

**COUNCIL ON BUDGET AND FACILITIES**  
**June 14, 2021**

**APPROVED SUMMARY**

**Members Present:** Terry Cox, Damon De La Cruz, Rodrigo Garcia, Cherry Li-Bugg, Melisa McLellan, Jennifer Merchant, Mary Fola Odebunmi (Alternate for Christie Diep), Kim Orlijan, Alex Porter, Leslie Tsubaki, Kashu Vyas, Ty Volcy, and

**Members Absent:** Tonya Cobb, Christie Diep, Jennifer Oo, Irma Ramos, and Fred Williams

**Guests Present:** Craig Goralski, Jeremy Peters, and Valentina Purtell

**Call to Order:** The meeting was called to order at 2:04 p.m.

1. **Summary:** The summary of the May 10, 2021 meeting was amended and approved.

2. **2021-22 Tentative RAM Budget** – Kashu Vyas presented the 2021-22 Tentative RAM Budget.

With declining enrollments, the District is expecting a \$8 million structural deficit for 2021-22. An estimated 4.05% COLA was used in the Student Centered Funding Formula (SCFF) as it was used in the May Revise. As a result of an emergency conditions provision, the State allowed Districts to use 2019-20 P-1 FTES numbers for funding. These calculations earned the District an additional \$5.1 million in hold harmless dollars for an overall apportionment of \$222.9 million. The money earned will be used to help support a portion of the structural deficit in the immediate term. It is imperative that the District prepare and plan for future years when the hold harmless dollars are no longer received.

Question/Comments:

1. *We are currently using unrestricted revenues, correct?* Yes, that is correct. The revenues are part of the SCFF, the apportionment revenues and other revenues, a combination of unrestricted state funded and local revenues (self-supporting). Categorical expenses and carry-overs are not included in the actuals.

**State Revenues** – were broken down by components listed in the RAM.

Enrollment Fee Waiver – An estimate use to help cover administrative costs related to enrollments at Community Colleges.

Full-time Faculty Hiring Funds 2018-19 – The District has been funded based on the 2018-19 allocation for the past two years and the amount remains unchanged for the 2021-22 year.

Part-time Faculty Compensation Items – If funding is available, districts receive a proportionate amount of funding for partial reimbursement for part-time faculty office hours, health benefits, and part-time compensation. Estimates were used based on last year's budget.

Lottery Funds – Are budgeted estimates. Actuals will not be received until next year.

Mandated Costs –The District will continue to participate as it provides some funding. P2 FTES numbers will be adjusted with the proposed budget when actuals are received.

### **Local Revenues/Self-Supporting Revenue**

Interest & Investment Income - Interest earnings estimated at \$1,000,000

Miscellaneous Districtwide Income – estimated at \$10,000

Budget Center Revenues – Budget Centers have provided for the self-supported activities for each center.

Interfund Transfer In – Transfer in from Redevelopment Funds

Additional Contributions from OPEB Trust – The Retiree Benefits Trust Board authorized the use of funds for the purpose of funding the current costs of the retiree health benefits, capped at \$3 million for 2021-22. We have included this potential contribution as an offset to the expenses in the Districtwide Expenses.

**Appropriations and Expenditures** – All permanent positions have been budgeted based on applicable employee step, grade, and if applicable, longevity, premium pay, professional growth and education stipends. All settled salary increases and fringe benefit reductions have been incorporated into the budget. Estimated increases of 4.05% for faculty and 3.55% for CSEA have been included as part of the calculations.

Employer Benefits Costs – Rates are expected to go up and will be reflected as soon as they are available.

Health Care Costs – The District expects the rate to be significantly higher than the current rates (as much as 15-20% higher) – Increases are not included in the Tentative Budget.

Dependent Care Coverage Costs – An estimate of the costs have been added.

**Other Operating Expenses** – The remaining costs outside of position control (permanent positions) that have been budgeted to help meet departmental needs at each budget center. A large component of that is Adjunct Faculty.

**Districtwide Expenses** – expenses include budget for costs that have been approved through CBF and DCC and will be shared across all budget centers.

#### Questions/Comments:

1. *When student enrollments are down, fewer sections are offered. Is there a breakdown of all the costs associated with the courses being offered? i.e., administrative overhead costs, adjunct faculty salary versus full-time faculty, facilities costs, etc.* Currently there is no specific cost breakdown and unfortunately, several factors and components would need to be assessed when comparing an adjunct to a full-time faculty, there is not a cost for cost comparison.

A while back there was an Enrollment Management Group at Fullerton. This group not only focused on enrollment, but the entire calculation and components related to revenues and costs. With the new RAM, this is definitely something that the campuses will need to assess, as it impacts each of the campuses differently.

2. *Is the assumption correct? Meaning, are institutions reducing the number of sections or are sections being offered with lower headcounts?* There is not a one-to-one correlation with enrollment for a section not at maximum capacity and a section not being offered. There are other factors and decisions that go into those decisions. The overall assumption would be yes, but not when it is a section-by-section assessment.

3. **2021-22 CBF Calendar** – A second reading was brought forth for approval.

**Recommendation** - *Consensus was reached to approve the 2021-22 CBF Calendar.*

#### 4. Facilities Updates

**Cypress** – Alex Porter provided an update.

- SEM – This project is coming to a close, only three to four weeks remain.
- VRC/SAC – Near completion. Staff continue to work on the waterproofing the connection of the old SAC to the new SAC extension. Tours for the Board of Trustees and Citizens' Oversight Committee members are scheduled for June 21 and 25.
- Fine Arts Renovation Project – Currently validating the 50% Construction drawings and came within \$2 million of the two estimates.
- Swing Space – Moves are expected to begin next spring.
- Other Projects – Staff are in the early planning stages for different student engagement spaces across campus and the classroom modernization program. The classroom modernization program has targeted 20 classrooms and are being worked on during the summer. In addition, air condition units, air handlers, and roofs will be replaced across campus.

Questions/Comments:

1. *What is the timeline on the Humanities Forum Building remodel?* Staff are reviewing the details and early discussions with the project planners and architects have begun. The original idea was a full-blown renovation, but this option is not feasible, instead there are two major solutions being discussed to address it as an ADA issue.
2. *Faculty have doubles and triples in the Humanities Building, would we still be able to accommodate those with these changes?* This would definitely be taken into consideration and appropriate ADA accommodations would be made.

**Fullerton** – Rodrigo Garcia provided an update.

- Instructional Building – substantial completion is expected a month earlier (mid-August) than expected. Painting and case work has been completed. Carpeting in the

offices and classrooms have been installed. Staff is working with the FF&E vendors to get the building furnished.

- Central plant expansion – this project included three cooling towers, one to specifically provide chilled water to the new building and should be completed by July.
- 300/500 – staff are currently working through some obstacles such as construction costs and DSA's 50% rule.
- Performing Arts Project – is in the final stages of the schematic design and have starting on the design development phase.
- Sherbeck Field – staff are waiting to receive the final certification from DSA.
- Chapman/Newell Project – the RFP was finalized, and 4 bids were received. Fullerton will be going to the Board for a recommendation in July to select the architect for the design/build team.
- STEM/Vocational Center – staff are working on an FPP to submit to state.
- Horticulture Greenhouse – was completed last month using strong workforce and bond funds.
- Non-Bond project – Fullerton is renovating restrooms in the historical buildings to comply with the plans for the new Starbucks. Fullerton is also starting on their ADA transition plan using the scheduled maintenance funds granted by CBF, which include path of travel projects around the buildings and utility tunnel repairs.

**Anaheim/NOCE** – Terry Cox provided an update.

- Admissions and Records Counter - will be redesigned to better serve staff and students with social distancing.
- New carpeting and flooring - will be installed in select NOCE classrooms and ready for the fall re-opening.
- Signage Standards – staff is working with Westberg and White to create signage standards. Staff also had a walkthrough for additional campus branding on the NOCCCD building and wayfinding signage throughout the campus.

**Meeting Adjourned at 3:02**

**Next meeting:** July 12, 2021