



# MINUTES

Study Session of the Board of Trustees  
May 30, 2019 at 12:00 p.m.  
SBCCD Boardroom, 114 S. Del Rosa Dr., San Bernardino, CA 92408

## MEMBERS PRESENT

John Longville, President  
Dr. Anne L. Viricel, Vice President  
Gloria Macías Harrison, Trustee  
Dr. Stephanie Houston, Trustee  
Dr. Donald L. Singer, Trustee

## ABSENT

Frank Reyes, Trustee  
Joseph Williams, Clerk

## ADMINISTRATORS PRESENT

Jose Torres, Executive Vice Chancellor  
Diana Rodriguez, SBVC President  
Dr. Kevin Horan, CHC President

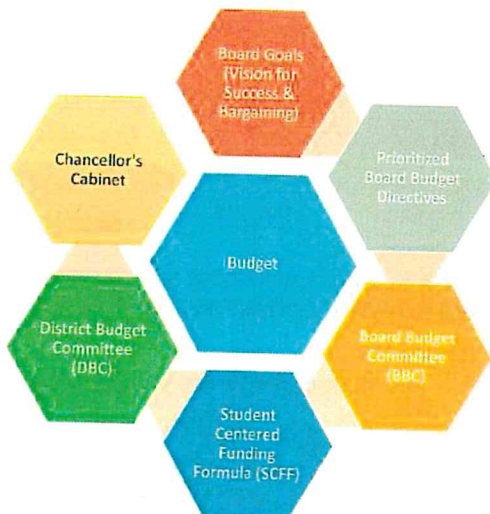
## ADMINISTRATORS ABSENT

Bruce Baron, Chancellor

1. **CALL TO ORDER – PLEDGE OF ALLEGIANCE**  
President Longville called the meeting to order at 12:10pm. Trustee Singer led the pledge of allegiance.
2. **PUBLIC COMMENTS**  
None.
3. **PRESENTATION**
  - 3.1 Preliminary Budget Presentation  
Presented by: Jose Torres, Executive Vice Chancellor

Executive Vice Chancellor Torres presented the 2019-2020 unrestricted general fund preliminary budget and multi-year forecasts for years 2018-2019 to 2023-2024. Additional handouts were distributed for reference (The Big Picture, BBC Charge, Vision for Success, and the Prioritized Board Directives).

Big Picture:





# MINUTES

Study Session of the Board of Trustees  
May 30, 2019 at 12:00 p.m.  
SBCCD Boardroom, 114 S. Del Rosa Dr., San Bernardino, CA 92408

## Prioritized Board Directives:

- 1) Align unrestricted general fund and student success funding with the State Chancellor's Vision for Success.
- 2) Allocate funding to support the implementation of the SBCCD Promise.
- 3) Maintain a fund balance range of 10-15% in the Unrestricted General Fund (state minimum is 5%), unless fund balance is utilized for specially identified *one-time* needs as authorized by the Board of Trustees.
- 4) Allocate funding through the resource allocation model to provide for safe, energy efficient and well-maintained facilities that contribute to student success.
- 5) Funding for 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.

Jose reported, of the five directives, we met all directives, but #4 needs more work due to deferred maintenance.

Successes have been: converting confidential and management salary schedules to 10 steps, reduced lowest steps on faculty salary schedules, increased classified salary schedules, a competitive salary schedule for part-time faculty, and we provide two free health plans to our employees.

We will continue to have challenges with the full implementation of College Promise, funding formula, lack of a Resource Allocation Model, bond (will increase the deferred maintenance costs), set aside deferred maintenance, implementation of the classification study, increase math and English faculty, continue making progress on the classification study and increasing salaries.

The Executive Summary of May revise was reviewed.

### Student-Centered Funding Formula Notable Items

- Continue the implementation of the SCFF with three refinements.
  1. Fund 2019-20 at 2018-19 rates adjusted by COLA (aka the hold harmless clause).
  2. Cap year-to-year growth in a district's student success allocation to 10% to eliminate the over issuance of certificates and duplication of students.
  3. Refine the definition of a transfer to eliminate duplication of students. Proposed definition to attribute the transfer to the student's district of residence.
- Extend the hold harmless clause through 2021-22 (current hold harmless expires on 2020-21).

### Other Notable Items Affecting SBCCD

- A \$78.4 million decrease in the revenue shortfall. This will help SBCCD preserve its fund balance at the required 10% as directed by the Board of Trustees.
- A decrease of \$18.3 million in Proposition 98 General Fund to reflect a change in the cost-of-living adjustment from 3.46% to 3.26%.
- An increase of \$5.2 million in Proposition 98 General Fund to support the existing first year and proposed second year of the California College Promise. This reflects revised eligible student estimates.
- An increase of \$39.6 million in one-time funding for deferred maintenance, instructional equipment, and specified water conservation projects.
- Addition of \$150 million to decrease the CalSTRS employer contribution rate to 16.7%.
- \$34 million in funding for the SBVC Technical Building Replacement, beginning with \$2.3 million in 2019-20.

Clarification was provided on specific budget lines.

Line 21 Revenue Shortfall Percent: is less than the 5% that was previously expected.

Line 59 Annual Increase to Fund Balance: We project a surplus this year of \$3.3 million, which helps as we move forward.

Line 37 Other Campus Revenues: includes fees charged to students and any college generated revenues (i.e. cell tower revenues, power tower).



## MINUTES

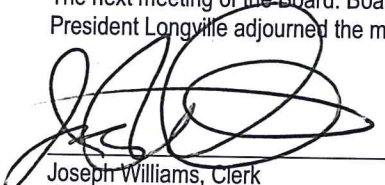
Study Session of the Board of Trustees  
May 30, 2019 at 12:00 p.m.  
SBCCD Boardroom, 114 S. Del Rosa Dr., San Bernardino, CA 92408

Line 40 Other Revenue: includes state funding we receive (block grant based on FTES).  
Line 42 Total Site Allocation: is collective bargaining CTA reassigned time.  
Line 47 Other Expenses and Services: amount for DSS includes all services, consulting services, utilities, software, Oracle, Ellucian, etc.  
Line 49 Other Outgo: amount for DSS includes insurance (\$220,000 is for the IFF).  
KVCR is not part of the budget presented. They have their own budget and separate fund.  
Lines 44 and 45 for DSS includes the Vice Chancellor and Executive Assistant of EDCT.  
Page 2, line 38 shows the expected interest revenue from STRS/PERS at \$2,050,000.  
Line 40 Other Revenue: this is the one-time funding for DSS from the FCC.  
Line 55 FCC Legal Fees Reimbursement: we have not reimbursed ourselves yet. There could be additional legal costs.  
The fund balance is projected to be at 19.29% for 2019-2020.

President Longville complimented Jose and the presentation. The presentation was highly comprehensive, concise, relevant, not too detailed, and timely.

#### 4. ADJOURN

The next meeting of the Board: Board Retreat – June 13-14, 2019 – 8:30am – 4pm @ DoubleTree by Hilton at Ontario Airport  
President Longville adjourned the meeting at 1:12pm.



Joseph Williams, Clerk  
SBCCD Board of Trustees