



District Budget Committee (DBC)

Members Present: *Scott Stark, Kevin Horan, Rosemarie Hansen, Girija Raghavan, Jeremy Sims, Denise Allen-Hoyt, Mike Strong, Diana Rodriguez, Jose Torres, Celia Huston, Rania Hamdy, Mark McConnell, Yendis Battle, Tenille Alexander (for Larry Strong)*

Members Absent: *Steve Sutorus, Meridyth McLaren, Shari Blackwell, Frank Sclafani, Richard Galope, Naomi Lara, Kristina Hannon*

Guests: *David James, Keith Wurtz, Scott Thayer, Dina Humble*

Meeting Minutes – 2/21/2019, 2 pm, PDC 104

1. Welcome & Introductions

Jose welcomed everyone to the meeting and asked for introductions for the benefit of new members.

2. Approval of Minutes

Rania made a motion, which Scott Stark seconded, to approve the minutes. The motion was passed unanimously.

3. Current Business

There was no current business on the agenda.

4. Updates

District Support Services 2019-20 Budget

DBC members reviewed the District Support Services budget. Tenille guided the committee through the handout. Jose expressed his desire to be fully transparent. Discussion included the following.

- Denise asked how much SBCCD's allocation from the state had increased. Jose estimated the statewide allocation increased by approximately \$2 million in 2019-20 over 2018-19, which translates to about \$95,625 for SBCCD. The 2020 SBCCD budget is currently expected to be around \$97 million; however, this is not the final number. This amount does include the \$670,000 for hiring Full Time Faculty.
- There is an anticipated decrease in the Physical Plant and Instructional Services Block Grant funding. In 2018-19, SBCCD received only about \$300,000 for this. In prior years, annual SBCCD funding was approximately \$1.8 million.
- Tenille explained that each department budget is reviewed and changes made as appropriate.
- The whole District Support Services licensing and software budget has been consolidated under TESS and the increase shown in that department is offset by decreases in other departments. Mike recommended that a note to this effect be added.
- Jose mentioned that the increase in the TESS budget is also partially due to the additional funding necessary to pay for SBCCD's new systems – ADP and Oracle. During the transition to fiscal independence over the next 18 months, the District will need to pay for its new software as well as maintain its existing software, Financial 2000. Denise asked how

this increase is to be funded and Jose advised that, in the absence of a RAM, the deficit is being covered by the fund balance.

- › One of the ways SBCCD will balance the budget is the by using the return on its FCC investments.
- › There is no RAM at this time. The current Multi-Year Forecast shows support services are not being allocated to the colleges at this time, nor do the colleges show a deficit. Once the college budgets are completed, staff will be in a better place to know what adjustments need to be made.
- › Jose commented on the importance of all three entities – SBVC, CHC, and District Support Services – as one district
- › Rania asked if TESS would be adding positions to help support the new systems and was advised that the Director of Fiscal Services has been reaching out to new CTO Luke Bixler about this.
- › Fiscal Services promised to forward information to DBC highlighting the increase in the TESS budget.
- › Celia asked about the increase in TESS travel. Tenille advised this is the cost of training 6-7 staff members for Distance Education. Rania stated her opinion on the importance of this cost.
- › Denise commented on the future bond funds and Jose advised that the measure which passed in November does include language allowing for the use of funds on a new student information system.

As the discussion wrapped up, Jose invited DBC members to email any questions to Fiscal Services staff. Denise asked about the request from last year to move toward a budget that shows five entities including KVCR and EDCT. Jose advised that this is still under development. He reiterated his desire to remain fully transparent.

Student Centered Funding Formula

Jose commented that duplication of State data used in developing SBCCD funding continues to be challenging. Keith stated that some of the data will never be reproduced because it includes the entire State. One key example is the Living Wage factor.

Jose advised that SBCCD will continue working to get this data, as it is necessary for the development of a Resource Allocation Model.

5. Future Business

Commercial Property Profit & Loss Report

A report on the commercial property is still under development.

Evaluation of Resource Allocation

As stated, this task can be addressed once data is available.

New Topics

Rania asked about the upcoming District Support Services move to the new property. Jose advised that the move is anticipated for September. He will make sure this is communicated districtwide. The subsequent use of the current District Office is not yet known.

Celia asked about the 8th Street location. Jose commented that SBCCD has been considering the purchase of a building on Highland Avenue and that either the Highland Avenue building or 8th Street would be used as a Makerspace. It was requested that Richard Galope make a presentation to the DBC on this topic at an upcoming meeting.

6. Adjournment

The next meeting of the DBC is scheduled for Thursday, March 21, 2019 at 2 pm in the board room.