COUNCIL ON BUDGET AND FACILITIES

December 8, 2025
2:00 p.m.
Anaheim Campus – Room 105

Videoconferencing of the meeting will be available at Cypress College President's Conference Room and the Fullerton College President's Conference Room B

AGENDA

1. Approval of the November 10, 2025 Summary Notes	Fred Williams	Action
2. LAO Report & Economic Forecast • LAO Fiscal Outlook • Community College Updates	Fred Williams	Information
3. Evaluation of the Resource Allocation Model (RAM)	Erika Almaraz	Review/Discussion
4. One-Time Funding	Fred Williams	Information
5. Districtwide Sustainability Workgroup	Tyler Deacy	Review/Discussion
6. Facilities Updates	Budget Officers	Information

7. Future Meeting Dates:
   January 12*
   February 9
   March 9
   April 13*

**Tentative meeting and will only take place if deemed necessary*
*** Holiday – will be rescheduled if deemed necessary*

NOTE: The numerical order of items on this agenda is for convenience of reference. To promote efficiency and as an accommodation to the parties involved, agenda items may be taken out of order upon request of the Chair or Members of the CBF.

COUNCIL ON BUDGET AND FACILITIES
November 10, 2025

UNAPPROVED SUMMARY

Members Present: Belinda Allan, Erika Almaraz, Treisa Cassens, Terry Cox, Danielle Davy, Henry Hua, Tony Jake, Bridget Kominek, Jaclyn Magginetti, Annika Rotana, Joel Salcedo, Lourdes Valiente, Jennifer Vega La Serna, and Fred Williams

Members Absent: Steven Estrada, Karla Frizler, Elaine Loayza, Irma Ramos, Marlo Smith, and Leslie Tsubaki

Guests Present: Brandon Floerke, Michelle Patrick-Norng, Debbie Shandy, and Richard Williams

Call to Order: The meeting was called to order at 2:03 p.m.

1. **Summary:** The summary notes of October 8, 2025, meeting were amended and approved.

2. **Memberships**: Vice Chancellor Williams introduced Annika Rotana as the new Fullerton College Associated Students member and announced that a Cypress College Associated Students representative was still needed.

3. **Evaluation of Resource Allocation Model (RAM)**
   Ms. Almaraz shared the proposed changes for fiscal year 2026-2027:

   Proposal # 1 – The District and Campuses charge an indirect cost rate on categoricals and grants ranging from 0% to 32.70% in order to offset the administrative cost of supporting these programs. In the past, these funds were split 50-50 between the District and the Campus, and used to offset overall expenses in the current year. To improve budget and accounting support for categoricals and grants, it is proposed that we shift 100% of indirect cost funds from the District and the Campuses, to Districtwide and utilize these dollars to fund a post-award grants team. A grants team would assist with invoicing; drawdowns; reporting; reconciliations; developing and maintaining a grants database; training project personnel; keeping abreast of new state and federal compliance requirements; updating budgets for new allocations and carryovers; reviewing expense and budget transfers; preparing fiscal-year closing entries and audit schedules. Indirect cost funds over the last two years were: $750K (FY'25) and $765K (FY'24). About 36%-38% came from federal funds. The estimated cost of a grants team (1 manager and 3 staff) is about $720K. Offset by indirect cost, the net cost of a grants team is estimated to be -$30K.

   The committee agreed to move proposal 1 to DCC for approval.

   Proposal #2 – The following departments serve all four budget centers (Cypress, Fullerton, NOCE, and District Services). It is proposed that all four budget centers share in the cost of funding these departments (Estimated total: $1.4M).
   - District Campus Safety (Org 1327) about $169K - New
   - District Diversity, Culture, Inclusion (Org 1130) about $277K
   - EEO & Compliance (Org 1425) about $502K
   - Districtwide Staff Development (Org 1420) about $448K

Questions/Comments:

1. *Would the Interim District Director of Sustainability position be included with these positions, if made permanent?* Currently the position is being budgeted by a one-time allocation made by CBF and DCC. That position is not budgeted as a permanent position, but if it were prioritized, it would fall under District-wide expenses.
2. *There was concern with establishing a "district office" with these particular positions might be a cost that the campuses don't necessarily agree with or find as valuable.* The District Director, Campus Safety has already been hired and the other three positions have already been in place for a number of years. Moving these positions over to district-wide expenses is a part of our exploration of what other multi-campus districts are doing as part of their allocation models and addresses the issue of having to request the funding at the end.
3. *There was concern for all the positions, but a majority was focused on district-wide staff development and how the District Diversity, Culture, Inclusion and EEO & Compliance used to be one position.* Mr. Williams shared that the District Diversity, Culture, Inclusion and EEO & Compliance position required significant legal support when it was one position, which was a determining factor to split the position into two. Essentially, by splitting the positions, would eliminate some of the legal fees that the District was incurring.
4. *Where are legal fees currently being funded from?* The District receives funding from the state. There is a budget in District Services as wells a supplemental budget in Districtwide expenses.
5. *Based on feedback from FC Senate, the main concern is at a high level, not about individual roles, offices, or the value they bring. If campuses are asked to contribute more financially, there's an expectation that they will have greater input in decisions about creating new positions. Since this shift reallocates campus funds to the District under the RAM model, campuses expect meaningful, thoughtful involvement in these decisions. Increased contributions should be matched by increased attention to campus needs and a stronger voice in shaping these offices. An example was District-wide Professional Development opportunities being offered during times that might work better for instructors, or discussions related to positions being split, etc.*
6. *If these positions are transitioned to a District-wide expense, will the 9.25% District Services contribution remain the same?* Yes, the contribution percentage would remain at 9.25%. While overall expenses have increased, the District Services allocation is based on a fixed percentage rather than a fixed dollar amount. After discussions with other campuses and district offices, these positions were identified as potential cost-sharing opportunities, but the percentage allocation for District Services would not change. With the exception of Professional Development, the other positions were established after the 9.25% contribution percentage was established.

Mr. Williams highlighted that the proposal will require further refinement and discussion at CBF. The current language will be placed on the DCC agenda to review, discuss and provide feedback.

Proposal #3 - It is proposed that a contingency equaling 3.0% of permanent positions in the Ongoing and Self-Supporting Funds be budgeted annually to cover the cost of Districtwide increases that benefit all four budget centers (e.g. new investments in programs, employees, technology, facilities, etc.). The estimated contingency is about $6.4M using 2025-26 permanent positions.

Vice Chancellor Williams and Erika Almaraz emphasized that the percentage is arbitrary. This approach was developed in response to concerns raised during prior negotiations and recommendations from United Faculty, which suggested funding permanent positions first to avoid inequities across campuses. By adopting the 3% reserve, campuses maintain autonomy of when they want to add positions, while being proactive and setting money aside to minimize budget cuts later. The Job Family Study was one of the immediate concerns that could possibly affect the budgets.

<u>Questions/Comments:</u>

1. *Why does the contingency fund need to come from campus budgets? The concern is that campuses already maintain significant carryover amounts—historically 20% or more since 2009, and currently around 30% due to Hold Harmless provisions. Redirecting $2.8 million from campuses for a potential raise and job study could result in cuts to essential services, such as hourly staff and adjunct faculty. It was suggested that these funds could instead be sourced from existing carryovers, since some allocations are known to remain unspent.* Mr. Williams noted Most carryover fund are already held at the campuses for existing commitments. An additional $47 million is reserved per board policy for two months of operating expenses and cannot be touched, while a small portion is in restricted funds. Last fiscal year we overspent $15 million, reducing the reserves from $141 million to $127 million. Post–Hold Harmless, campuses should not expect the large fund balance increases seen during Hold Harmless years. He suggested campuses set aside the first $3 million for anticipated needs, emphasizing that contingency planning is essential for future job studies and negotiations.

The Budget Officers shared their experiences and their preference of setting aside a contingency before allocations are made. This helps the budget centers be proactive with their allocations and avoid cuts later in the year.

After further discussions, the committee agreed that the concept and amount would be revisited on an annual basis, noting that Faculty would be more supportive if the dollars were set aside, specifically for negotiations and/or Job Family Study impacts, but opposed to creating a reserve fund without a defined purpose. The language will be revised prior to being placed on the November DCC agenda for further review, discussion, and feedback.

Proposal #4 - It is proposed that beginning Fiscal Year 2026-27 any current year surplus at District Services flow to the three campuses (Cypress, Fullerton, NOCE) based on the percentage of RAM revenue each generated during the fiscal year. Existing and 2025-26 carryovers at District Services would be utilized to complete committed projects and purchases. District Services surpluses over the last two years were: $4.6M (FY’25) and $3.1M (FY’24).

Vice Chancellor Williams clarified that some IT funds were previously approved by CBF for multi-year projects, such as cybersecurity and IT infrastructure, but only dollars outside these specific allocations are being considered for discussion.

Questions/Comments:

1. *There is an additional cost of approximately $30,000 per month due to recent FTES growth. Historically, the District helped cover these costs—such as hiring adjunct faculty and paying overloads—during growth periods. However, the expectation has shifted, and campuses are now required to absorb these expenses within their existing budgets. Is the District able to provide financial support to help campuses meet growth targets, given the strain this places on campus budgets*. Under the previous model, the District retained more funds. With the current RAM, the dollars are directly allocated to the budget centers, and District Services charges 9.25% back. This means campuses now manage their own budgets and assume risk if anticipated revenue doesn't materialize. The model worked well when we had a large amount of surplus, but the change now requires the campuses to be more disciplined in budgeting.
2. *Does the District have any control over the carryovers dollars? The District provides some oversight but we do not sweep carryover funds. This allows the campuses to manage and allocate their own carryovers. Previously, only 50% of carryovers could be retained, but this changed many years ago to prevent unnecessary spending. Campuses now have the responsibility and independence on how they want to allocate the funds. In extreme cases, such as state-mandated cuts, the District would step in to coordinate reductions.*

The committee agreed to move the proposal to DCC for further review, discussion, and feedback.

4. One-time Funding

Mr. Williams noted that Banner 9 will be phasing out and transitioning to Banner SaaS, a cloud-based system that is going to require major changes. This upgrade is a significant, multi-year project with an estimated cost of around $5 million, though exact figures are unknown. The District has set aside $2.2 million, but it's suggested that the District add another $1.4 million to reach $3.6 million as a starting point. Mr. Williams highlighted the need to plan for funding this transition soon, as waiting too long could create challenges, and shared that other districts have faced difficulties during their implementation.

Another concern was addressed related to the amount of technology equipment, databases, Canvas integrations, etc. at the campuses that were purchased with HERF funds, many of which are reaching end of life as well. Mr. Williams will follow up with District IS to see if this is something that will need to be reassessed.

In addition, the District is facing a potential issue with $1.4 million in HERF funds approved for a construction project at Cypress College. Despite submitting all required documentation, the funds have not been received—possibly due to the government shutdown. The District did get the Chancellor's Office involved, but there is growing concern that the funds may not be recovered.

Questions/Comments:

1. *For the past two years, one-time dollars have supported the advocates programs at the three campuses. Is there any indication whether these programs will request funding again, or if they plan to pursue institutionalization within their campuses?* No comments were made on whether or not the campuses are pursuing institutionalization or requesting one-time dollars. However, the budget officers will bring a summary of current expenditures for the advocates programs to the next CBF meeting, along with any input on their plans for the future.

Facilities Updates

Cypress College – Dr. Tony Jake provided an update on behalf of the campus.

- Visual Performing Arts Center – Transition plans are underway.
- Health and Wellness Center Renovation – The building is operational and staff are beginning to move in. The ribbon cutting ceremony is scheduled for December 2025.
- Fine Arts Renovation Project – Change orders are scheduled to be addressed at the November 18 Board meeting. While there are numerous change orders, the overall percentage is still minimal.
- Campus staff are starting to receive proposals back for some of the bond projects scheduled to begin at Cypress.

Fullerton College – Henry Hua provided an update on behalf of the campus.

- The new Student Center Building and M&O Building are now operational, and staff have moved in. The ribbon-cutting ceremony took place on September 19. The project is 98% complete.
- 300 Building – Project is 80% complete. User group meetings have been scheduled to plan for the move and technical equipment is schedule to be installed in December.
- 100 Building Elevator for the Performing Arts Center – Currently with DSA for approval.
- Fine Arts Chiller Relocation –Staff are coordinating the power transition with SCE. Due to space restriction, the old chiller relocation is on hold.
- Softball field – Plans have been revised, approved, and submitted to DSA for review and permitting

Vice Chancellor Williams indicated that the chiller relocation at Fullerton will likely affect scheduling, and the two recently completed projects may have cost implications. The contractor exceeded the budget and is now requesting an additional $2.8 million.

Anaheim Campus – Rick Williams provided an update on behalf of the campus.

- East lot portables – Plans to restore the parking lot have been approved, with work scheduled to begin in fall/early winter. The project went out to bid. Project is expected to provide additional parking.
- Green Space - Designs were approved by DSA. Project is on hold until the East Lot is completed.
- Far Lot Solar Parking – Once the East Lot and Green Space Projects are completed, the next large project will be adding solar.
- 2nd Floor Counseling office – Renovation efforts are underway. Architects are currently designing improvements for the registration area. Staff are waiting for bids to come in.
- Upper Deck Parking – Leaks and bubbling were under warranty and have been repaired.

Questions/Comments:

1. *When will the elevator project begin?* The project is in design with PBK Architects and Otis Elevators. It still needs to go through DSA approval before any action can begin. Vice Chancellor Williams also shared that our architect is reviewing the code and Expressed concerns about solely relying on Otis Elevators. Staff will need to be mindful of this.

Meeting was adjourned at 3:40 p.m.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

LAO Projects $18 Billion State Deficit

BY MEGAN BAIER

BY PATTI F. HERRERA, EDD

posted November 20, 2025

On Wednesday November 18, 2025, the Legislative Analyst's Office (LAO) released its annual *Fiscal Outlook* report in anticipation of the upcoming budget year. In the report, the LAO evaluates the state's fiscal condition and makes recommendations for legislators to consider as they build the 2026-27 State Budget.

While state tax receipts have outpaced the Enacted Budget's projections, the LAO warns that much of the growth, which is concentrated in personal income taxes, may be attributed to an artificial intelligence (AI) bubble. Corporate and sales tax collections have been much weaker and likely reflect the actual economic condition of the state. To reflect the risk of a potential AI bubble, the LAO forecast includes lower income tax collection estimates than current cash trends would otherwise suggest.

The Enacted State Budget did anticipate future deficits, expecting a $13.0 billion problem in 2026-27 that would continue to grow in the outyears. In the Fiscal Outlook, the LAO estimates the state's deficit in 2026-27 to be larger, approximately $18.0 billion.

Over the budget window, revenues are up $11.0 billion when compared to the Enacted Budget. Much of the growth, approximately $7.0 billion, will go to TK-12 schools and community colleges as required by Proposition 98. Below we will go into more depth on the Proposition 98 outlook. Much of the remainder of the increased revenues will be dedicated to make constitutionally required reserve deposits and debt payments.

At the same time, the state's costs are projected to increase by nearly $6.0 billion due to a variety of factors including increasing costs in retiree health care, pension payments, and the impacts of federal legislation on Medi-Cal and CalFresh, among others.

Under the LAO's estimates, California's structural deficit will grow to $35.0 billion annually beginning in 2027-28. The LAO warns that the state has exhausted many of its budget resiliency tools, such as borrowings, tapping reserves, and utilizing one-time revenues to limit programmatic cuts. Ultimately, the LAO recommends addressing the structural deficit now to strengthen the state's fiscal condition should the economy weaken.

Proposition 98 Outlook

As noted earlier, a significant share of the state's unanticipated General Fund revenues is obligated for TK-12 and community college agencies under Proposition 98. The LAO projects that the state must dedicate $7.0 billion of the $11.0 billion—63.6%—to address its $1.9 billion settle-up requirement built into the 2025-26 Enacted Budget adopted in June, a higher maintenance factor payment, and calculated increases to the minimum guarantee across the budget window.

Specifically, the LAO's *Fiscal Outlook* anticipates upward revisions to the minimum guarantee of $2.2 billion in 2024-25 and $3.8 billion in 2025-26 (see Figure 1). The 2026-27 minimum guarantee is projected at $117.8 billion—$3.2 billion above the 2025-26 Enacted Budget level, but $500 million lower than the revised 2025-26 amount. In other words, the LAO projects a year-over-year decline in the Proposition 98 minimum guarantee from 2025-26 to 2026-27.

The modest increase to the funding levels in the prior and current year, combined with year-over-year decline in the Proposition 98 minimum guarantee in the budget year, leaves little margin for the state to fund any new or enhanced ongoing education priorities in 2026-27. According to the LAO, the state could afford to fully fund its estimated 2.51% statutory cost-of-living adjustment (COLA) and little else.

Figure 1. 2024-25 and 2025-26 Minimum Guarantee Revisions (Dollars in billions)

	2024-25		2025-26	
	Enacted Budget	LAO Outlook	Enacted Budget	LAO Outlook
General Fund	$87.6	$89.5	$80.7	$84.3
Local property tax	32.3	32.6	33.8	34.0
Total	**$119.9**	**$122.1**	**$114.5**	**$118.3**

Under its revised assumptions, the LAO expects the required maintenance factor payment for 2024-25 to increase from $5.5 billion to more than $6.6 billion. Higher revenues, particularly from stock market gains, also increase the required deposit into the Proposition 98 reserve. In June, the state made a $455 million deposit for 2024-25, only to withdraw it fully in 2025-26. Now, the LAO projects a $1.4 billion deposit and a smaller mandatory $270 million withdrawal, leaving a $1.1 billion reserve balance at the end of the current year, which the *Fiscal Outlook* assumes would be subject to a mandatory withdrawal, once again depleting the reserve in 2026-27.

While year-over-year total education funding decreases in 2026-27, the upward revisions to the minimum guarantee in 2024-25 and 2025-26 provide nearly $7.4 billion in one-time revenue for the state to allocate to TK-12 and community college agencies as part of the impending 2026-27 budget (see "Considerations and Recommendations" below).

With respect to the rest of the forecast for education, consistent with its overall economic outlook for California, the LAO assumes that the current revenue boost in Proposition 98 is temporary, fading in 2026-27. The LAO projects "average growth" for the remainder of the forecast period (see Figure 2), which it recognizes is difficult to predict and is subject to considerable risk.

Figure 2. LAO Outlook for TK-12 and Community Colleges (Dollars in billions)

[1]ADA: Average Daily Attendance

Considerations and Recommendations

Given the state's recent reliance on one-time resources to cover ongoing costs within Proposition 98 and a modest revenue forecast, the LAO's *Fiscal Outlook* paints a picture of lean times ahead. Through 2028-29, Proposition 98 growth would provide sufficient funding to pay for the cost of existing programs, including annual COLAs, with a little left in each year for new or enhanced education investments.

Within this context, the LAO recommends a number of budget approaches that would strengthen Proposition 98 budget resiliency. Specifically, the LAO recommends that the state:

- Use $2.3 billion of available funding to eliminate the June 2026 deferrals, which would reduce outyear pressure on the education budget

- Provide a $1.9 billion advance payment in June 2026 that would be attributable to the 2027-28 fiscal year, putting the state on a schedule to provide the same amount a month early each year, creating cushion in the event of an economic downturn

- Accelerate the restoration of the final payment of the Learning Recovery Emergency Block Grant by investing $757 million, reducing pressure on the 2026-27 minimum guarantee

In January, Governor Gavin Newsom will propose the final State Budget of his tenure and we will see how he approaches managing the state's budgetary challenges. We will provide an in-depth review and analysis of the Governor's Budget proposal and its impacts on California's Community Colleges in the *Community College Update*.

COMMUNITY COLLEGE UPDATE

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

A Pixelated Economy

BY PATTI F. HERRERA, EDD

BY WENDI MCCASKILL, EDD

posted December 5, 2025

On December 3, 2025, UCLA Anderson School of Management economists released their final forecast of the year amid persistent uncertainty heightened by the lack of reliable economic data due to the longest federal government shutdown in U.S. history.

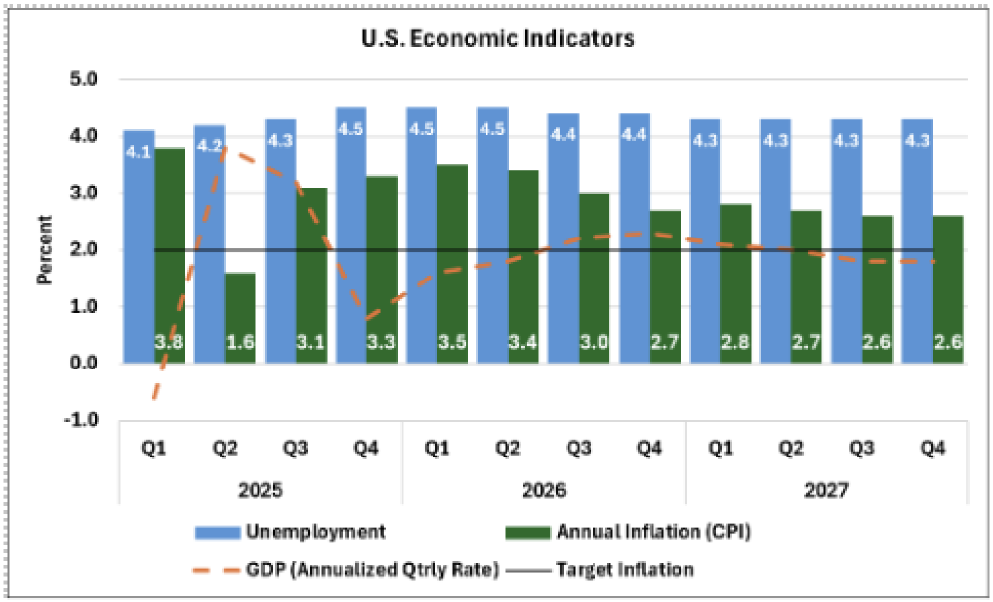
A National Forecast in the Crosswinds

Relative to the national forecast, UCLA economists continued to emphasize the arguably unprecedented level of uncertainty spawned by fluctuating trade relations and challenges to the Federal Reserve's (Fed) independence, whose mission is to maintain economic stability through apolitical monetary policy intended to control consumer prices and the labor market. The impact of tariffs and the resilience of Fed independence are the biggest risks to the economy.

Forecasters broadly characterize the national climate as one caught in the crosswinds of an economy bustling from an infusion of investments to build needed artificial intelligence (AI) infrastructure while being sobered by an increasing lack of consumer and business confidence stemming from the impacts of the Trump Administration's new tariff regime.

The Winter 2025 forecast is relatively consistent with UCLA's Fall forecast, with a modest downward adjustment to 2025 fourth quarter gross domestic product (GDP) due to the 43-day federal government shutdown (Figure 1). This temporary reduction in national productivity rebounds by the first quarter of 2026, picking up through the year as a result of investments in AI and fiscal stimulus included in the One Big Beautiful Bill Act. They predict that economic activity owed to AI will be tempered in 2027 by broader constraints related to energy and transmission capacity, and rapid depreciation of processing chips necessary to run and maintain AI functionality.

Figure 1. U.S. GDP, Consumer Price Index (CPI), and Unemployment



Source: UCLA Anderson Forecast, Winter 2025

The relatively robust GDP trends of 2025—particularly in the second quarter of the year—mask general weakness in the overall economy, warns UCLA. The visible strength is nearly solely attributable to AI capital expenditures and an uptick in spending among affluent consumers. Smaller businesses, non-AI industry sectors, and the vast majority of American consumers are struggling with rising prices.

And while inflation is expected to remain elevated above the Fed's 2.0% target rate—peaking at 3.5% in early 2026 and settling at nearly a percentage point lower by the end of the forecast period—the Fed appears to be weighing troubling labor market trends more than price trends as national employment reaches an important inflection point where there are more job seekers than there are jobs vacancies. Consequently, UCLA economists expect the Fed to continue its monetary easing policies as a way to keep the economy stimulated.

Turning to California, economist Jerry Nickelsburg presented a cautious evaluation of the state's labor conditions. As of August 2025, California's unemployment rate stood at 5.5%, 19 consecutive months above 5%, and was 1.2 percentage points higher than the U.S. rate. Nickelsburg noted that only 0.3 percentage points of this gap are "normal," with the rest due to job losses in entertainment, technology, durable manufacturing, and courier services.

Although healthcare, education, government, and agriculture added jobs, these sectors are not expected to sustain long-term growth. Forecasters identify headwinds from reforms to Medicaid and the Supplemental Nutrition Assistance Program, as well as heightened immigration enforcement, which will weigh heavily on healthcare, agriculture, construction, retail, nondurable manufacturing, and hospitality. Deportations are progressing more slowly than expected, but are already nudging up unemployment in immigrant-dependent industries.

For California to return to its long-run pattern of outpacing national growth, Nickelsburg and his colleagues argue that both manufacturing and technology employment will need to strengthen meaningfully. The forecast is guardedly optimistic about a rebound in durable manufacturing later in 2026 and 2027, driven by national industrial policy and increased demand for aerospace, satellites, and defense-related equipment, areas where California has an outsized footprint. In tech, job losses in information and professional services appear to be stabilizing.

Nickelsburg also pointed out that investment in AI, data centers, chips, and AI-related services is flowing disproportionately into California, and a growing ecosystem of firms is emerging to “clean up AI slop” and integrate AI into business operations. At the same time, the forecast cautions that tariff uncertainty, immigration restrictions (including potential changes to H-1B visas), and the risk that AI investment is partly bubble driven could dampen the employment impact. The forecast projects modest gains and a gradual decline in the statewide unemployment rate from an average of around 5.5% to the mid 4% range by 2027.

Housing remains one of California’s most entrenched challenges. Existing single-family home sales remain at “depression-level” volumes, while median home prices continue to rise. Construction activity is stagnant: building permits have been flat through August 2025, and construction employment continues to decline due to high interest rates, material costs, and deportation-related labor shortages. Although the forecast anticipates increased growth in homebuilding by 2027, this growth begins from a historically low base. It is projected to be insufficient to meaningfully improve housing affordability or ease the state’s housing shortage within the forecast horizon.

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 12/08/2025

From: Erika Almaraz, Executive Director, Fiscal Affairs

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1. AGENDA ITEM NAME

Evaluation of the Resource Allocation Model (RAM).

2. AGENDA ITEM ACTION (Please check one)

☐ Information Only
☒ Review/Discussion
☐ Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

20 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

The Resource Allocation Model (RAM) is evaluated on an annual basis.

Proposed changes to the RAM were presented at the October 13, 2025 CBF meeting and feedback regarding these changes was obtained at the November 10, 2025 CBF meeting. We also obtained feedback regarding these changes at the November 24, 2025 DCC meeting.

Based on feedback received, two models are being presented for continued discussion.

Model #1

- The following departments serve all four budget centers (Cypress, Fullerton, NOCE, and District Services). It is proposed that all four budget centers share in the cost of funding these departments (Estimated total: $1.4M). Existing advisory committees will continue to collaborate in the review of existing and future programs.
  - District Campus Safety (Org 1327) about $169K - **New**
  - District Diversity, Culture, Inclusion (Org 1130) about $277K
  - EEO & Compliance (Org 1425) about $502K
  - Districtwide Staff Development (Org 1420) about $448K
- It is proposed that a contingency between 0.5% to 3.0% of permanent positions in the Ongoing and Self-Supporting Funds be budgeted to set aside funds for districtwide increases that benefit all budget centers such as future negotiations

and the Job Family Studies. This contingency is not meant to restrict future negotiations regarding salaries and benefits. This contingency would be reevaluated each year as part of the annual review of the RAM.

- It is proposed that beginning the fiscal year after this model is adopted, any current year surplus at District Services flow to the three campuses (Cypress, Fullerton, NOCE) based on the percentage of RAM revenue each generated during the fiscal year. Existing carryovers at District Services would be utilized to complete committed projects and purchases. District Services surpluses over the last two years were: $4.6M (FY'25) and $3.1M (FY'24).

Model #2

- Currently, the percentage of revenue allocated to District Service is 9.25%. It is proposed that the revenue percentage allocated to District Services be increased between 1.0% to 2.0% to fund ongoing expenses at District Services such as those listed below.
  - District Campus Safety (New)
  - Board Approved Sponsorships (Ongoing budgeted with One-Time)
  - Contract Management Software (Ongoing budgeted with One-Time)
  - Online Procurement Solution (Ongoing budgeted with One-Time)
  - Purchasing Legal Expense (Ongoing budgeted with One-Time)
  - Travel & Expense Management Solution (Requested)
  - Banner E-forms for Personnel Change Forms (Requested)
  - Reorganizations in IT and HR (Requested)

5. RECOMMENDATION **(Required for all action items; encouraged for all review/discussion items)**

It is recommended that CBF continue evaluating the RAM and the proposed changes noted above.

Forward this form with all backup material to the office of the Vice Chancellor, Finance & Facilities.

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 12/08/2025

From: Erika Almaraz, Executive Director, Fiscal Affairs

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1. AGENDA ITEM NAME

   Unallocated Resources

2. AGENDA ITEM ACTION (Please check one)

   ☐ Information Only
   ☒ Review/Discussion
   ☒ Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

   15 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

   There is currently $1.4M in unallocated resources in Districtwide. These are one-time funds. Suggestions for use of these one-time funds include:

   - Student Advocates
   - Computer Refresh at all three campuses
   - Future Banner SaaS implementation
   - Negotiated one-time off-schedule payment anticipated at the end of Fiscal Year 2025-2026 should the District's available revenue exceed hold harmless. Estimated to be $2.9M.

5. RECOMMENDATION **(Required for all action items; encouraged for all review/discussion items**)

   It is recommended that CBF approve using $1.4M in unallocated resources to fund the negotiated one-time off-schedule payment anticipated at the end of Fiscal Year 2025-2026.

Forward this form with all backup material to the office of the Vice Chancellor, Finance & Facilities.

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: **11/12/2025**

From: **Tyler Deacy, Sp. Projects Director, Sustainability**

Re: Agenda Item for Council on Budget and Facilities of **12/8/2025**

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1. <u>AGENDA ITEM NAME</u>

   District-Wide Sustainability Workgroup

2. <u>AGENDA ITEM ACTION</u> (Please check one)

   ☐ Information Only
   ☒ Review/Discussion
   ☐ Action

3. <u>ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION</u>:

   10-15 minutes depending on discussion

4. <u>BRIEF NARRATIVE SUMMARY OF AGENDA ITEM</u>

   The District-Wide Sustainability Work Group (draft charter attached) was recommended to be a sub-group of CBF by the DCC. The work group's primary objective is to be a forum for the three Campus-Level Sustainability Committees to work alongside district services to develop and recommend policies, procedures, and guidelines to meet the goals of the 2024 District Sustainability Action Plan.

5. <u>RECOMMENDATION</u>

   CBF, as the body responsible for this new group, should discuss the draft charter and offer suggestions and recommendations for the makeup of its membership, as well as suggest priorities for the group to begin by focusing on. Short-term goals of the Sustainability Action Plan which could be addressed include but are not limited to;

   - **Defining Fiscal and Operational Feasibility as it relates to prioritizing future projects.**
   - **Updating district-wide approved planting list to prioritize hardy, native, and drought-resistant species.**
   - **Establishing a District Recycling Policy and Composting Policy (to be done after adoption of a new waste haul vendor and in accordance to local and state laws).**
   - **Work along departments focusing on basic needs to incorporate transportation as a focus in our student services.**
   - **Creating a District-Wide Sustainable Purchasing Policy in accordance with Vision 2030**

Forward this form with all backup material to the office of the Vice Chancellor, Finance & Facilities.

NOCCCD Sustainability Workgroup Goals/Objectives

While campus-specific student sustainability committees exist at some campuses, and staff/faculty Sustainability Committees exist at all campuses, there is not one district-wide forum to communicate sustainability strategies and best practices

NOCCCD SAP Chapter 8.3: Systems of Accountability and Support

Chairs of the three Campus Committees (FC, CC, AC) convened to discuss the composition of the District Committee. After discussion with the District Consultation Council, it was determined the NOCCCD Committee should be served as a workgroup under the District Council on Budget and Facilities (CBF).

The primary purpose of the NOCCCD Workgroup is to allow for a forum for the three Campus Committees to strategize implementation of the Sustainability Action Plan. The campus representatives would serve as liaisons between the District Sustainability Office and campus departments to help streamline data collection and initiative implementation. Additionally, the committee will work on several items in the SAP which require broad input, including but not limited to:

- Assessing landscape guidelines to create recommendations for more native plants and pollinator habitats.
- Planning improvements for affinity spaces across district properties.
- Developing surveys on data needed for GHG Inventories and student priorities.
- Working alongside the Safety Committee to assess and recommend improvements to resilience strategies.
- Developing new district policies in line with the Sustainability Action Plan.

It is recommended that each campus's Sustainability Committee provides a member for the core workgroup, and that this group meet to discuss and plan specific measures alongside the department or departments which the measures concern. As such, the group will consist of;

- 1 District Director of Sustainability
- 3 Members from Campus Sustainability Committees (1 ea.)
- 3 Members from Campus Facilities (1 ea.)
- Any departments impacted by that meeting's planning session

The SAP's short-team goals include interaction with Landscaping, Capital Projects, Safety Committees, Purchasing, Human Resources, Staff Development, and several others. The core workgroup members will meet ahead of any development work to prioritize and schedule which areas will be the first to meet.

As of Fall 2025, the current membership and contacts for each Campus Sustainability Committee is as follows:

Fullerton College Sustainability Committee
Co-Chairs: Roman de Jesus (RDejesus@fullcoll.edu) / Jorge Arrendondo (jarredondo@fullcoll.edu)
Managers: John Quinn / VACANT
Faculty Representatives: Josh Ashenmiller (temp: Johnny Wiel) / Aline Gregorio / Daniel Scarpa / VACANT
Classified Representatives: VACANT / VACANT
Resource Members: Tyler Deacy, District Director of Sustainability

Cypress College Sustainability Committee
Organizer: Dr. Tony Jake (tjake@cypresscollege.edu)
This committee is not a formal reporting committee and thus does not have an organized membership.

Anaheim Campus Sustainability Committee
Chair: Terry Cox (tcox@noce.edu)
Managers: Cora Baldovino / VACANT
Faculty Representatives: Anacany Torres
Classified Representatives: Violeta Aguilera-Valdes / Devin Griffith / Crystal Nguyen / VACANT
Confidential Staff: Danielle Davy
Resource Members: Tyler Deacy, District Director of Sustainability