



San Bernardino Community College District  
BOARD FINANCE COMMITTEE  
August 08, 2024  
2:30 pm-3:30 pm Pacific Time

**MEETING AGENDA**

*San Bernardino Community College District Boardroom Extension  
550 E Hospitality Lane, Suite 200, San Bernardino CA*

**I. Welcome & Introductions - Nathan Gonzales, Chair**

Welcome new member Trustee Reyes.

**II. Public Comment**

*Any member of the public who wishes to address the Committee on any matter is limited to five minutes. The total time for members of the public to speak on the same or a similar issue shall be limited to 20 minutes.*

**III. Approval of Minutes**

June 13, 2024 (page 3)

**IV. Current Topics**

A. Creating an Enterprise Fund Model | Strategic Benefits of Forming a Non-Profit for SBCCD (page 6)

B. Investment Properties

1. Occupancy (page 25)

2. Fiscal Performance (page 30)

C. Quarterly Activity (page 31)

**V. Monthly Updates (as necessary)**

A. State Budget

B. Enrollment (page 32)

C. PARS Investment (page 33)

D. Bond Construction Timeline (page 36)

E. Budget Revenue & Expenditures (page 37)

F. BOT Budget to Actual (page 40)

**VI. Future Topics**

A. BFC Planning Calendar (page 41)

B. Trustee Suggestions

**VII. Next Meeting & Adjournment**

A. The next meeting of the Board Finance Committee is scheduled for Thursday, September 12, at 2:30 p.m. in the Boardroom Extension.

B. Adjournment

*SBCCD | Mission:*

*SBCCD positively impacts the lives and careers of our students, the well-being of their families, and the prosperity of our community through excellence in educational and training opportunities.*

*BFC Charge: The SBCCD BFC exists as a standing, advisory committee comprised of less than a quorum of Board members and is subject to the California Public Meetings Brown Act. The committee is charged with:*

- Increasing the efficiency of the Board of Trustees by performing time-consuming research on its behalf regarding all fiscal matters of the District.*
- Improving clarity by providing a platform for detailed questions not conducive to the flow of monthly business meetings.*
- Promoting transparency of the SBCCD budgeting process and fiscal matters through detailed discussion of these topics in an open forum.*
- Fostering an environment of understanding by communicating findings and formulating final recommendations to the Board of Trustees.*



## Board of Trustees Finance Committee (BFC)

Meeting Minutes – June 13, 2024, 2:30 p.m.

**Members Present:** Trustees Gonzales, Chair, Trustee Harrison, and Trustee Houston

**Members Absent:** None

**Staff Present:**

- Executive Vice Chancellor Jose F. Torres
- Director of Fiscal Services Larry Strong

### I. WELCOME & INTRODUCTIONS

*Trustee Gonzales called the meeting to order at 2:30 p.m. Trustees Houston and Gonzales were present.*

### II. PUBLIC COMMENT

*There were no public comments.*

### III. APPROVAL OF MINUTES

#### A. May 9, 2024

*Trustee Houston made a motion to approve the minutes which Trustee Gonzales seconded. The motion was approved by the following vote.*

*Ayes: Trustees Gonzales, Houston*

*Noes: None*

*Abstentions: None*

*Absent: Harrison*

### IV. CURRENT TOPICS

#### A. PARS Pension Rate Stabilization Trust Review

*Executive Vice Chancellor Torres advised that this type of presentation by the PARS team is made to the BFC on a regular basis. If BFC members feel that any changes need to be made to the current investment strategy, the team could be brought back to make a presentation to the full Board at any time.*

*PARS Senior Vice President Maureen Toal introduced herself to the committee. She has been with SBCCD since the inception of its trust. She introduced Keith Stribling of PFM Asset Management, a subsidiary of U.S. Bank. They proceeded to present information on SBCCD's Pension Rate Stabilization Trust (PRST), its accounts, and its two investment strategy pools – Conservative and Fixed Income. As of April 30, the PARS Pension Rate Stabilization Trust has net gains total \$23.7 million.*

*Up until the beginning of this year, SBCCD funds were managed by Vanguard, however, that company was purchased by Mercer and Mercer does not handle government accounts. This resulted in the transfer to U.S. Bank's PFM Asset Management. SBCCD's investment strategies, access, and fee schedule remain the same.*

*The BFC receives a monthly snapshot on the PARS PRST which is structured to show distribution of funds in light of SBCCD's investment as it relates to protection of principal. Due to the disbursement of \$1,960,000, which was a Board directed reduction of principal from the MAE, and not a distribution of gains that reduced the investment principal, the PARS numbers differ from those of the snapshot. Although this is footnoted on the snapshot, it was decided that the snapshot should be reformatted to promote clarity and better understanding of the transaction.*

*Senior Portfolio Manager Stribling presented information on SBCCD's investment strategies. At this point staff is not recommending any changes to the conservative investment strategy.*

*Executive Vice Chancellor Torres spoke about the Conservative Strategy accounts vs. Fixed Income mirror accounts. As part of SBCCD management strategy, the mirror accounts were established to hold funds identified for distribution prior to them being paid out to protect any such funds from loss due to market volatility. Funds would not remain in this account more than one-two months.*

**B. Bond Measure Work Force Report**

*Associate Director Ynez Canela addressed the committee. She went over the new report format. The report was well received, and Trustee Harrison recommended that staff do a press release highlighting the District's efforts at keeping bond money local.*

**V. UPDATES (as necessary)**

**A. State Budget**

*There was no discussion of this item.*

**B. Enrollment**

*SBCCD is at 102% of target at 13,457 FTES. There are still additional FTES to be counted from positive attendance. Kudos to the campuses who have exceeded their goal.*

**C. PARS Investment**

*The committee did not review these numbers as they were included in the earlier PARS presentation. The snapshot will be revised to reflect more clearly the Board approved MAE reduction of principal.*

**D. Bond Construction Program Timeline & Org Chart**

*There was no discussion of this item.*

## E. Budget Revenue &amp; Expenditure Report

*There was no discussion of this item.*

## F. BOT Current Year Budget to Actual Expenditures

*There was no discussion of this item.*

## VI. FUTURE TOPICS

## A. BFC Planning Calendar

*This item was not discussed; however, Executive Vice Chancellor Torres did inform the group that a presentation of BFC activities over the past year was to be made at the upcoming Board retreat.*

## B. Trustee Suggestions

*There were no trustee suggestions.*

## VII. NEXT MEETING DATE &amp; ADJOURNMENT

## A. Next Meeting

*The BFC is scheduled to convene again on July 11 at 2:30 p.m. in the SBCCD Boardroom Extension.*

## B. Adjournment

*The meeting adjourned at 3:25 p.m.*

Not Yet Approved



## **CREATING AN ENTERPRISE FUND MODEL**

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Strategic Benefits of Forming a  
Non-Profit for SBCCD

# SBCCD Goals

## GOAL 1 | ELIMINATE BARRIERS TO STUDENT ACCESS AND SUCCESS

**SD 1:** Support the colleges in creating efficient processes and accessible, user-friendly customer services.

## GOAL 2 | BE A DIVERSE, EQUITABLE, INCLUSIVE, AND ANTI-RACIST INSTITUTION

**SD 2:** Develop a diverse SBCCD workforce of individuals who are culturally competent; understand the communities they serve; honor equity, inclusivity, and anti-racism; and are supported with ongoing professional development.

## GOAL 3 | BE A LEADER AND PARTNER IN ADDRESSING REGIONAL ISSUES

**SD 3.1:** Partner with business, industry, and community organizations to create education and training that leads to employment of SBCCD students and advancement in the workplace.

**SD 3.2:** Institutionalize a commitment to cultivating leadership skills within the District by providing professional development that expands SBCCD's ability to influence economic, educational, and sustainability initiatives in the region, state, and country.

**SD 3.3:** Work with municipal, regional, state, and federal representatives in a unified effort to ensure that educational and employment needs of the region are understood, articulated, and advocated for funding.

## GOAL 4 | ENSURE FISCAL ACCOUNTABILITY/SUSTAINABILITY

**SD 4:** Maximize the acquisition, investment, management, and sustainability of SBCCD funds, facilities, systems, and technologies; support ongoing innovation and user training to ensure District viability, fiscal accountability, and reduced student costs.

# SBCCD Goals

## GOAL 4 | ENSURE FISCAL ACCOUNTABILITY/SUSTAINABILITY

**SD 4:** Maximize the acquisition, investment, management, and sustainability of SBCCD funds, facilities, systems, and technologies; support ongoing innovation and user training to ensure District viability, fiscal accountability, and reduced student costs.



### **Key Result:**

*Conduct a thorough analysis and feasibility study to explore development of an enterprise fund model for SBCCD, focusing on maximizing existing investments and real estate owned by SBCCD.*



# A Proposal

Formation of a  
**NON-PROFIT**  
to benefit SBCCD  
and enhance its financial and  
operational capabilities

- *A non-profit will leverage diversified funding sources, engage in property and asset management, and operate as a development finance agency.*
- *By doing so, it will enhance community engagement, support innovative programs, and ensure fiscal accountability and sustainability.*
- *Importantly, a new non-profit will not compete with existing independent non-profits at Valley College and Crafton Hills but will complement their activities.*

# Proposal Outline

- 01** Reasoning
- 02** Strategic Benefits
- 03** Potential Challenges
- 04** Vision for SBCCD Non-Profit
- 05** Proposed Governance
- 06** Successful Models
- 07** Immediate Steps
- 08** Future Action

# 01 Reasoning

*As a community college district, SBCCD faces many limitations.*

## Funding Constraints

- Heavy reliance on state funding and fluctuating enrollment numbers
- Limited access to diversified revenue sources

## Regulatory Restrictions

- Strict regulations governing financial operations, investments, and property management
- Challenges in engaging in commercial activities and forming public-private partnerships

## Operational Inflexibility

- Difficulty in quickly adapting to changing educational and economic environments

## Risk Management

- Exposure to financial and operational risks without adequate shielding mechanisms
- Challenges in maintaining funding stability through diverse income streams

## Asset Management Challenges

- Restrictions on owning, developing, and leveraging real estate assets
- Limited ability to protect and grow assets for long-term sustainability

# 01 Reasoning

*As a community college district, SBCCD faces many limitations.*

## Asset Management Challenges

- Restrictions on owning, developing, and leveraging real estate assets
- Limited ability to protect and grow assets for long-term sustainability

### Challenges with expansion of existing commercial properties

- *State approval process*
- *Limited uses of proceeds*
- *Asset type*
- *Location*
- *Procurement processes*

# 01 Reasoning

*As a community college district, SBCCD faces many limitations.*

Why do 4-year universities use an auxiliary non-profit?

*The permissible functions of Cal State auxiliary organizations are found in Cal. Code of Regulations, Title 5, Section 42500(a).*

*Included as a permissible essential function is the acquisition, development, sale, and transfer of real and personal property including financing transactions related to these activities.*

Why do CCD's have to use an independent non-profit?

*The permissible/recognized functions for community college auxiliary organizations are found in Cal. Code of Regulations, Title 5, Section 59259.*

*The recognized functions listed in Section 59259 do not reference the acquisition, sale, and transfer of real property.*

## 02 Strategic Benefits

*Starting a non-profit can offer several strategic benefits, especially in terms of enterprise funding.*

### Revenue Generation Flexibility

- *Engage in business ventures*
- *Facilitate public-private partnerships*

### Investment Proceeds Flexibility

- *To benefit SBCCD's mission*
- *Not just for capital or retirement*

### Operational Independence

- *Focused mission alignment*
- *Dedicated Board for agile decision-making*

### Property & Asset Management

- *Own and develop property*
- *Protect assets for long-term growth*

### Support for Innovative Programs

- *Incubate new initiatives*
- *Pilot and scale successful projects*

### Risk Management

- *Liability shielding*
- *Funding stability through diverse streams*

## 02 Strategic Benefits

*Starting a non-profit can offer several strategic benefits, especially in terms of enterprise funding.*

### Become a Development Finance Agency

- *Support existing CCD facilities projects with development finance programs/federal funding*
- *Finance new on-campus and community projects (e.g., off-campus housing)*
- *Finance projects in other communities to generate revenue for sustainability*

### Enhanced Community Engagement

- *Broaden community support*
- *Manage volunteer programs*
- *Employment opportunities*

### Acknowledgment of SBVC & CHC Independent Non-profits

- *Assurance that new non-profit will not compete with existing entities*
- *Focus on complementary activities and initiatives*

### Diversified Funding Sources

- *Access grants and donations*
- *Tax-exempt status for donors*

## 03 Potential Challenges

*Creating a non-profit within a community college district also comes with its own set of challenges.*

### Governance and Management

- *Complex governance structure*
- *Leadership and staffing challenges*

### Financial Management

- *Securing initial funding*
- *Sustaining revenue streams*

### Regulatory Compliance

- *Adhere to non-profit regulations*
- *Dual compliance requirements*

### Coordination and Communication

- *Aligning with college goals*
- *Effective stakeholder engagement*



## 03 Potential Challenges

*Creating a non-profit within a community college district also comes with its own set of challenges.*

### Independence and Control

- *Balancing autonomy and alignment*
- *Maintaining sufficient oversight*

### Community Perception and Trust

- *Ensuring positive public perception*
- *Building and maintaining trust*

### Resource Allocation

- *Managing competing priorities*
- *Avoiding duplication of efforts*

### Legal and Ethical Considerations

- *Managing conflicts of interest*
- *Ensuring ethical operations*

## 04 Vision for SBCCD Non-Profit



- *To enhance the financial sustainability and operational capabilities of SBCCD by leveraging development finance programs, fostering innovative projects, and generating new revenue streams.*
- *The non-profit aims to support existing facilities, expand SBCCD's mission to improve student experiences, and invest in projects both within and beyond the local community, ensuring long-term growth and stability.*

## 05 Proposed Governance

### Five-Member Board



#### Integration with SBCCD Leadership

- *Chancellor and Executive Vice Chancellor*
- *Ensures alignment with district goals and objectives*

#### Three External Members

- *Ensure independence*
- *Unwavering support for SBCCD and its colleges*

#### Operational Independence

- *Allows for agile decision-making focused on the non-profit's mission*

# 06 Successful Models

Harvard University	Stanford University	Massachusetts Institute of Technology	Yale University
<p data-bbox="147 568 614 675">Harvard Management Company (HMC)</p> <p data-bbox="135 729 626 768"><a href="https://www.hmc.harvard.edu/">https://www.hmc.harvard.edu/</a></p> <p data-bbox="142 811 619 1086"><i>Manages Harvard's endowment, including significant real estate investments with diversified strategies.</i></p>	<p data-bbox="715 568 1192 675">Stanford Management Company (SMC)</p> <p data-bbox="746 729 1156 768"><a href="https://smc.stanford.edu/">https://smc.stanford.edu/</a></p> <p data-bbox="690 811 1225 972"><i>Oversees Stanford's endowment and extensive real estate portfolio.</i></p>	<p data-bbox="1294 539 1793 701">MIT Investment Management Company (MITIMCO)</p> <p data-bbox="1383 729 1699 768"><a href="https://mitimco.org/">https://mitimco.org/</a></p> <p data-bbox="1296 811 1798 1082"><i>Manages MIT's endowment, known for strategic real estate investments, particularly in the Cambridge area.</i></p>	<p data-bbox="1880 596 2384 635">Yale Investments Office</p> <p data-bbox="1895 729 2369 768"><a href="https://investments.yale.edu/">https://investments.yale.edu/</a></p> <p data-bbox="1870 811 2349 1025"><i>Handles Yale's endowment with notable real estate investments as part of a diversified portfolio.</i></p>

# 06 Successful Models

Princeton University	University of Arizona	CalPoly Pomona
<p data-bbox="173 501 626 662">Princeton University Investment Company (PRINCO)</p> <p data-bbox="173 691 626 729"><a href="https://princo.princeton.edu/">https://princo.princeton.edu/</a></p> <p data-bbox="155 772 619 991"><i>Manages Princeton's endowment, including real estate assets, with a focus on long-term growth.</i></p>	<p data-bbox="759 529 1192 625">University of Arizona Foundation</p> <p data-bbox="774 691 1177 729"><a href="https://uafoundation.org/">https://uafoundation.org/</a></p> <p data-bbox="721 772 1238 1048"><i>Oversees the university's real estate assets and investments, managing leasing, acquisitions, and surplus property.</i></p>	<p data-bbox="1472 529 1829 625">CalPoly Pomona Foundation, Inc.</p> <p data-bbox="1340 691 1961 729"><a href="https://foundation.cpp.edu/about.aspx">https://foundation.cpp.edu/about.aspx</a></p> <p data-bbox="1314 772 1997 991"><i>Supports the university's educational mission through property management, real estate development, and investment in various projects.</i></p>



## 07 Immediate Steps

- ✓ **01** Initial Legal Review (Complete)
- ✓ **02** Chancellor's Cabinet Review & Feedback (Complete)
- 03** Board Finance Committee Review & Feedback
- 04** BFC Tour of CalPoly Pomona (invitation to all Trustees)
- 05** District Budget Advisory Committee Review & Feedback
- 06** Chancellor's Council Review & Feedback
- 07** Board of Trustees Strategy Session
- 08** Development of Legal Documents
- 09** Creation of Non-Profit
- 10** Identification of External Directors



# 08 Future Action

Evaluate  
Non-Profit  
Asset Development Plan



- 
- Asset Acquisitions
  - Revenue Bond vs. Traditional Lending
  - Development Finance Agency
  - Economic Development
  - Entrepreneurship
  - Public Private Partnerships
  - Investment Tools
  - New Market Tax Credits



# Feedback & Questions

Thank you





# Commercial Properties Lease Update

August 1, 2024

# Summary

## Status of Lease as of August 01, 2024

Total Current Monthly Lease Revenue:	\$407,895
No. of Vacant Suites as of Today:	3
Total Sq. ft. of Available Suites as of Today:	12,545 SF
Potential Monthly Revenue from Available Suites:	\$27,599

Upcoming Lease Expirations and Percentage of Occupancy		
Year	Net Rentable Area (Sq.Ft.)	% of Bldg.
2024	1,558	0.7%
2025	0	0.0%
2026	0	0.0%
2027	54,938	24.4%
2028	10,324	4.6%
2029+	112,048	49.8%
MTM	4,504	2.0%
SBCCD Occupied	29,043	12.9%

Current Available Space	12,545	5.6%
Total Leased Space	212,415	94.4%
Three Buildings Total	224,960	100%

<b>Percentage of Occupancy</b>	<b>94.4%</b>
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# 550 E Hospitality Ln (Two Parkside)

August 1, 2024

Floor				Square Footage
3	<b>Wilson Ivanova</b> 300 8/1/2033 8,159	<b>County of San Bernardino (Behavioral Health)</b> 4/30/2035 325 5,746	<b>Fennemore Craig, P.C.</b> 350 6/30/2027 15,279	29,184
2	<b>San Bernardino Community College District</b> 200 Owner occupied 28,573			28,573
1	<b>County of San Bernardino ( Behavioral Health)</b> 100 4/30/2035 11,313	<b>County of San Bernardino ( Behavioral Health)</b> 125 4/30/2035 12,909	<b>SBCCD</b> 195 Owner occupied 470	24,692

## Upcoming Lease Expirations and % of Occupancy

Year	Net Rentable Area (Sq. Ft.)	% of Bldg
2024	0	0%
2025	0	0%
2026	0	0%
2027	15,279	19%
2028	0	0%
2029+	38,127	46%
Owner Occupied	29,043	35%

Available	0	0%
Leased	82,449	<b>100%</b>
Total	82,449	100%



# 560 E Hospitality Ln (One Parkside)

August 1, 2024

Floor					Square Footage
4	<b>Maxim Healthcare</b> 400 5/31/2028 10,324	<b>SB County - DA</b> 450 (Lease renewal in progress) 4,504	<b>AECOM</b> 460 6/30/2024 1,558	<b>Hines</b> 470 N/A 2,512	18,898
3	<b>County of San Bernardino, District Attorney's Office</b> 300 1/31/2034 18,960				18,960
2	<b>County of San Bernardino, Community Revitalization</b> 200 11/30/2027 8862	<b>Vacant</b> 250 N/A 8254			17,116
1	<b>Chicago Title</b> 100 5/31/2027 10,840	<b>Vacant</b> 125 N/A 1,779	<b>Health Essentials / Bristol Hospice</b> 150 2/28/2029 3,514		16,133

## Upcoming Lease Expirations and % of Occupancy

Year	Net Rentable Area (Sq. Ft.)	% of Bldg
2024	1,558	2%
2025	0	0%
2026	0	0%
2027	19,702	28%
2028	10,324	15%
2029+	22,474	32%
MTM	4,504	6%

Available	12,545	18%
Leased	58,562	82%
<b>Total</b>	<b>71,107</b>	<b>100%</b>



# 658 E. Brier (North River)

August 1, 2024

Floor	Employment Development Center		County of SB - Call Center		Square Footage
3	300	10/31/2027	350	8/30/2030	25,113
	14,971		10,142		
2	County of San Bernardino - CYCS / CTASC				24,789
	200/250				
	4/30/2029				
	24,789				
1	County of San Bernardino - Animal Control		County of SB - Grand Jury	County of San Bernardino	21,502
	100	10/31/2033	125	150	
	13,320		9/30/2033	4/30/2027	
			3,196	4,986	

## Upcoming Lease Expirations and % of Occupancy

Year	Net Rentable Area (Sq. Ft.)	% of Bldg
2024	0	0%
2025	0	0%
2026	0	0%
2027	19,957	28%
2028	0	0%
2029+	51,447	72%

Available	0	0%
Leased	71,404	100%
Total	71,404	100%





## Commercial Property Performance Report

Report to BFC - Aug 8, 2024

Available Cash as of June 30, 2024: \$5,160,293.58

FINANCIAL SUMMARY	FISCAL YEAR 2023			FISCAL YEAR 2024 YTD		
	Budget	Actual	Variance	Budget	Actual	Variance
Revenues	3,391,348	3,396,608	5,260	4,390,349	4,428,596	38,247
Operating Expenses	1,997,037	2,050,654	53,617	2,295,230	2,304,490	9,260
Net Operating Income	1,394,311	1,345,954	(48,357)	2,095,119	2,124,106	28,987
Non-Recoverable Expenses	70,750	33,678	(37,072)	96,439	48,036	(48,403)
Capital Expenditures	2,114,203	3,159,682	1,045,479	5,563,643	4,186,468	(1,377,175)
Financing/Other	-	-	-	-	3,051	3,051
Cash Flow	(790,642)	(1,847,406)	(1,056,764)	(3,564,963)	(2,113,449)	1,451,514

OCCUPANCY	As of	As of	As of	As of	As of	As of
	6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	8/1/2024
Net Rentable Area in Square Feet	223,796	224,280	224,716	224,960	224,960	224,960
Leased Square Feet	207,350	202,191	159,515	152,763	193,759	212,415
Percent Leased	92.7%	90.2%	71.0%	67.9%	86.1%	94.4%

Favorable  
Variance

Unfavorable  
Variance

# Board Finance Committee

## Quarterly Activity Report

### APRIL 2024

#### BFC Tours Crafton Hills College Campus

Joined by other members of the Board, the BFC enjoyed a robust tour of Crafton Hills Campus, receiving a student demonstration at the new Public Safety Training Center. They heard about the many construction projects, making special stops at the Performing Arts Center and Solar Photovoltaic Replacement sites.

- Public Safety Training Center
  - Completed January 2024
  - Over 90% local hire
  - Received Construction Management Association of America Project Achievement Award



- Performing Arts Center
  - Local Hire almost 60%
  - Projected completion Summer 2025
- Solar Photovoltaic Replacement
  - Now meets 98% of CHC power needs
  - 95% Local Hire
  - Fully installed and pending permission to operate from the power company

### MAY 2024

#### Bond Construction Program Presentation

Committee members received an update on the bond construction program. \$160 million has been spent to date with less than 1% change orders program wide.

Committee Chair Gonzales proposed implementing a formalized review process for any construction project impacting the exterior of buildings over 50 years old, ensuring an additional level of scrutiny.

#### Investment Property

BFC members received a report on SBCCD Investment Properties. Total occupancy for all three was at 86% with 95% projected for the end of 2024.

Negotiations on a 10-year lease for the DSO office building with the County of San Bernardino had just successfully concluded.



### JUNE 2024

#### PARS Pension Rate Stabilization Trust Review

Committee members heard from senior consultants at the Public Agency Retirement Services (PARS) and SBCCD's new asset management firm. The District's annual pension costs are projected to increase from just over \$21 million in 2023-24 to over \$22 million in 2027-28. As of April 30, the PARS Pension Rate Stabilization Trust net gains totaled \$23.7 million.

#### Bond Program Workforce

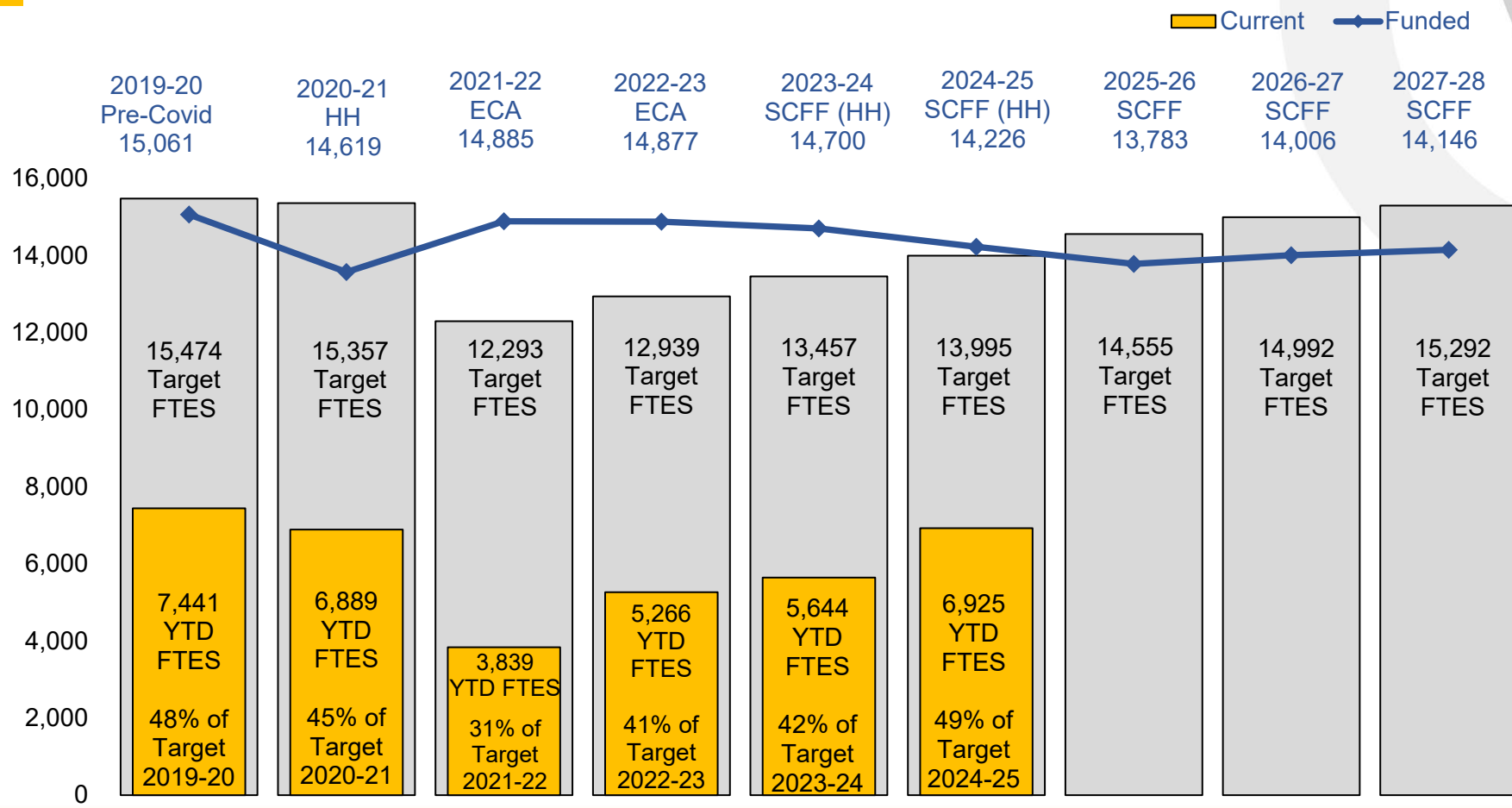
Committee members were presented with a newly formatted bond program workforce report encompassing 14 of the current bond projects. Paid out locally so far were \$4.7 million in wages to local workers, which is 10% over the BP 6610 goal of 50%, and \$163 million in locally awarded contracts which, at 39%, is 14% over BP 6610 goal.

#### Enrollment

SBCCD attained 13,781 FTES in 2023-24, which is 2% over the target of 13,457. The 2024-25 target is 13,995, which contains a goal of 4% growth.

[www.SBCCD.edu](http://www.SBCCD.edu)  
**Opportunity is Here**

# Enrollment as of July 29, 2024





SAN BERNARDINO COMMUNITY COLLEGE DISTRICT  
**PARS Pension Rate Stabilization Trust Snapshot | June 30, 2024**

	Original Contribution	Changes in Principal	Current Principal	Account Balance	Current Principal Excess/ (Deficit)	Distribution of Gains	Expenses	Total Gains/(Losses) Net of Expenses
<b>General Fund</b>	49,000,000	-3,000,000	46,000,000	48,609,873	2,609,873	12,300,000	573,212	14,909,873
<b>SBVC</b>	5,000,000	0	5,000,000	5,073,252	73,252	1,535,000	54,052	1,608,252
<b>CHC</b>	2,700,000	0	2,700,000	3,119,030	419,030	130,000	24,432	549,030
<b>DSO</b>	0	3,000,000	3,000,000	3,141,113	141,113	0	12,727	141,113
<b>KVCR \$15M</b>	15,000,000	0	15,000,000	16,787,553	1,787,553	600,000	46,506	2,387,553
<b>KVCR</b>	21,000,000	0	21,000,000	21,594,484	594,484	5,950,000	236,533	6,544,484
<b>MAE</b>	9,000,000	-1,960,000	7,040,000	7,226,448	186,448	1,547,946	68,783	1,734,394
<b>TOTAL</b>	101,700,000	-1,960,000	99,740,000	105,551,753	5,811,753	22,062,946	1,016,246	27,874,699

#### Account Notes

- GF includes \$5 million contribution from General Fund invested prior to FCC Auction Proceeds as Board approved 11/10/2016.
- Principal investment has been adjusted to show \$3 million transfer from GF as DSO principal as Board approved 3/10/2022.
- SBVC, CHC, and DSO contain funds fully allocated to the various sites by the Board of Trustees on 4/26/2018.
- MAE refers to overarching Media Academy Endowment, which is comprised of SBVC's Institute of Media Arts and CHC's Digital Media. Principal investment has been reduced by \$1,960 million per Board action on 9/10/2020.
- KVCR \$15 million State grant funds subject to Guiding Principles reaffirmed 3/14/2024.





**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**  
**PARS Post-Employment Benefits Trust**

**Account Report for the Period**  
**7/1/2023 to 6/30/2024**

Jose Torres  
 Executive Vice Chancellor  
 San Bernardino Community College District  
 550 E. Hospitality Lane  
 San Bernardino, CA 92408

## Account Summary

Source	Balance as of 7/1/2023	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2024
PENSION - GF	\$48,310,252.12	\$0.00	\$4,492,104.39	\$92,483.23	\$4,100,000.00	\$0.00	\$48,609,873.28
KVCR \$15 Million State	\$15,884,251.38	\$0.00	\$1,534,954.24	\$31,652.15	\$600,000.00	\$0.00	\$16,787,553.47
PENSION - SBVC	\$4,634,269.43	\$0.00	\$448,219.28	\$9,236.74	\$0.00	\$0.00	\$5,073,251.97
PENSION - KVCR	\$21,362,778.29	\$0.00	\$2,023,358.12	\$41,651.98	\$1,750,000.00	\$0.00	\$21,594,484.43
PENSION - MAE	\$7,406,978.11	\$0.00	\$696,835.53	\$14,365.97	\$863,000.00	\$0.00	\$7,226,447.67
PENSION - CHC	\$2,849,143.82	\$0.00	\$275,564.72	\$5,678.72	\$0.00	\$0.00	\$3,119,029.82
PENSION-DSO	\$2,869,315.83	\$0.00	\$277,515.75	\$5,718.93	\$0.00	\$0.00	\$3,141,112.65
<b>Totals</b>	<b>\$103,316,988.98</b>	<b>\$0.00</b>	<b>\$9,748,552.03</b>	<b>\$200,787.72</b>	<b>\$7,313,000.00</b>	<b>\$0.00</b>	<b>\$105,551,753.29</b>

## Investment Selection

### Source

PENSION Target Index Conservative Strategy

## Investment Objective

### Source

PENSION Dual goals are to provide current income and low to moderate growth of capital.

## Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - GF	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
KVCR \$15 Million State	1.12%	1.04%	9.69%	-	-	-	12/20/2022
PENSION - SBVC	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
PENSION - KVCR	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
PENSION - MAE	1.12%	1.04%	9.69%	0.61%	-	-	9/23/2019
PENSION - CHC	1.12%	1.04%	9.69%	0.61%	-	-	11/1/2019
PENSION-DSO	1.12%	1.04%	9.69%	-	-	-	3/16/2022

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.  
 Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.  
 Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

## ANNUAL STATEMENT

**SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**  
**PARS Post-Employment Benefits Trust**

**Account Report for the Period**  
**6/1/2024 to 6/30/2024**

Jose Torres  
Executive Vice Chancellor  
San Bernardino Community College District  
550 E. Hospitality Lane  
San Bernardino, CA 92408

### Account Summary

Source	Balance as of 6/1/2024	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2024
PENSION - GF	\$50,111,230.26	\$0.00	\$557,329.60	\$8,686.58	\$2,050,000.00	\$0.00	\$48,609,873.28
KVCR \$15 Million State	\$17,199,018.91	\$0.00	\$191,517.23	\$2,982.67	\$600,000.00	\$0.00	\$16,787,553.47
PENSION - SBVC	\$5,017,856.11	\$0.00	\$56,268.22	\$872.36	\$0.00	\$0.00	\$5,073,251.97
PENSION - KVCR	\$22,052,590.69	\$0.00	\$245,718.96	\$3,825.22	\$700,000.00	\$0.00	\$21,594,484.43
PENSION - MAE	\$7,793,859.66	\$0.00	\$85,934.93	\$1,346.92	\$652,000.00	\$0.00	\$7,226,447.67
PENSION - CHC	\$3,084,972.50	\$0.00	\$34,593.64	\$536.32	\$0.00	\$0.00	\$3,119,029.82
PENSION-DSO	\$3,106,814.20	\$0.00	\$34,838.57	\$540.12	\$0.00	\$0.00	\$3,141,112.65
<b>Totals</b>	<b>\$108,366,342.33</b>	<b>\$0.00</b>	<b>\$1,206,201.15</b>	<b>\$18,790.19</b>	<b>\$4,002,000.00</b>	<b>\$0.00</b>	<b>\$105,551,753.29</b>

### Investment Selection

Source

PENSION Target Index Conservative Strategy

### Investment Objective

Source

PENSION Dual goals are to provide current income and low to moderate growth of capital.

### Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
PENSION - GF	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
KVCR \$15 Million State	1.12%	1.04%	9.69%	-	-	-	12/20/2022
PENSION - SBVC	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
PENSION - KVCR	1.12%	1.04%	9.69%	0.61%	4.67%	-	6/22/2018
PENSION - MAE	1.12%	1.04%	9.69%	0.61%	-	-	9/23/2019
PENSION - CHC	1.12%	1.04%	9.69%	0.61%	-	-	11/1/2019
PENSION-DSO	1.12%	1.04%	9.69%	-	-	-	3/16/2022

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

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Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.  
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees



**MEASURES CC & M**

BUILDING NEW OPPORTUNITIES FOR OUR STUDENTS & OUR COMMUNITY.

**PROJECT TIMELINE**

<b>April 2024 - June 2024</b>		<b>Completion Date</b>
✓	Award SBVC Land Acquisition Fencing, Fencing Services	4/9/24
✓	Award CHC Crafton Hall Renovation, Historic Preservation Consulting Services	4/23/24
✓	Award CHC PSTC—Window Replacement, General Contractor	4/26/24
✓	Award SBVC CWI EV Charging Stations, Inspector of Record	4/29/24
✓	Award SBVC CWI EV Charging Stations, Special Inspections & Material Testing Services	4/29/24
✓	Award CHC CWI Wayfinding and Signage, A&E Services	5/16/24
✓	Award SBVC Observatory Renovation, A&E Services	5/21/24
✓	Award CHC Crafton Hall Renovation, General Contractor	6/19/24

<b>July 2024 - September 2024</b>		<b>Completion Date</b>
	Award SBVC CWI East Wing Mechanical Improvements, Multiprocess Pipe Welding Systems	Jul 2024
	Award SBVC Student Services Building—Swing Space, Inspector of Record	Aug 2024
	Award SBVC Admin Building and Campus Center Repurposing, A&E Services	Sep 2024

## **SAN BERNARDINO COMMUNITY COLLEGE DISTRICT**

**TO:** Board of Trustees

**FROM:** Dr. Diana Z. Rodriguez, Chancellor

**REVIEWED BY:** Jose F. Torres, Executive Vice Chancellor

**PREPARED BY:** Steven J. Sutorus, Executive Director, Business & Fiscal Services

**DATE:** August 8, 2024

**SUBJECT:** Budget Revenue & Expenditure Summary

### **RECOMMENDATION**

This item is for information only and no action is required.

### **OVERVIEW**

While year-to-date revenue and/or expenditure percentages often vary from the percentage of fiscal year elapsed, all funds are expected to remain within the 2024-25 budget unless otherwise noted here. For explanations of any significant variances in year-to-date revenues/expenditures from fiscal year elapsed, please see the attached summary.

### **ANALYSIS**

The attached Revenue and Expenditure Summary reflects activity for the 2024-25 fiscal year through July 17, 2024. As of that date, SBCCD was 4.7% through the fiscal year and had spent and/or encumbered approximately 1.9% of its unrestricted general fund budget.

### **SBCCD GOALS**

4. Ensure Fiscal Accountability/Sustainability

### **FINANCIAL IMPLICATIONS**

This analysis is an important tool for the Board of Trustees to track SBCCD revenue and expenditures across all funds.





## Budget Revenue & Expenditure Summary

Year to Date 07/17/24

[v.7.18.2024.p.1|2]

### 4.7% of Fiscal Year Elapsed

FUND	REVENUES			EXPENDITURES			COMMENTS
	Budget	Received YTD	%	Budget	Expensed/ Encumbered YTD	%	
01 General Fund - Unrestricted	142,406,349	953,859	0.7%	145,014,081	2,767,717	1.9%	Expenditures are consistent with the needs of the fund given the current climate.
01 General Fund - Restricted	95,145,246	402,106	0.4%	95,145,245	951,906	1.0%	
21 Bond Interest & Redemption	55,000,000	-	0.0%	55,000,000	-	0.0%	
41 Capital Outlay	3,614,676	-	0.0%	4,954,726	-	0.0%	
42 Measure M	800,000	-	0.0%	10,598,800	-	0.0%	
44 Measure CC	6,000,000	-	0.0%	155,521,304	2,616,983	1.7%	
59 Investment Properties	5,338,887	-	0.0%	6,696,491	-	0.0%	
68 Retiree Benefit	371,000	-	0.0%	371,000	-	0.0%	
71 OPEB Trust	1,000,000	-	0.0%	82,000	-	0.0%	
72 Child Development	5,236,304	-	0.0%	5,236,304	103,000	2.0%	
73 Student Body Center Fee	397,309	-	0.0%	397,309	3,500	0.9%	
74 KVCR	7,681,012	-	0.0%	7,490,706	15,676	0.2%	
77 PARS Trust	5,400,000	-	0.0%	4,002,000	-	0.0%	
78 Self Insurance-Liability	1,200,000	-	0.0%	1,200,000	-	0.0%	
79 Inland Futures Foundation	1,483,453	-	0.0%	1,483,453	-	0.0%	
84 Workers Compensation	2,444,920	-	0.0%	2,986,865	1,324,713	44.4%	Purchase order covering the entire year is created early in the tear.
<b>Total (All Funds)</b>	<b>333,519,156</b>	<b>1,355,965</b>	<b>0.4%</b>	<b>496,180,284</b>	<b>7,783,495</b>	<b>1.6%</b>	

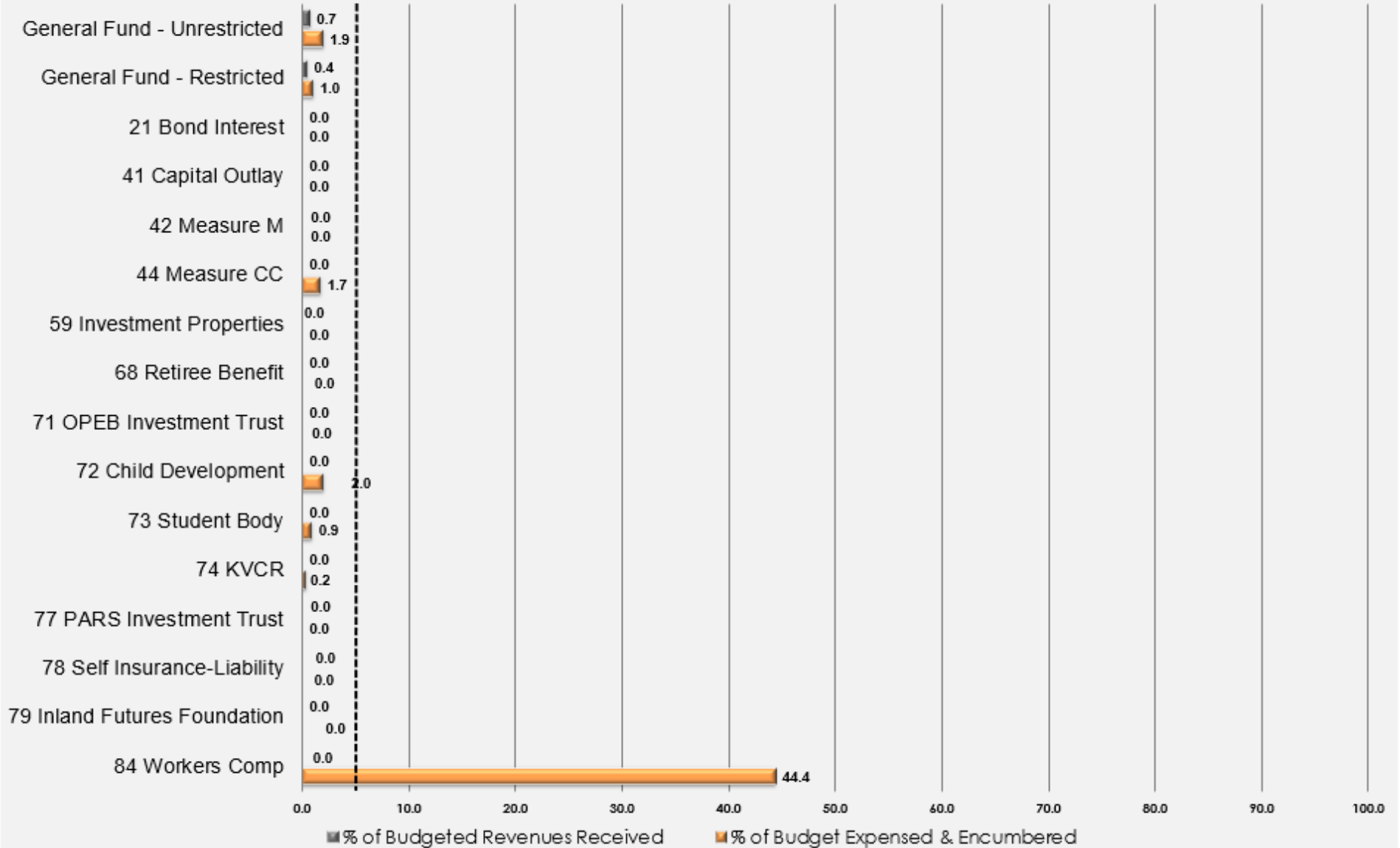


# Budget Revenue & Expenditure Summary

Year to Date 07/17/24

[v.7.18.2024.p.2]2

Fiscal Year Elapsed - 4.7%



# SAN BERNARDINO COMMUNITY COLLEGE DISTRICT

## Program Summary: Board of Trustees - As of 07/29/24

Percentage of Year Expired: 7.9%

(2)

(1)

1 ÷ 2

Object #	Description	2025 Budget	2025 Actuals		Total 2025 Actuals + Encumb.	% of Budget Used	Notes
			YTD 07/29/24	Encumb.			
200000	Board Of Trustees Stipends	36,000	-	-	-	0%	
	<b>Total 2000's Classified Salaries</b>	<b>36,000</b>	-	-	-	<b>0%</b>	
300000	Employee Benefits	143,360	-	-	-	0%	
	<b>Total 3000's Employee Benefits</b>	<b>143,360</b>	-	-	-	<b>0%</b>	
450000	Noninstructional Supplies	2,000	-	-	-	0%	
456000	Commencement Supplies	1,200	-	-	-	0%	
475000	Meals & Refreshments	12,335	-	10,000	10,000	81%	
	<b>Total 4000's Supplies &amp; Materials</b>	<b>15,535</b>	-	<b>10,000</b>	<b>10,000</b>	<b>64%</b>	
511300	Consultant & Other Services	42,100	-	-	-	0%	Retreats, training facilitator
520000	Travel & Conference Expenses	75,000	-	-	-	0%	
531000	Dues And Membership	8,500	-	-	-	0%	ACCT, CCLC, CALCCTA
554000	Telephone	2,165	-	-	-	0%	
561000	Rentals	1,000	-	-	-	0%	
572000	Election Expenses	35,000	-	-	-	0%	
581800	Student Travel	2,500	-	-	-	0%	Student trustee conference attendance
	<b>Total 5000's Other Expenses</b>	<b>166,265</b>	-	-	-	<b>0%</b>	
	<b>Total Expenditures:</b>	<b>361,160</b>	-	<b>10,000</b>	<b>10,000</b>	<b>3%</b>	





# Board Finance Committee Planning Calendar

August 8, 2024

<p><b>THU, JUL 11, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <p>Dark</p>	<p><b>THU, AUG 8, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• SBCCD Non-Profit Presentation</li> <li>• Investment Properties   Occupancy &amp; Fiscal Performance</li> <li>• BFC Quarterly Update</li> <li>• Monthly Updates</li> </ul>	<p><b>THU, SEP 12, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• Bond Measure Work Force Report</li> <li>• Monthly Updates</li> </ul>
<p><b>THU, OCT 10, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• BFC Quarterly Activity</li> <li>• Monthly Updates</li> </ul>	<p><b>THU, NOV 14, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• Semi-Annual Bond Construction Update</li> <li>• 2025-26 Budget Calendar</li> <li>• Monthly Updates</li> </ul>	<p><b>FRI, DEC 13, 2024</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• BOT Directives for 2025-26 Budget</li> <li>• Guiding Principles   KVCR \$15 Million</li> <li>• Guiding Principles   FCC Auction Proceed</li> <li>• PARS Pension Rate Stabilization Trust</li> <li>• Monthly Updates</li> </ul>
<p><b>Thursday, January 9, 2025</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• Review of Charge</li> <li>• BLC Legislative and Budget Priorities</li> <li>• BFC Quarterly Activity</li> <li>• Monthly Updates</li> </ul>	<p><b>Thursday, February 13, 2025</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• Investment Properties   Occupancy &amp; Fiscal Performance</li> <li>• Monthly Updates</li> </ul>	<p><b>Thursday, March 13, 2025</b> <b>@SBVC Business Building, B100</b></p> <ul style="list-style-type: none"> <li>• Bond Measure Work Force Report</li> <li>• Monthly Updates</li> </ul>
<p><b>Thursday, April 10, 2025</b> <b>@CHC LRC 226</b></p> <ul style="list-style-type: none"> <li>• BFC Quarterly Activity</li> <li>• Monthly Updates</li> </ul>	<p><b>Thursday, May 8, 2025</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• Semi-Annual Bond Construction Update</li> <li>• Monthly Updates</li> </ul>	<p><b>Thursday, June 12, 2025</b> <b>@SBCCD Boardroom Extension</b></p> <ul style="list-style-type: none"> <li>• PARS Pension Rate Stabilization Report</li> <li>• Monthly Updates</li> </ul>

<p><b>MONTHLY UPDATES</b> (as necessary)</p>	<ul style="list-style-type: none"> <li>• State Budget</li> <li>• Enrollment</li> <li>• PARS Investment</li> </ul>	<ul style="list-style-type: none"> <li>• Budget Revenue &amp; Expenditures</li> <li>• Bond Construction Timeline &amp; Org Chart</li> </ul>	<ul style="list-style-type: none"> <li>• BOT Budget to Actual</li> <li>• BFC Planning Calendar</li> </ul>
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