



District Budget Committee (DBC)

Members Present: *Celia Huston, Dina Humble (for Scott Stark), Girija Raghavan, Kevin Horan, Larry Strong, Laura Van Genderen, Mark McConnell, Rania Hamdy, Rosemarie Hansen, , Jeremiah Gilbert, Jeremy Sims, Kristina Hannon, Mike Strong, Stacey Esparza Serrano/Sofiya Herrera, Yendis Battle; Diana Rodriguez*

Members Absent: *Shari Blackwell, Jose Torres, Leen Alkaddumi, Meridyth McLaren, Steve Sutorus*

Guests: *Delmy Spencer, James Smith, Amy Avelar, Joanna Oxendine, Dena Peters*

Meeting Minutes – 4/16/2020, 2 pm

Via Zoom: <https://cccconfer.zoom.us/j/360544163>

A. Welcome & Introductions

Larry Strong convened the meeting at 2:07 pm. Roll was taken.

B. Approval of Minutes of 2/20/2020

Kevin Horan made a motion to approve the minutes from 2/20/2020. Rosemarie Hansen seconded, and the motion was approved. Diana Rodriguez abstained from the vote citing her absence from the previous meeting.

C. Current Business

1. Draft Recommendation 2020-03 - Resource Allocation Model with SCFF (Larry Strong)

Larry recalled for everyone the discussion at the February meeting wherein the DBC reviewed the proposed RAM and members were tasked to go over it with their constituent groups. He advised that the only feedback received to date was from an email from the CHC Budget Committee was included in the meeting materials. He also shared that Celia Huston had requested the model be presented to the SBVC Academic Senate, which it was.

Rania Hamdy wanted to follow up on a request that the District report on how it would reduce expenditures. Larry acknowledged the request and recollected that the DBC members were asked to forward questions to be researched and reviewed. A formal request had been emailed to DBC members in early March, however, the only response received was the email from the CHC Budget Committee. This is likely due to the outbreak of Covid-19, and the large amount of resources required to respond to the crisis.

Larry recapped the detail that was provided to the committee on the DSO budget, which had been favorably received, and Rania clarified that she was referring to the recent changes with the Inland Futures Foundation and the EDCT. Larry advised that at its next meeting the committee will review the unrestricted general fund budget, which will reflect any cuts made. In addition, there will be a Board Study Session on May 28 to review the entire Preliminary Budget.

Mike Strong spoke about the CHC Budget Committee response to the proposed RAM. It is agreed that the model does address the State Chancellor's Vision for Success. However, it is felt the model does not address longstanding concerns regarding CHC's sustainability challenges, including economy of scale concerns, a percentage cap on the assessment of support services, and the continuing need for CHC to rely on the District reserve fund. For these reasons, the CHC Budget Committee does not believe the RAM meets accreditation standards on fiscal accountability. That committee is suggesting a study be completed districtwide to determine fixed costs per site. (Salaries, utilities, M&O,

technology, etc. could be considered fixed costs.) The results could then be used to formulate some type of initial distribution per site.

Committee members discussed the proposed Recommendation 2020-03, the RAM, the CHC Budget Committee email, the 2014 College Brain Trust study, and accreditation standards. It was clarified that SBVC does not have excess cash and maintains a strong culture of frugality.

Larry stated his optimism that the DBC could approve proposed Recommendation 2020-03 to accept the RAM concept as it reflects the SCFF, while including language that outlines current concerns for the development of a better RAM for fiscal year 2020-21. After much deliberation, Larry requested a motion to approve the proposed recommendation with the following changes:

1. Accept the attached Resource Allocation Model concept for Fiscal Year 2020-21. This model meets SBCCD's immediate needs of reflecting the new SCFF regarding the State Chancellor's Vision for Success.
2. Task the District Budget Committee to work toward revising the RAM for Fiscal Year 2021-22 and beyond, including a timeline for completion, allowing for collegial review, and consideration of the following constituent concerns including the following.
 - a. Development of shared cost control mechanisms to promote fiscal accountability, including a cap on assessment for districtwide services.
 - b. Consideration of FTES enrollment management adjustments without impacting production by campus revenue and cost sharing percentages.
 - c. Management of the reserve funds so that they can be utilized by the colleges without putting the District into a position below the Board approved fund balance percentage.
 - b-d. Consideration of economy of scale factors.
 - e. Adjustment of the State-Based Revenue Percent by College calculation to remove the Base Allocation Revenue for medium and small colleges.
 - e-

Although a motion was made by Kristina Hannon, there was no second. Therefore, no DBC recommendation will be made. Larry will make a report of this outcome to Chancellor's Cabinet.

2. Committee Self-Evaluation

Jeremiah Gilbert advised that an electronic survey had been sent out. The last day to respond is April 17 and results will be discussed at the 5/21/2020 meeting.

No further topics were discussed.

G. Adjournment

The meeting was adjourned at 3:45 pm. The next meeting of the committee is scheduled for 5/21/2020 at 2 pm via Zoom.