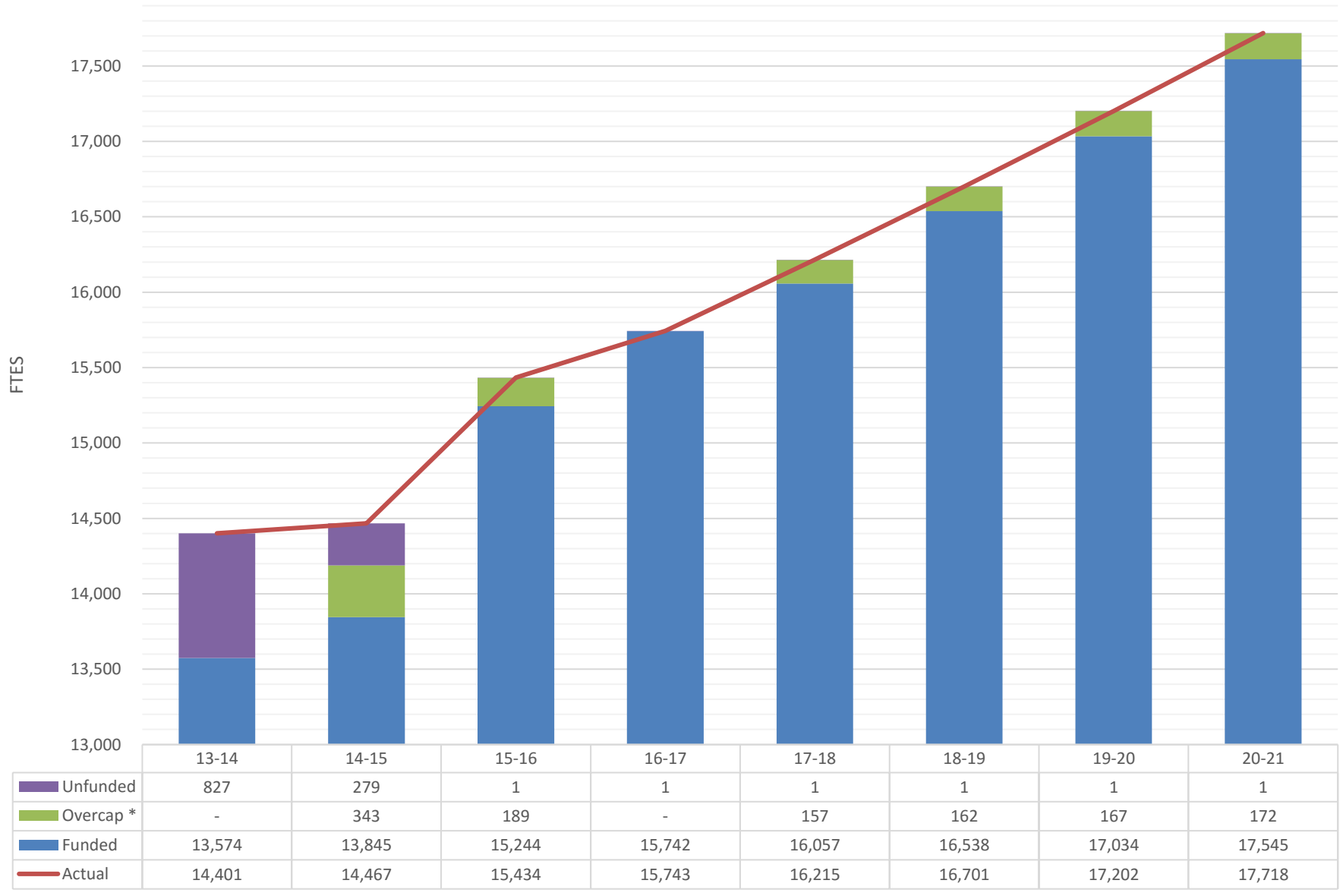


Crafton Hills College Enrollment Projections by Fiscal Year



	14-15	15-16	16-17	17-18	18-19	19-20	20-21
Unfunded	279	1	1	1	-	(1)	(2)
Overcap *	343	189	-	50	53	54	56
Funded	3,728	4,740	5,028	5,129	5,282	5,442	5,606
Actual	4,350	4,930	5,029	5,180	5,335	5,495	5,660

San Bernardino Community College District Enrollment Projections by Fiscal Year



	A	F	G	H	I	J	K	L	M	N	O	P	Q
1	San Bernardino Community College District												
2	Multi-Year Forecast											FY 2016-17 V10	
3	Operating Results by Fiscal Year by Location												
4													
5	San Bernardino Valley College												
6		Estimated Actuals 2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021	
7	Draft #	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance
8	FY 2016-17 V10	\$ 1,550,188	\$ 5,001,861	\$ (2,895,385)	\$ 2,106,476	\$ 1,097,902	\$ 3,204,378	\$ 766,439	\$ 3,970,817	\$ 901,935	\$ 4,872,752	\$ 1,110,080	\$ 5,982,832
9													
10													
11	Crafton Hills College												
12		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021	
13	Draft #	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance
14	FY 2016-17 V10	\$ 1,112,455	\$ (493,058)	\$ (1,099,312)	\$ (1,592,370)	\$ 404,732	\$ (1,187,638)	\$ 170,594	\$ (1,017,044)	\$ 247,479	\$ (769,565)	\$ 265,727	\$ (503,838)
15													
16													
17	District Office												
18		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021	
19	Draft #	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance
20	FY 2016-17 V10	\$ -	\$ 14,610,685	\$ -	\$ 13,176,013	\$ -	\$ 11,741,342	\$ -	\$ 11,051,342	\$ -	\$ 10,361,342	\$ -	\$ 9,671,342
21	One-time Exp. (Adjust. to Fund Balance)	\$ -		\$ (744,672)		\$ (744,672)							
22	KVCR/EDCT Contribution	\$ (500,000)		\$ (690,000)		\$ (690,000)		\$ (690,000)		\$ (690,000)		\$ (690,000)	
23	EDCT Foundation Contribution	\$ -											
24	One-time Funding & Expenses	\$ 2,510,224											
25													
26	Totals												
27		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		2020-2021	
28	Draft #	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance	Excess (Deficit)	Fund Balance
29	FY 2016-17 V10	\$ 4,672,867	\$ 19,119,488	\$ (5,429,369)	\$ 13,690,119	\$ 67,962	\$ 13,758,082	\$ 247,033	\$ 14,005,115	\$ 459,414	\$ 14,464,529	\$ 685,807	\$ 15,150,336
30	Fund Balance Percent		22.20%		15.05%		14.76%		14.54%		14.52%		14.71%
31	Fund Balance to Cover Monthly Expenditures		2.66		1.81		1.77		1.74		1.74		1.77
32	15% Fund balance goal		\$ 12,919,144		\$ 13,641,467		\$ 13,978,264		\$ 14,452,242		\$ 14,941,368		\$ 15,449,003
33	Excess over 15% goal		\$ 6,200,344		\$ 48,652		\$ (220,182)		\$ (447,128)		\$ (476,839)		\$ (298,667)
34													
35	Notes:												
36	All Data stated in 2016 Dollars												

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2015-16 Estimated Actuals				2016-17 Forecast			
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total
Section A - State Base Revenue								
1	Base Allocation Revenue per SB361 for Medium and Small Colleges	\$4,196,381	\$3,596,898	\$7,793,279	\$4,196,381	\$3,596,898		\$7,793,279
2	Credit FTES Percent	68.06%	31.94%	100.00%	68.06%	31.94%		100.00%
3	Total College Funded Credit FTES	10,504.00	4,929.00	15,433.00	10,714.00	5,028.00		15,742.00
4	District Funded Rate Credit FTES per State Allocation			\$4,943.24				\$4,943.24
5	Credit Funding (multiply line 3 x 4)	\$51,923,807	\$24,365,236	\$76,289,043	\$52,961,887	\$24,854,617		\$77,816,505
10	Total State Base Revenue (add lines 1, 5, & 9)	\$56,120,188	\$27,962,134	\$0	\$57,158,268	\$28,451,515	\$0	\$85,609,783
11	Revenue Shortfall Percent			1.22%				0.00%
12	Revenue Shortfall Amount (multiply line 10 x 11)	-\$685,589	-\$341,598	\$0	\$0	\$0	\$0	\$0
13	Adjusted State Base Revenue (line 10 minus line 12)	\$55,434,599	\$27,620,536	\$0	\$57,158,268	\$28,451,515	\$0	\$85,609,783
Section B - Adjustments for Reconciliations								
25	Other Adjustments (Property Taxes) - Prior Year	-\$29,621	-\$13,899	-\$43,520				
26	Total State Revenue (add lines 13 - 24)	\$55,404,978	\$27,606,637	\$0	\$57,158,268	\$28,451,515	\$0	\$85,609,783
Section C - Other Revenue								
30	College Part-time Faculty	\$201,810	\$94,700	\$0	\$201,805	\$94,705	\$0	\$296,510
31	College Full-time Faculty	\$574,914	\$269,778	\$0	\$574,914	\$269,778	\$0	\$844,692
32	College Lottery Funds	\$1,633,487	\$766,513	\$0	\$1,633,487	\$766,513	\$0	\$2,400,000
33	College Interest Income	\$68,062	\$31,938	\$0	\$68,062	\$31,938	\$0	\$100,000
34	Other Campus Revenue per Campus Projections	\$881,020	\$538,504	\$0	\$881,020	\$538,504	\$0	\$1,419,524
37	Other Revenue	\$148,327	\$69,603	\$0	\$148,327	\$69,603	\$0	\$217,930
39	Total College Revenue (add lines 25, 30-36)	\$58,912,598	\$29,377,673	\$0	\$60,090,969	\$29,952,778	\$0	\$90,043,747
Section D - Assessments								
40	Total College Actual Credit FTES	10,504.00	4,930.00	15,434.00	10,714.00	5,029.00		15,743.00
41	Percent for Assessments	68.06%	31.94%	100.0%	68.06%	31.94%		100.00%
42	Assessment for District Office Operations Expenditures	-\$10,425,910	-\$4,892,794	\$15,318,704	\$0	-\$10,747,061	-\$5,043,508	\$15,790,569
43	Assessment for Property & Liability Insurance Cost	-\$374,330	-\$175,670	\$550,000	\$0	-\$374,330	-\$175,670	\$550,000
48	Assessment for EDCT Operations Expenditures	-\$88,478	-\$41,522	\$130,000	\$0	-\$88,478	-\$41,522	\$130,000
Section E - Individual Site Budgets								
50	Total Site Budget Allocation for Colleges (add lines 28, 29-33)	\$48,023,881	\$24,267,687	\$15,998,704	\$88,290,271	\$48,881,100	\$24,692,079	\$16,470,569
51	1000 - Academic Salaries	\$23,849,823	\$11,500,978	\$766,054	\$36,116,855	\$24,972,227	\$11,982,280	\$708,149
52	2000 - Classified Salaries	\$7,958,369	\$5,122,413	\$6,574,137	\$19,654,919	\$8,324,091	\$5,149,962	\$6,709,612
53	3000 - Benefits	\$8,936,516	\$4,807,825	\$2,802,912	\$16,547,253	\$10,278,406	\$5,424,886	\$3,159,451
54	4000 - Supplies	\$592,492	\$194,474	\$173,443	\$960,408	\$568,891	\$232,798	\$241,825
55	5000 - Other Expenses and Services	\$4,164,347	\$1,431,047	\$4,734,401	\$10,329,795	\$4,747,886	\$1,921,313	\$4,942,790
56	6000 - Capital Outlay	\$969,147	\$98,495	\$397,757	\$1,465,399	\$132,691	\$40,400	\$158,742
57	7000 - Other Outgo	\$3,000	\$0	\$550,000	\$553,000	\$6,716	\$0	\$550,000
59	Site Budgeted / Projected Actual Expenditures	\$46,473,692	\$23,155,232	\$15,998,704	\$85,627,628	\$49,030,908	\$24,751,639	\$16,470,569
60	Excess/(Deficit) (line 35 minus line 43 plus line 44)	\$1,550,188	\$1,112,455	\$0	\$2,662,643	-\$149,808	-\$59,560	\$0
Section F - One-Time Adjustments & Fund								
70	One-time Exp. (Adjust. to Fund Balance)			\$0	\$506,824	\$237,848	-\$744,672	\$0
71	One-time State Funding			\$8,260,224	\$8,260,224		\$1,000,000	\$1,000,000
72	One-time Expenditures			-\$5,750,000	-\$5,750,000	-\$530,000	-\$1,000,000	-\$1,530,000
73	STRS/PERS Set Aside for Rate Increases			\$0	-\$2,722,400	-\$1,277,600		-\$4,000,000
74	One-time Exp. (Adjust. to Fund Balance) - FY 13-14 GASB and KVCR, KVCR Contribution & EDCT Foundation			-\$500,000	-\$500,000		-\$690,000	-\$690,000
75	Annual Increase/(Decrease) to Fund Balance	\$1,550,188	\$1,112,455	\$2,010,224	\$4,672,867	-\$2,895,385	-\$1,099,312	-\$1,434,672
76	Site Fund Balance July 1, Year Beginning (Includes RDA)	\$3,451,673	-\$1,605,512	\$12,600,461	\$14,446,622	\$5,001,862	-\$493,058	\$14,610,685
79	Site Fund Balance June 30, Year Ending (line 45 plus lines 46-48)	\$5,001,862	-\$493,058	\$14,610,685	\$19,119,489	\$2,106,477	-\$1,592,370	\$13,176,014
80	Unrestricted Fund Balance			\$19,119,489				\$13,690,120

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2015-16 Estimated Actuals				2016-17 Forecast			
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total
Average Monthly Expenditures				\$7,177,302				\$7,578,593
Months to Cover Monthly Expenditures:				2.66				1.81
Total Revenues	\$58,912,598	\$29,377,673	\$8,260,224	\$96,550,495	\$60,090,969	\$29,952,778	\$1,000,000	\$91,043,747
Total Expenditures	\$46,473,692	\$23,155,232	\$22,248,704	\$91,877,628	\$52,283,308	\$26,029,239	\$18,160,569	\$96,473,116

Assumptions:

COLA Percent	1.02%	1.02%	1.02%	1.02%	0.00%	0.00%	0.00%	0.00%
Basic Funding Percent	4.65%	4.65%	4.65%	4.65%	0.00%	0.00%	0.00%	0.00%
State Funded Growth/ACCESS Rate	3.83%	21.08%		21.08%	2.00%	2.01%		2.01%
Additional FTES Growth Target	387.00	580.00		967.00	210.00	99.00		309.00
Additional FTES Growth Target Costs	\$ -	\$ -		\$ -	\$ 244,860	\$ 115,434		\$ 360,294
Step in Column Increase Percent	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Salary Increase Percent	0.00%	0.00%	0.00%	0.00%	1.50%	1.50%	1.50%	1.50%
Benefits Percent	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted
Inflation for Object Codes 4000's-6000's %	1.02%	1.02%	1.02%	1.02%	0.00%	0.00%	0.00%	0.00%
GASB 45 Contribution for Liability (Past)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GASB 45 Contribution for Future Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KVCR & EDCT Foundation Contribution			\$ 500,000	\$ 500,000			\$ -	\$ -
Part-Time Rate Increases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Expenses for Fund Balance Calculation				\$86,127,628				\$90,943,116
15% from Total Expenses				\$12,919,144				\$13,641,467

Salary Increases

1000s	-	-	-	-	237,687	120,447	5,432	363,565
2000s	-	-	-	-	114,689	67,167	99,143	280,998
3000s	-	-	-	-	51,665	28,011	20,433	100,109
Totals	-	-	-	-	404,040	215,625	125,007	744,672

Step In Column Expenses and Benefits

1000s	15,845,784	8,029,775	362,054	24,237,613	237,687	120,447	5,431	363,564
2000s	7,645,898	4,477,805	6,609,538	18,733,241	114,688	67,167	99,143	280,999
3000s	8,915,400	4,698,897	2,916,409	16,530,706	624,078	328,923	204,149	1,157,149
Totals	32,407,082	17,206,477	9,888,001	59,501,560	976,453	516,536	308,723	1,801,712

Unfunded FTES

Faculty Positions (\$73,265*14.45%) + \$15,933 Health

	0	0			8	3		
1000s	-	-	-	-	586,120	219,795		805,915
2000s	-	-	-	-				-
3000s	-	-	-	-	212,744	79,779		292,524
Totals	-	-	-	-	798,864	299,574	-	1,098,439

Part-time faculty conversions (\$35K + benefits)

	0	0			-8	-3		
1000s	-	-	-	-	(244,800)	(91,800)		(336,600)
2000s	-	-	-	-				-
3000s	-	-	-	-	(35,200)	(13,200)		(48,400)
Totals	-	-	-	-	(280,000)	(105,000)	-	(385,000)

Net Increase for full-time conversion

					\$518,864	\$194,574	\$0	\$713,439
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Classified & Management Positions:

No. of full-time positions eligible for benefits
[\$15,933 Health]

Salary Amount

[Benefits = Salary*20.28%]

	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
1000s	-	-	-	-	-	-	-	-
2000s	-	-	-	-	-	-	-	-
3000s	-	-	-	-	-	-	-	-
Totals	-	-	-	-	-	-	-	-

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2017-18 Forecast				2018-19 Forecast				
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total	
Section A - State Base Revenue									
1	Base Allocation Revenue per SB361 for Medium and Small Colleges	\$4,238,345	\$3,632,867		\$7,871,211	\$4,280,728	\$3,669,195		\$7,949,924
2	Credit FTES Percent	68.06%	31.94%		100.00%	68.05%	31.95%		100.00%
3	Total College Funded Credit FTES	11,035.00	5,179.00		16,214.00	11,365.00	5,335.00		16,700.00
4	District Funded Rate Credit FTES per State Allocation				\$4,992.67				\$5,042.60
5	Credit Funding (multiply line 3 x 4)	\$55,094,155	\$25,857,057		\$80,951,212	\$57,309,154	\$26,902,273		\$84,211,428
10	Total State Base Revenue (add lines 1, 5, & 9)	\$59,332,499	\$29,489,924	\$0	\$88,822,423	\$61,589,882	\$30,571,469	\$0	\$92,161,351
11	Revenue Shortfall Percent				0.00%				0.00%
12	Revenue Shortfall Amount (multiply line 10 x 11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Adjusted State Base Revenue (line 10 minus line 12)	\$59,332,499	\$29,489,924	\$0	\$88,822,423	\$61,589,882	\$30,571,469	\$0	\$92,161,351
Section B - Adjustments for Reconciliations									
25	Other Adjustments (Property Taxes) - Prior Year								
26	Total State Revenue (add lines 13 - 24)	\$59,332,499	\$29,489,924	\$0	\$88,822,423	\$61,589,882	\$30,571,469	\$0	\$92,161,351
Section C - Other Revenue									
30	College Part-time Faculty	\$201,800	\$94,710	\$0	\$296,510	\$201,787	\$94,723	\$0	\$296,510
31	College Full-time Faculty	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	College Lottery Funds	\$1,633,487	\$766,513	\$0	\$2,400,000	\$1,633,487	\$766,513	\$0	\$2,400,000
33	College Interest Income	\$68,062	\$31,938	\$0	\$100,000	\$68,062	\$31,938	\$0	\$100,000
34	Other Campus Revenue per Campus Projections	\$881,020	\$538,504	\$0	\$1,419,524	\$881,020	\$538,504	\$0	\$1,419,524
37	Other Revenue	\$148,327.40	\$69,603	\$0	\$217,930	\$148,327	\$69,603	\$0	\$217,930
39	Total College Revenue (add lines 25, 30-36)	\$62,265,195	\$30,991,192	\$0	\$93,256,387	\$64,522,565	\$32,072,750	\$0	\$96,595,315
Section D - Assessments									
40	Total College Actual Credit FTES	11,035.00	5,180.00		16,215.00	11,366.00	5,335.00		16,701.00
41	Percent for Assessments	68.05%	31.95%		100.0%	68.06%	31.94%		100.00%
42	Assessment for District Office Operations Expenditures	-\$11,039,371	-\$5,183,070	\$16,222,441	\$0	-\$11,302,524	-\$5,304,182	\$16,606,706	\$0
43	Assessment for Property & Liability Insurance Cost	-\$374,275	-\$175,725	\$550,000	\$0	-\$374,330	-\$175,670	\$550,000	\$0
48	Assessment for EDCT Operations Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Section E - Individual Site Budgets									
50	Total Site Budget Allocation for Colleges (add lines 28, 29-33)	\$50,851,549	\$25,632,397	\$16,772,441	\$93,256,387	\$52,845,711	\$26,592,898	\$17,156,706	\$96,595,315
51	1000 - Academic Salaries	\$25,813,447	\$12,413,698	\$719,174	\$38,946,320	\$26,663,269	\$12,849,884	\$724,852	\$40,238,005
52	2000 - Classified Salaries	\$8,442,220	\$5,286,311	\$6,910,872	\$20,639,403	\$8,560,401	\$5,356,531	\$7,014,521	\$20,931,453
53	3000 - Benefits	\$10,500,766	\$5,549,122	\$3,195,605	\$19,245,493	\$11,296,600	\$5,977,269	\$3,416,575	\$20,690,443
54	4000 - Supplies	\$574,580	\$235,126	\$244,243	\$1,053,949	\$580,326	\$237,477	\$246,686	\$1,064,489
55	5000 - Other Expenses and Services	\$4,795,365	\$1,940,526	\$4,992,218	\$11,728,109	\$4,843,319	\$1,959,931	\$5,042,140	\$11,845,390
56	6000 - Capital Outlay	\$134,018	\$40,804	\$160,329	\$335,151	\$135,358	\$41,212	\$161,933	\$338,503
57	7000 - Other Outgo	\$0	\$0	\$550,000	\$550,000	\$0	\$0	\$550,000	\$550,000
59	Site Budgeted / Projected Actual Expenditures	\$50,260,396	\$25,465,587	\$16,772,441	\$92,498,425	\$52,079,272	\$26,422,304	\$17,156,706	\$95,658,283
60	Excess/(Deficit) (line 35 minus line 43 plus line 44)	\$591,153	\$166,810	\$0	\$757,962	\$766,439	\$170,594	\$0	\$937,033
Section F - One-Time Adjustments & Fund									
70	One-time Exp. (Adjust. to Fund Balance)	\$506,749	\$237,923	-\$744,672	\$0				\$0
71	One-time State Funding				\$0				\$0
72	One-time Expenditures				\$0				\$0
73	STRS/PERS Set Aside for Rate Increases				\$0				\$0
74	One-time Exp. (Adjust. to Fund Balance) - FY 13-14 GASB and KVCR, KVCR Contribution & EDCT Foundation			-\$690,000	-\$690,000			-\$690,000	-\$690,000
75	Annual Increase/(Decrease) to Fund Balance	\$1,097,902	\$404,732	-\$1,434,672	\$67,962	\$766,439	\$170,594	-\$690,000	\$247,033
76	Site Fund Balance July 1, Year Beginning (Includes RDA)	\$2,106,477	-\$1,592,370	\$13,176,014	\$13,690,120	\$3,204,379	-\$1,187,638	\$11,741,342	\$13,758,083
79	Site Fund Balance June 30, Year Ending (line 45 plus lines 46-48)	\$3,204,379	-\$1,187,638	\$11,741,342	\$13,758,083	\$3,970,817	-\$1,017,044	\$11,051,342	\$14,005,115
80	Unrestricted Fund Balance				14.76%				14.54%
					\$13,758,083				\$14,005,115

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2017-18 Forecast				2018-19 Forecast			
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total
Average Monthly Expenditures				\$7,765,702				\$8,029,024
Months to Cover Monthly Expenditures:				1.77				1.74
Total Revenues								
Total Expenditures	\$50,260,396	\$25,465,587	\$17,462,441	\$93,188,425	\$52,079,272	\$26,422,304	\$17,846,706	\$96,348,283

Assumptions:

COLA Percent	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Basic Funding Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Funded Growth/ACCESS Rate	3.00%	3.00%		3.00%	2.99%	3.01%		3.01%
Additional FTES Growth Target	321.00	151.00		472.00	331.00	155.00		486.00
Additional FTES Growth Target Costs	\$ 374,286	\$ 176,066		\$ 550,352	\$ 385,946	\$ 180,730		\$ 566,676
Step in Column Increase Percent	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Salary Increase Percent	1.50%	1.50%	1.50%	1.50%	0.00%	0.00%	0.00%	0.00%
Benefits Percent	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Inflation for Object Codes 4000's-6000's %	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
GASB 45 Contribution for Liability (Past)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GASB 45 Contribution for Future Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KVCR & EDCT Foundation Contribution			\$ -	\$ -			\$ -	\$ -
Part-Time Rate Increases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Expenses for Fund Balance Calculator				\$93,188,425				\$96,348,283
15% from Total Expenses				\$13,978,264				\$14,452,242

Salary Increases

1000s	237,687	120,447	5,432	363,565	-	-	-	-
2000s	114,689	67,167	99,143	280,998	-	-	-	-
3000s	51,665	28,011	20,433	100,109	-	-	-	-
Totals	404,040	215,625	125,007	744,672	-	-	-	-

Step In Column Expenses and Benefits

1000s	15,922	6,910	5,594	28,426	250,551	127,461	5,678	383,689
2000s	3,441	69,182	102,117	174,740	118,181	70,220	103,649	292,050
3000s	59,730	29,646	15,721	105,097	684,869	361,568	220,970	1,267,406
Totals	79,093	105,738	123,432	308,263	1,053,600	559,248	330,297	1,943,145

Unfunded FTES

Faculty Positions (\$73,265*14.45%) + \$15,933 Health

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1000s	366,325	219,795		586,120	366,325	219,795	586,120
2000s				-			-
3000s	132,965	79,779		212,744	132,965	79,779	212,744
Totals	499,290	299,574	-	798,864	499,290	299,574	-

Part-time faculty conversions (\$35K + benefits)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1000s	(153,000)	(91,800)		(244,800)	(153,000)	(91,800)	(244,800)
2000s				-			-
3000s	(22,000)	(13,200)		(35,200)	(22,000)	(13,200)	(35,200)
Totals	(175,000)	(105,000)	-	(280,000)	(175,000)	(105,000)	-

Net Increase for full-time conversion	324,290.29	194,574.17	-	518,864	\$324,290	\$194,574	\$0	\$518,864
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Classified & Management Positions:

No. of full-time positions eligible for benefits [\$15,933 Health]

Salary Amount

[Benefits = Salary*20.28%]

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1000s							
2000s	-	-	-	-	-	-	-
3000s	-	-	-	-	-	-	-
Totals	-	-	-	-	-	-	-

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2019-20 Forecast				2020-21 Forecast				
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total	
Section A - State Base Revenue									
1	Base Allocation Revenue per SB361 for Medium and Small Colleges	\$4,323,535	\$3,705,887		\$8,029,423	\$4,366,771	\$3,742,946		\$8,109,717
2	Credit FTES Percent	68.05%	31.95%		100.00%	68.04%	31.96%		100.00%
3	Total College Funded Credit FTES	11,705.00	5,496.00		17,201.00	12,055.00	5,662.00		17,717.00
4	District Funded Rate Credit FTES per State Allocation				\$5,093.03				\$5,143.96
5	Credit Funding (multiply line 3 x 4)	\$59,613,875	\$27,991,273		\$87,605,148	\$62,010,398	\$29,125,083		\$91,135,481
10	Total State Base Revenue (add lines 1, 5, & 9)	\$63,937,410	\$31,697,161	\$0	\$95,634,571	\$66,377,169	\$32,868,029	\$0	\$99,245,198
11	Revenue Shortfall Percent				0.00%				0.00%
12	Revenue Shortfall Amount (multiply line 10 x 11)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Adjusted State Base Revenue (line 10 minus line 12)	\$63,937,410	\$31,697,161	\$0	\$95,634,571	\$66,377,169	\$32,868,029	\$0	\$99,245,198
Section B - Adjustments for Reconciliations									
25	Other Adjustments (Property Taxes) - Prior Year								
26	Total State Revenue (add lines 13 - 24)	\$63,937,410	\$31,697,161	\$0	\$95,634,571	\$66,377,169	\$32,868,029	\$0	\$99,245,198
Section C - Other Revenue									
30	College Part-time Faculty	\$201,770	\$94,740	\$0	\$296,510	\$201,751	\$94,759	\$0	\$296,510
31	College Full-time Faculty	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	College Lottery Funds	\$1,633,487	\$766,513	\$0	\$2,400,000	\$1,633,487	\$766,513	\$0	\$2,400,000
33	College Interest Income	\$68,062	\$31,938	\$0	\$100,000	\$68,062	\$31,938	\$0	\$100,000
34	Other Campus Revenue per Campus Projections	\$881,020	\$538,504	\$0	\$1,419,524	\$881,020	\$538,504	\$0	\$1,419,524
37	Other Revenue	\$148,327.40	\$69,603	\$0	\$217,930	\$148,327	\$69,603	\$0	\$217,930
39	Total College Revenue (add lines 25, 30-36)	\$66,870,076	\$33,198,459	\$0	\$100,068,535	\$69,309,816	\$34,369,346	\$0	\$103,679,162
Section D - Assessments									
40	Total College Actual Credit FTES	11,707.00	5,495.00		17,202.00	12,058.00	5,660.00		17,718.00
41	Percent for Assessments	68.06%	31.94%		100.0%	68.06%	31.94%		100.00%
42	Assessment for District Office Operations Expenditures	-\$11,574,024	-\$5,431,595	\$17,005,619	\$0	-\$11,858,208	-\$5,564,960	\$17,423,168	\$0
43	Assessment for Property & Liability Insurance Cost	-\$374,330	-\$175,670	\$550,000	\$0	-\$374,330	-\$175,670	\$550,000	\$0
48	Assessment for EDCT Operations Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Section E - Individual Site Budgets									
50	Total Site Budget Allocation for Colleges (add lines 28, 29-33)	\$54,921,722	\$27,591,194	\$17,555,619	\$100,068,535	\$57,077,278	\$28,628,716	\$17,973,168	\$103,679,162
51	1000 - Academic Salaries	\$27,567,610	\$13,249,339	\$730,533	\$41,547,482	\$28,445,805	\$13,698,105	\$736,300	\$42,880,209
52	2000 - Classified Salaries	\$8,678,634	\$5,426,797	\$7,118,238	\$21,223,668	\$8,798,641	\$5,498,116	\$7,223,510	\$21,520,267
53	3000 - Benefits	\$12,158,951	\$6,406,572	\$3,651,582	\$22,217,105	\$13,052,014	\$6,883,151	\$3,903,040	\$23,838,205
54	4000 - Supplies	\$586,129	\$239,852	\$249,153	\$1,075,134	\$591,990	\$242,251	\$251,644	\$1,085,885
55	5000 - Other Expenses and Services	\$4,891,752	\$1,979,531	\$5,092,561	\$11,963,844	\$4,940,669	\$1,999,326	\$5,143,487	\$12,083,482
56	6000 - Capital Outlay	\$136,712	\$41,624	\$163,552	\$341,888	\$138,079	\$42,040	\$165,188	\$345,307
57	7000 - Other Outgo	\$0	\$0	\$550,000	\$550,000	\$0	\$0	\$550,000	\$550,000
59	Site Budgeted / Projected Actual Expenditures	\$54,019,787	\$27,343,715	\$17,555,619	\$98,919,121	\$55,967,198	\$28,362,989	\$17,973,168	\$102,303,355
60	Excess/(Deficit) (line 35 minus line 43 plus line 44)	\$901,935	\$247,479	\$0	\$1,149,414	\$1,110,080	\$265,727	\$0	\$1,375,807
Section F - One-Time Adjustments & Fund									
70	One-time Exp. (Adjust. to Fund Balance)				\$0				\$0
71	One-time State Funding				\$0				\$0
72	One-time Expenditures				\$0				\$0
73	STRS/PERS Set Aside for Rate Increases				\$0				\$0
74	One-time Exp. (Adjust. to Fund Balance) - FY 13-14 GASB and KVCR, KVCR Contribution & EDCT Foundation			-\$690,000	-\$690,000			-\$690,000	-\$690,000
75	Annual Increase/(Decrease) to Fund Balance	\$901,935	\$247,479	-\$690,000	\$459,414	\$1,110,080	\$265,727	-\$690,000	\$685,807
76	Site Fund Balance July 1, Year Beginning (Includes RDA)	\$3,970,817	-\$1,017,044	\$11,051,342	\$14,005,115	\$4,872,752	-\$769,565	\$10,361,342	\$14,464,530
79	Site Fund Balance June 30, Year Ending (line 45 plus lines 46-48)	\$4,872,752	-\$769,565	\$10,361,342	\$14,464,530	\$5,982,833	-\$503,837	\$9,671,342	\$15,150,337
80	Unrestricted Fund Balance				14.52%				14.71%
					\$14,464,530				\$15,150,337

**San Bernardino Community College District
Multi-Year Forecast**

V10

	2019-20 Forecast				2020-21 Forecast			
	SBVC	CHC	District Office	District Total	SBVC	CHC	District Office	District Total
Average Monthly Expenditures				\$8,300,760				\$8,582,780
Months to Cover Monthly Expenditures:				1.74				1.77
Total Revenues								
Total Expenditures	\$54,019,787	\$27,343,715	\$18,245,619	\$99,609,121	\$55,967,198	\$28,362,989	\$18,663,168	\$102,993,355

Assumptions:

COLA Percent	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Basic Funding Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Funded Growth/ACCESS Rate	2.99%	3.02%		3.02%	2.99%	3.02%		3.02%
Additional FTES Growth Target	341.00	160.00		501.00	351.00	165.00		516.00
Additional FTES Growth Target Costs	\$ 397,606	\$ 186,560		\$ 584,166	\$ 409,266	\$ 192,390		\$ 601,656
Step in Column Increase Percent	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
Salary Increase Percent	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Benefits Percent	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
Inflation for Object Codes 4000's-6000's %	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
GASB 45 Contribution for Liability (Past)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GASB 45 Contribution for Future Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
KVCR & EDCT Foundation Contribution			\$ -	\$ -			\$ -	\$ -
Part-Time Rate Increases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Total Expenses for Fund Balance Calculator				\$99,609,121				\$102,993,355
15% from Total Expenses				\$14,941,368				\$15,449,003

Salary Increases

1000s	-	-	-	-	-	-	-	-
2000s	-	-	-	-	-	-	-	-
3000s	-	-	-	-	-	-	-	-
Totals	-	-	-	-	-	-	-	-

Step In Column Expenses and Benefits

1000s	250,744	127,566	5,681	383,991	255,604	128,380	5,767	389,751
2000s	118,233	70,266	103,717	292,215	120,007	71,320	105,272	296,599
3000s	729,193	384,917	235,007	1,349,117	782,098	410,000	251,458	1,443,555
Totals	1,098,170	582,748	344,405	2,025,324	1,157,709	609,699	362,497	2,129,905

Unfunded FTES

Faculty Positions (\$73,265*14.45%) + \$15,933 Health

	6	2			5	3		
1000s	439,590	146,530		586,120	366,325	219,795		586,120
2000s				-				-
3000s	159,558	53,186		212,744	132,965	79,779		212,744
Totals	599,148	199,716	-	798,864	499,290	299,574	-	798,864

Part-time faculty conversions (\$35K + benefits)

	-6	-2			-5	-3		
1000s	(183,600)	(61,200)		(244,800)	(153,000)	(91,800)		(244,800)
2000s				-				-
3000s	(26,400)	(8,800)		(35,200)	(22,000)	(13,200)		(35,200)
Totals	(210,000)	(70,000)	-	(280,000)	(175,000)	(105,000)	-	(280,000)

Net Increase for full-time conversion	389,148.35	129,716.12	-	518,864	\$324,290	\$194,574	\$0	\$518,864
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Classified & Management Positions:

No. of full-time positions eligible for benefits
[\$15,933 Health]

Salary Amount

[Benefits = Salary*20.28%]

	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
1000s								
2000s	-	-	-	-	-	-	-	-
3000s	-	-	-	-	-	-	-	-
Totals	-	-	-	-	-	-	-	-



Summary

The Governor has released his May Revise proposal for FY 2016-17 and, based on our preliminary analysis, it did not bring any major resource changes to SBCCD. There were some shifts, however, in priorities in the allocation of funding to the various categories. While it is too soon to analyze the entire budget, we wanted to communicate to you key highlights that affect SBCCD.

Three major changes are 1) the elimination of COLA, 2) an increase to the base allocation and 3) a decrease to the Physical Plant & Instructional Equipment (Block Grant) allocation.

The May Revise appears to be a flat proposal for SBCCD and we continue to face a few challenges in the upcoming year such as increases to STRS/PERS, increases to our health benefits rates, and the phasing out of Proposition 30 at the end of this year. The State Chancellor's Office continues to caution that "we are nearing the point when a normal economic expansion period should end". It is important, therefore, that we use 2016-17 resources to position ourselves for the future.

Details

Growth	2% <i>[This is the growth that we expected and are utilizing within our multi-year forecast. It is the same as January's proposal.]</i>
COLA	.0% <i>[This will make it difficult for districts to address increasing operating costs; it is a reduction from January's proposal.]</i>
Student Equity & SSSP	Same level of funding as 2015-16 <i>[Unchanged from January proposal.]</i>
One-time Funding (Mandates)	\$105.5 million <i>[Estimated at \$1 million for SBCCD. Increased from January's proposal.]</i>
Physical Plant & Instructional Equipment (Block Grant)	48% <i>[This is a very significant increase. Similar to 2015-16, we will have the flexibility to distribute funds among maintenance, instructional equipment, and drought response activities with no local match required. Reduced from January's proposal.]</i>



Proposition 39 – Energy Efficiency	Increase in funding of about 16% from 2015-16 <i>[Increased from January's proposal.]</i>
Tuition Fees	No Increase <i>[No increases in tuition fees for our students! Same as January's proposal.]</i>
Base Augmentation	\$75 million to support increases in community college operating expenses <i>[Estimated at \$1.4 million for SBCCD. The majority of this funding was redirected from the Physical Plant & Instructional Equipment and represents an increased from January's proposal.]</i>

Other Items to Note

The budget proposal contains other items worth mentioning.

1. \$300,000 increase to Academic Senate to support the implementation of the Workforce Taskforce Recommendations.
2. The addition of \$20 million in one-time funding to expedite online course offerings for the Online Education Initiative.
3. The implementation changes to the \$5 million set aside to provide incentives to programs with no cost to students for the use of textbooks, as follows:
 - o Maximum award amounts would be decreased from a \$500,000 to \$200,000 per grant.
 - o Financial sustainability of the program would be a factor for consideration.
 - o Faculty purview and compliance with ADA are now specifically mentioned.
 - o Start date of 2018-19 established for degrees to be offered.

Next Steps

We will continue to monitor the State budget process and keep you updated on important developments. In the meantime, we are working to complete the Tentative budget which will be reviewed by the Board of Trustees on May 26th and presented for adoption at the June 9th regular board meeting.

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

TO: Board of Trustees
FROM: Bruce Baron, Chancellor
REVIEWED BY: Jose F. Torres, Vice Chancellor, Business & Fiscal Services
PREPARED BY: Jose F. Torres, Vice Chancellor, Business & Fiscal Services
DATE: May 26, 2016
SUBJECT: Consideration of Approval of Revised Prioritized Board Directives for the 2016-17 Budget

RECOMMENDATION

It is recommended that the Board of Trustees approve the revised Board Directives for the 2016-17 budget, as attached.

OVERVIEW

District Administrative Procedure 6200, Budget Preparation, calls for the Board of Trustees to give initial direction concerning the distribution of resources for the 2016-17 budget by February 2016. This includes setting the level of contingencies and other reserves, making any changes in the district mission, and determining the amount of resources available for allocation to the colleges.

Initial directives were developed and reviewed by the Board of Trustees through its Ad Hoc Budget Committee and studied as an information item at the December 10, 2015 and January 21, 2016 business meetings. They were approved on February 25, 2016.

ANALYSIS

The Board of Trustees Ad Hoc Budget Committee has continued to review the initial directives and report to the Board of Trustees. The revisions being submitted at today's meeting are in response to several emerging issues facing SBCCD, including increased costs associated with health benefits, STRS and PERS requirements, employment negotiations, and the need to maintain quality service for our students.

BOARD IMPERATIVE

III. Resource Management for Efficiency, Effectiveness, and Excellence

FINANCIAL IMPLICATIONS

This board item has no financial implications.



Revised

Prioritized Board Directives for the 2016-17 Budget

(Submitted for approval *May 26, 2016*)

- 1) Balance the 2016-17 budget without the use of Fund Balance with the exception of ~~one-time~~ expenses related to the 2016-17 Early Retirement Incentive Plan ~~and bargaining agreements~~.
- 2) As adopted in the District Strategic Plan, allocate funding through the resource allocation model to pursue improvement in student success by continuing funding for student success programs at both colleges.
- 3) As adopted in the District Strategic Plan, allocate funding through the resource allocation model to pursue improvement in student access. This includes growth at SBVC to maintain at least 10,500 FTES and continuing growth at CHC to reach 5,000 FTES.
- 4) Maintain a minimum Fund Balance level of ~~15%~~ 12% (state minimum is 5%), unless Fund Balance is utilized for specially identified "one-time" needs as authorized by the Board of Trustees. (*"One-time" is defined as an expenditure that has no ongoing commitment. While "one-time" needs may be repeated in future years, the nature of the expenditure must conform to the definition.*)
- 5) ~~As funding becomes available, replenish the Fund Balance level to 15% within the next three years from one-time state funding.~~
- 6) Continue toward the sustainability of KVCR.
- 7) Any new positions must be approved through the process of program review or any other prioritization process as established at the colleges and district offices.
- 8) Replace all faculty retirements.
- 9) Honor collective bargaining agreements.
- 10) ~~Allocate funding through the resource allocation model to provide for safe, energy efficient, clean, and well-maintained facilities that contribute to student success.~~

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

TO: Board of Trustees

FROM: Bruce Baron, Chancellor

REVIEWED BY: Jose F. Torres, Vice Chancellor, Business & Fiscal Services

PREPARED BY: Jose F. Torres, Vice Chancellor, Business & Fiscal Services

DATE: May 26, 2016

SUBJECT: Consideration of Approval of Agreement for Measure M Program Management Services with Kitchell CEM, Inc. of Ontario CA

RECOMMENDATION

It is recommended that the Board of Trustees approve an agreement for Measure M Program Management Services with Kitchell CEM, Inc. of Ontario CA for a period of 25 months (June 1, 2016 – June 30, 2018) in an amount not to exceed \$4,300,000. This agreement will replace the agreement currently in place.

OVERVIEW

On May 24, 2012, the Board of Trustees approved a contract with Kitchell CEM, Inc. for program and construction management services for the San Bernardino Community College District Measure M Bond Program. The initial two-year term of the agreement expired on May 31, 2014, and SBCCD has approved three consecutive one-year extensions, as allowed in the contract. The third and final extension was approved on May 12, 2016 extending the contract term through May 31, 2017 to allow for the appropriate review and analysis of the remaining Measure M projects. Negotiations and analysis of program management needs are now complete.

ANALYSIS

This new agreement provides for the final two years of construction anticipated under the Measure M Bond Program and includes a management plan for the life of the program with a total not-to-exceed fee of \$4,300,000 to deliver all of the remainder projects in the program.

Program staffing was reviewed by the colleges and Business & Fiscal Services on a project by project basis, being adjusted for specific requirements, complexity, and duration. Overall staff loading now varies as a function of program intensity at each campus, allowing for sharing of positions between sites during transitions, cost avoidance during slow phases, and a ramp down of staffing and associated costs as projects near completion. This level of analysis provides for maximum efficiency and use of program management staff.

Reimbursable expenses, executive fees, and engineering support were also tightened up with additional controls on these costs. The program, project, and construction management functions

of the existing contract were reconciled and consolidated to provide for a comprehensive, well-coordinated agreement. The proposed fee schedule is as follows.

PM Staffing Fees (Total)	
Crafton Hills	\$2,500,000
Valley	\$1,300,000
Constructability Reviews/Estimates/Schedules	
Preconstruction	
Crafton Hills	\$15,000
Valley College	\$15,000
Construction Phase	
Estimating Support	\$20,000
Scheduling	\$50,000
PM Reimbursable	
General Not to Exceed	\$195,000
QSP Services	\$25,000
Allowance	\$130,000
Allowance for Additional Services	\$50,000
Total Not to Exceed Fee	\$4,300,000

BOARD IMPERATIVE

III. Resource Management for Efficiency, Effectiveness and Excellence

FINANCIAL IMPLICATIONS

Included in the Fund 42 Bond Construction Fund budget.

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

TO: Board of Trustees

FROM: Bruce Baron, Chancellor

REVIEWED BY: Dr. Lisa Norman,
Vice Chancellor, Human Resources & Employee Relations

PREPARED BY: Dr. Lisa Norman,
Vice Chancellor, Human Resources & Employee Relations

DATE: May 26, 2016

SUBJECT: Consideration of Approval of Interim Management Appointment

RECOMMENDATION

It is recommended that the Board of Trustees approve the appointment of Dr. Glen Kuck, Interim President, SBVC.

OVERVIEW

Dr. Glen Kuck, Interim President, SBVC, Management Salary Schedule, Range 26, Step E, \$185,629 annually, plus doctorate stipend, full-time, 12-month position, effective May 16, 2016, through June 30, 2016, or until the position is filled on a permanent basis. Replaces Dr. Gloria Fisher.

ANALYSIS

Dr. Glen Kuck will assume the assignment of Interim President, SBVC, until the position is filled on a permanent basis. He will also continue to serve as Associate Vice Chancellor, Technology and Educational Support Services.

BOARD IMPERATIVE

III. Resource Management for Efficiency, Effectiveness and Excellence.

FINANCIAL IMPLICATIONS

Included in the 2015-2016 budget.

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

TO: Board of Trustees

FROM: Bruce Baron, Chancellor

REVIEWED BY: Dr. Lisa Norman,
Vice Chancellor, Human Resources & Employee Relations

PREPARED BY: Dr. Lisa Norman,
Vice Chancellor, Human Resources & Employee Relations

DATE: May 26, 2016

SUBJECT: Consideration of Approval of Appointment of District Employee

RECOMMENDATION

It is recommended that the Board of Trustees approve the appointment of David Cosme.

OVERVIEW

David Cosme, Clerical Assistant II – Financial Aid, SBVC, effective May 31, 2016 at Classified Salary Range 25, Step A, \$2,629.00 per month. New position. Funding Source is Financial Aid General Fund.

ANALYSIS

All requirements for employment processing have been completed and Human Resources has cleared the individual for employment.

BOARD IMPERATIVE

III. Resource Management for Efficiency, Effectiveness and Excellence.

FINANCIAL IMPLICATIONS

Included in the 2015-2016 budget.

A. Introduction

The San Bernardino Employment and Training Agency (SBETA) is seeking a new fiscal agent for Fiscal Year 2016-17 in order to comply with the terms and conditions of the State of California Workforce Investment Board (CWIB), and to fulfill the requirements of the Workforce Innovation and Opportunity Act (WIOA) funding governed by the US Department of Labor grant that primarily provides funding for SBETA operations. SBETA is currently governed by the City of San Bernardino Mayor (Chief Elected Official) in conjunction with the City's Workforce Investment Board (WIB). The current SBETA fiscal agent - the City of San Bernardino, is undergoing a bankruptcy process and has been delinquent over the past 2 fiscal years in submitting the required Single Audit reports on behalf of SBETA to the State of California Employment Development Department (EDD). Consequently, due to these failures to submit timely Single Audit reports, the City continues to not meet one of two WIOA criteria required for designation as Fiscal Agent/Local Workforce Development Area (LWDA) – “Fiscal Integrity,” while SBETA has continuously attained the second criteria for LWDA designation – “Demonstrating successful performance” in the attainment of State-mandated requirements for administrative oversight and workforce development service delivery.

Therefore, the CWIB has recommended that the Governor denies the City of San Bernardino's application for initial designation to operate the SBETA Local Workforce Development Area. As legislatively mandated under WIOA, EDD has requested that the SBETA WIB (Local Board) and the City of San Bernardino Mayor (Chief Elected Official) proclaim “that they no longer wish to operate as a Local Workforce Development Area, which will subsequently lead to “re-designation” of SBETA to the jurisdiction of the County of San Bernardino Workforce Development Board. This action will effectively eliminate the existence of SBETA.

B. The Opportunity

The City of San Bernardino and the San Bernardino Community College District (SBCCD) are presented with an unprecedented opportunity to establish a groundbreaking, first-in-the-state, community college district-administered Workforce Development Board by maintaining the integrity and ongoing existence of SBETA through exploration of a proposed merger of SBETA within the organizational infrastructure of the SBCCD Economic Development and Corporate Training (EDCT) Division.

Benefits. The benefits of such a merger are boundless, and should this proposed SBCCD strategy be approved by the San Bernardino Mayor and City Council, the SBCCD Board of Trustees, California EDD, and the Governor, a **landmark Workforce Development Ecosystem** encompassing a Public Workforce Development System and Public Community College System will be established with the potential for significant regional, state and national impacts in economic and workforce development programming, research, model replication and public policy development. Characteristics of this Ecosystem will include, but not be limited to:

- Comprehensive planning, organizing, development, customization, and efficient delivery of short-term job training and retraining programs to laid-off/dislocated, economically disadvantaged, veterans, disabled, and unemployed workers with barriers to employment.
- Program infrastructure development that reduces and ultimately eliminates silos and duplicative services between California's two major workforce stakeholders – community colleges and public

workforce development, leading to coordinated alignment of programs and services structured to be responsive to major regional, high growth industry sectors and employers.

- Ease of access to high-quality, high-demand training leading to award of industry-recognized credentials in high-growth career pathways.
- Maximized leverage of resources to address constantly shifting technologies and industry practices impacting the relevance of workforce education and job training programs, thus creating job and career opportunities for community college and job training program graduates.
- Attainment of economies of scale that optimizes the cost of delivering short-term occupational training, on-the-job training (OJT), skills enhancement and re-training to produce program graduate outputs to meet regional industry employment demands.
- Comprehensive workforce preparation for targeted economic development of the region by leveraging the intellectual, human, financial, and physical resources of both a public community college district and an America's Job Center.
- Job Creation through WIOA Business Development Services, compounded with Entrepreneurship Programs offered by SBCCD, to assist regional businesses with recruitments, incumbent worker training and labor exchange development; business growth and expansion; and assistance to entrepreneurs for business startup and access to capital.

Actions to date. As a countermeasure to the requested actions by EDD, and to ensure the existence of SBETA, SBCCD Chancellor Bruce Baron, and SBCCD designees of the Chancellor, have engaged in discussions with the San Bernardino City Manager, City Attorney, SBETA Executive Director, and SBETA WIB Executive Committee members to develop an alternative strategy to *“explore avenues and options within the scope of WIOA for the Mayor (Chief Elected Official) to designate SBCCD as the SBETA Fiscal Agent and Local Workforce Development Area administrator.”* These initial discussions led to Chancellor Baron seeking approval from the SBCCD Board of Trustees on May 12, 2016, to officially engage with the San Bernardino Mayor and City Council to further explore options within the authority of WIOA to designate SBCCD as Fiscal Agent. ***Chancellor Baron's presentation to the Mayor and City Council occurred on May 16, 2016, and resulted in the City Council voting (5-1 vote) in favor of requesting SBCCD to propose a strategy to assume Fiscal Agent accountability for consideration by the City Council on June 6, 2016.***

This prospectus is a result of the City Council's request, and has also been prepared for internal SBCCD discussion with the *Chancellor's Extended Cabinet on May 25, 2016*, and subsequently, presentation at the *SBCCD Board of Trustees Study Session on May 26, 2016* for discussion and direction prior to presentation to the *San Bernardino City Council on June 6, 2016*.

C. Proposed Administration, Implementation and Integration Strategy

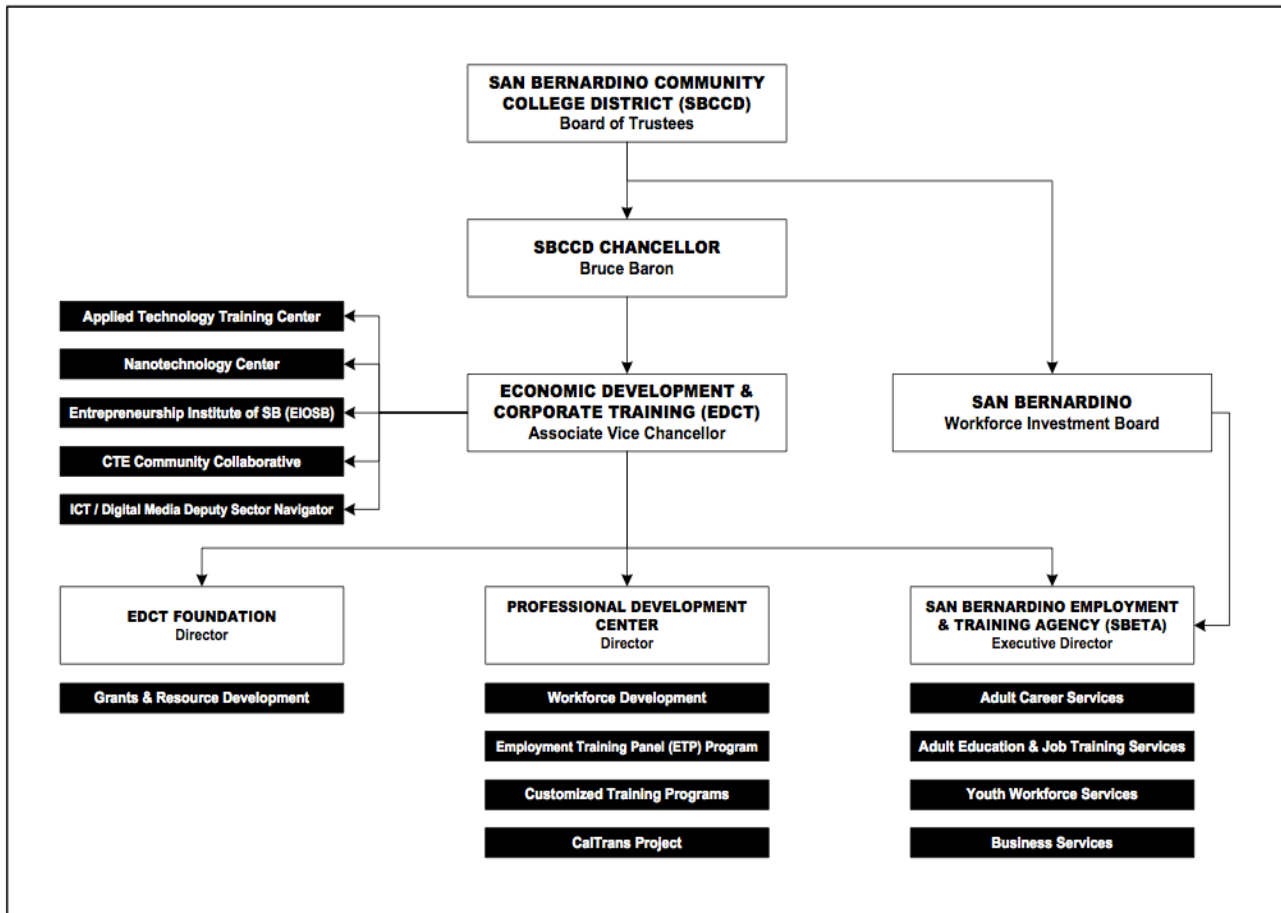
Administration. It is proposed that the Mayor (Chief Elected Official) of the City of San Bernardino designates SBCCD as the Fiscal Agent for SBETA's Local Workforce Development Area. Upon approval of this designation by the Governor/EDD, the administrative oversight of the proposed SBCCD SBETA will include the following administrators:

- ***Associate Vice Chancellor (AVC) of Economic Development & Corporate Training (EDCT):*** Shall have administrative oversight of all SBETA operations, with the Executive Director of SBETA subordinate to the AVC. The AVC will collaborate with the Vice Chancellor of Human Resources for SBETA personnel employment actions; the Vice Chancellor of Fiscal and Business Services for SBETA fiscal administration, contracts, and facilities requirements; and the Associate Vice Chancellor of

Technology & Educational Support Services for WIOA Technology requirements related to the State of CA Job Training Automated (JTA) System for case management, budget administration, and program performance, monitoring, and compliance.

- Executive Director, SBETA:** The Executive Director shall report to the AVC of EDCT, and will administer the WIOA-funded operations and service delivery system associated with both the policies and directives of SBETA Workforce Development Board, and applicable SBCCD Board of Trustees policies and procedures. The Executive Director will be accountable for directly supervising management, classified and short-term temporary employees of SBETA. Further, workforce preparation, job training, and career technical education referral policies and procedures recommended by the Executive Director shall be developed in coordination with the Associate Vice Chancellor, SBETA Workforce Development Board, and the SBCCD Board of Trustees.

Proposed Organizational Structure.



Phased Planning, Implementation & Integration. It is envisioned that upon SBCCD designation as Fiscal Agent for the SBETA Local Workforce Development Area, the Associate Vice Chancellor of EDCT will assemble a Transition Team consisting of the SBETA Executive Director and the SBETA WIB Executive Committee, in addition to SBCCD Executives including the Vice Chancellor of Fiscal & Business Services (FBS), Vice Chancellor of Human Resources (HR), and the Associate Vice Chancellor of Technology & Educational Support Services (TESS). This Transition Team will be charged with developing timelines, milestones and activities associated with Phase One: Planning & Administrative Implementation.

- Phase One: Planning & Administrative Implementation (Fiscal Year 2016-2017)** – The objectives of Phase One are: (1) *Human Resources* – Effective and efficient transition of appropriate staff from City of San Bernardino employment to SBCCD employment; (2) *Fiscal* - Development of budget accounts, and assessment of fiscal and contracts staffing needs and administrative support/ procedures

requirements; (3) *Facilities* - Identification of facilities and support requirements and relocation, as applicable; and (4) *Technology* – Identification of technology support requirements. Additional activities during this phase shall also include analysis and evaluation of SBETA-funded HR, FBA, and TESS staffing requirements to support SBETA operations.

- **Phase Two: Integration (FY2016-2017, 4th Quarter; FY2017-2018)** – Phase Two shall encompass exploration of SBETA-funded and/or resource leverage opportunities for expansion, enhancement and/or development of high demand Career Pathway programs offered by SBCCD colleges to accommodate potential SBETA participant referrals to district programs outside of those job training programs delivered by EDCT. The Associate Vice Chancellor of EDCT will initiate collegial consultation efforts through the District and college-specific shared governance structures to solicit feedback and ideas for program initiatives and opportunities funded with WIOA resources.

D. Recommendation

Since the mission of SBETA is similar to the mission of the SBCCD EDCT Division, the EDCT Division recommends that the Chancellor and Board of Trustees consider SBCCD becoming the SBETA Fiscal Agent.

SBETA Mission	SBCCD EDCT Mission
To provide employment and training services to assist residents and businesses in the Inland Empire area in developing and sustaining a more competitive workforce, that attains higher incomes and meets the needs of local employers, thus strengthening businesses, communities and promoting economic development.	To stimulate the economic prosperity of the Inland Empire through workforce development. This mission will be achieved by: <ul style="list-style-type: none"> - Offering customized training solutions that meets the human capital development needs of regional employers; - Providing innovative job training to the workforce in emerging technologies and high growth areas to foster economic prosperity in the region; and - Building partnerships to obtain local/state/federal funds necessary for preparing a highly skilled workforce through short-term training.

E. SBETA at a Glance

SBETA is a categorically funded and fully (100%) self-supporting agency of the City of San Bernardino. The salaries and benefits of its employees and all its operational costs, including the direct and indirect costs for delivering programs and services to its clients, are all funded by the US Department of Labor WIOA grants administered and distributed through the Employment Development Department (EDD) of the State of California and governed by the California Workforce Investment Board (CWIB).

Programs and Services Offered. SBETA provides the following WIOA-funded programs and services:

- *Career Services:* Case Management, Interest and Skills Assessments, Career Planning, Job Readiness Services, Staff-assisted Job Search, and Supportive Services leading to entry into Industry Sector-focused Career Pathways towards employment and career goals.
- *Education and Job Training:* Sector-focused Career Education and Job Training, On-the-Job Training, Incumbent Worker Training, Customized Training, Upgrade Skills Training, and Re-Training services in high growth Career Pathways.
- *Youth Workforce Activities:* Job Readiness, Education and Job Training resulting in achievement of recognized Postsecondary Credentials, and Work-Based Learning leading to High School Dropout Recovery and entrance into high growth Career Pathways.
- *Business Services:* Entrepreneurship Training; Recruitment, Screening, and Referral; Skills, Interest, and Aptitude Assessments; On-the-Job Training Reimbursement; On-Site Interviewing Facilities; Job Fairs; Layoff Aversion; Outplacement Services; Job Order Listings; and Labor Market Information.

Types of Clients Served. Economically disadvantaged or have barriers to employment such as Low Income and Public Assistance Recipients; Basic Skills Deficient; English Language Learners; Laid Off/Dislocated Workers; Veterans; Individuals with Disabilities; Offenders; High School Dropouts; Pregnant/Parenting Teens; Emancipated/Foster Youth; and Youth/Out-of-School Youth ages 14-24. ***Services provided to over 7,000 individuals annually.***

DRAFT