



**PLANNING & BUDGET COMMITTEE (PBC) MEETING
MINUTES,**

Facilitator: Dr. Abiodun Osanyinpeju

Recorder: C. Edwards

Date of Meeting Recorded: July 26, 2022, 1:00 pm – 2:00 pm

Location: Zoom

Vision
Compton College will be the leading institution of student learning and success in higher education.
Mission Statement
Compton College is a welcoming and inclusive community where diverse students are supported to pursue and attain student success. Compton College provides solutions to challenges, utilizes the latest techniques for preparing the workforce and provides clear pathways for completion of programs of study, transition to a university, and securing living-wage employment.

<u>PRESENT</u>		
<u>X</u> Jose Bernaudo	<u>X</u> Amber Gillis	<u>X</u> Dr. Abiodun Osanyinpeju
<u>X</u> Keith Cobb	<u>X</u> LaVetta Johnson	<u> </u> Eboni Trapp
<u>X</u> Lorena Fonseca	<u> </u> Janette Morales	<u>X</u> Dr. Jose Villalobos

OTHERS ATTENDING: Dr. Abdul Nasser, Dr. Lauren Sosenko, Dorrett Lambey, and Owen Yu

Shared Documents

- AR 6200 Budget Calendar
- 2022-2023 Compton District Final Budget Assumptions
- 2022-2023 Enacted Budget Joint Analysis

Meeting Minutes

I. Call to Order

The meeting was called to order at 1:05 pm by Dr. Abiodun Osanyinpeju.

II. Review of Minutes

- The minutes of May 24, 2022, was approved by Ms. Gillis, Ms. Johnson (moved/seconded). The vote was 7 in favor, 0 opposed, and 0 abstention. The motion passed.
- The minutes of June 21, 2022, was approved by Ms. Gillis, Ms. Johnson (moved/seconded). The vote was 6 in favor, 0 opposed, and 1 abstention. The motion passed.

III. Budget Calendar

Dr. Nasser provided an overview of the 2022-2023 Budget Calendar. He indicated that the review was to see if there are any changes that need to be made since the last revision on March

16, 2021, He mentioned that the calendar provides a roadmap as to what we need to do as far as the budget is concerned. A question-and-answer session followed.

July

- Tentative Budget for the starting fiscal year is rolled into active status (purchasing can begin) on July 1.
- Planning and Budget Committee (PBC) reviews revenue and expenditure budget adjustments.

August

- Review and discussion of the final budget assumptions and line items with PBC

September

- Final Budget submitted to ComptonCommunity College District Board.
- Review and discuss the status of Accreditation Recommendations

October

- PBC conducts annual self-evaluation, reviews accreditation recommendations relevant to fiscal (e.g., planning agendas), and sets annual goals.
- Four trainings for faculty, staff, and administration to complete the planning documentation for the next fiscal year.

November

- Review and revise planning priorities. Departments should meet at least once in-person to develop, revise, and finalize plan for the next academic year.
- Departments are encouraged to work with IE staff to finalize measurable goals.
- Two open house/support working meetings. Meet with IE staff to complete your plan.
- Assess Program Review cycle to make sure program reviews are being completed in a timely manner.

December

- Submit prioritized department/ discipline annual plans, budget, and planning for next fiscal/academic year **Due December 14.**

January

- Determine preliminary revenue estimates for next fiscal/academic year.
- Begin assessment of key budget issues for next fiscal/academic year.
- Identify budget development assumptions for next fiscal year.
- Submit prioritized **Unit Annual Plans** for next fiscal/academic year **Due by January 30.**

February/March

- Determine enrollment targets, sections to be taught, and full-and part-time FTEF.
- President/CEO determines ongoing operational costs including:
 - a. Full-time salaries
 - b. Benefits, utilities, GASB (General Accounting Standards Board)
 - c. Legal and contract obligations
- Develop Line-Item budgets for next fiscal year.
- Submit prioritized Area Annual Plan recommendations for next fiscal year for Cabinet review. **Due by March 15**

April

- Initial planning and budget assumptions for the next fiscal year are finalized and College Annual Plan is defined. **Due by April 15.**
- Tentative budget information for the next fiscal year completed for PBC. **Due by April 30.**

May

- PBC reviews and provides input about priorities in the College Plan and tentative budget for the next fiscal year. **Due by May 15.**
- Final evaluation of the current year goals and objectives are recorded. **Due by May 15.**

June

- Finalized College Plan for next fiscal year is presented to the board at their June meeting.
- Tentative budget for next fiscal year is presented to the Board at their June meeting.

Ms. Gillis stated that she likes the table the way it is currently set up, especially with the purpose. She asked if there was a reason, we only have certain items with a purpose and other sections that are blank. Is that intentional? Dr. Nasser stated that he would attempt to answer the question and replied “no,” he believes it is self-explanatory for studying financial, which is rolled into this information item, the purpose, he guesses, would be to enter items into the financial system so purchasing can begin July 1st. So, this portion in terms of activities in a way, identifies the purpose, which is to start spending money, but if you all have any other ideas and, if you want us to populate the purpose we will do that as well.

Ms. Gillis thanked Dr. Nasser and indicated that there were a few places further down where you said, what the activity was and then you elaborated on the purpose, but the purpose was blank. By automatically explaining this to us is great. However, we do not work in your office and sometimes it does help clarify and especially from an accreditation standpoint, because we are not going to have a visit in the next year or so. It might be easier for folks if we wrote it down, and they might have fewer questions. However, it is also easier for someone like me to come in and say “for a particular standard, this is part of our process, and this is the purpose” it helps to make the process more transparent. It explains a little bit further and clarify what we are doing. Dr. Nasser mentioned that it was a friendly suggestion and take that into consideration, talk to his team, and then bring it to the Deans and Directors meeting to make the revisions.

Ms. Johnson inquired about the Planning and Budget Calendar and wanted to know if this committee would have an opportunity to have a conversation about the calendar or will this be discussed at the Cabinet level. Dr. Nasser indicated that the PBC could talk about it and mentioned that the calendar is a Board policy of Compton Community College and part of our Board Policies, Procedures and Administrative Regulations since 2009, and we revise it every so often. Ms. Johnson indicated that was correct, but we usually go over it. She commented that she has been on the committee a while and thought that the committee members had input. She stated that she was surprised because usually, this is one of the things we go over. Dr. Nasser stated that he believes that you are thinking about the Annual Planning Cycle Calendar is a different item and we are not ready for that today but was aware of it.

Dr. Sosenko wanted to clarify to Dr. Nasser that she is not able to present the Annual Plan results today, but the results are forthcoming. She mentioned that the actual calendar is located under the Policies and Procedures under Administrative Regulations 6200. If there are comments about due dates or the Planning and Budgeting processes, it would be appropriate to make recommendations for updates to this Administrative Regulation. Dr. Sosenko stated to Ms. Johnson that she did not mean to mislead her and if she sees an issue where the Planning and Budget Calendar should be amended.

Ms. Johnson indicated that she was not surprised. She commented that we usually worked on this, as this was one of the agenda items we had on a regular basis. She stated that Dr. Nasser was presenting it. Dr. Sosenko indicated that it has been revised and we are focusing in on it. She mentioned that she was not sure if we are looking at it as needing major revisions, but if there is something that you think should be addressed.

Ms. Johnson: I think one of the things that we do have we were always behind whatever it was so, hopefully, since we have his presentation, we stay on target. She thinks we put it down in writing and we have the best interests at heart and making sure you know it happens, but, for whatever reason, we are close.

IV. 2022-2023 Final Budget Assumptions

Dr. Nasser provided an overview of the 2022-2023 Final Budget Assumptions recommended by the President/Chief Executive Officer. A question-and-answer session followed.

Dr. Nasser mentioned that the Tentative Budget is presented in June and the board would approve it. The Governor would sign the budget bill, and there was a difference between what was the May Revise versus what the final version of the budget was and the tentative budget. However, this time there was no major differences, with one exception and it is not identified here because we are still waiting for the details. It is the \$80 million that has been allocated for our housing project and it has yet to show up. The final budget assumptions will change because we are in the process of closing the books. So, when we come back in August, this number will change, and again in September and January as well because of the closing the books and the 311Q Report. That is why we always call it an estimated ending fund balance.

Dr. Villalobos mentioned that the last time we met was two months ago, when the budget was brought to the Planning and Budget Committee, and it did not pass. We had several concerns one being the Cost-of-Living Adjustment (COLA). Professor Bernardo and I requested clarification regarding COLA and did not receive an update. Dr. Nasser indicated that last month in June, the committee adopted the Tentative Budget to send forward to the Board of Trustees. Dr. Nasser clarified that Dr. Villalobos question has to do with the 6.56% COLA adjustment.

Dr. Villalobos commented that the last time we met there was no quorum and that that budget was not agreed upon. He wanted to know what do you mean in June the budget was approved? He indicated that there were not enough votes to complete the budget. Dr. Osanyinpeju stated that the PBC met in June, and you were not in attendance. Dr. Nasser was here, and he was able to break down some of the questions. If you look at the Minutes that were just approved, it was mentioned what he talked about. He explained the COLA credits. We have not made any decision and then we voted to support the couple of changes in the budget assumptions and that was really important to have it approved. Dr. Villalobos commented that he did not attend the last meeting. Dr. Osanyinpeju indicated that the tentative budget was approved based on analysis explanation and discussion, we were able to support the revised budget assumptions, as our last time.

Dr. Jose Villalobos asked how much of the 6% will go to salary. Dr. Nasser inquired if he was specifically talking about compensation? If so, that is a different issue. It is a contract issue. Mr. Bernardo mentioned that the Union can bring this issue up at negotiations is that correct.

Mr. Bernardo stated that related to the current topic, but to the email you sent to everyone a few weeks ago about the Governor's or the state budget or something. Do you recall that email? Dr. Nasser

inquired if that was the joint analysis. Mr. Bernaudo commented that it was an email sent to everyone, and it was about a new a budget that was agreed upon by the legislature and the Governor. It was related to our whole hold harmless and how long that it would continue. Dr. Nasser stated that what you are talking about is a joint analysis that the Chancellor's Office issued, right after the Governor signs. Mr. Bernaudo asked Dr. Nasser to explain the email in plain language. Dr. Nasser indicated that before the law was approved this law, they were talking about what would happen after 2025-2026, we would be funded from the state would be what our enrollment numbers would be. In a planning session right now, up until then we would be funded for 5,900 FTES. The fiscal cliff we would have to look at our three-year average of enrollment and our funding would be based on that. He indicated that enrollment is down, and so what we were all afraid if the fiscal cliff came, we would have a great deal of shortfall in our revenue. So, from 2024-2025 we will take your base number which is 5,000 plus. The one that I showed you on the tentative budget that is your base number that is not going to change. So, in reality, if you have less than 5,000 students, whatever we are going to take, that is the base and we are going to give you funding assuming you have 5,000 plus students, so it protects us on the revenues.

Mr. Bernaudo commented that extend our whole harmless beyond 2025-2026. Dr. Nasser stated that it goes on, if this law continues on, then it goes on indefinitely. Mr. Bernaudo clarified that there was no expiration date. Dr. Nasser indicated that is the way he understood it, but, of course, the economy changes. Mr. Bernaudo mentioned that of course things can always change with budgets and economies and right now that is a pretty good thing to rejoice or to feel relief, how would you describe it. Dr. Nasser indicated that it is certainly good news, but we still need to push for enrollment. We have no money, we need to bring our students back, serve our students, and we need to do all we can to serve our community. He recently read article recently about millions of students leaving the academic and what I mean is look at the impact in the future of the nation and the economy. We need to do whatever we can to bring in more students, if nothing else, if our revenues are still preserved let us use efficiently to bring more students.

I. The 2022-2023 Compton Community College District Final Budget Assumptions reflect information available at this time from the California Community Colleges Chancellor's Office, Governor's Proposed Budget, and District Management.

II. Unrestricted General Fund Budget Guidelines

- A. Estimated beginning balance: \$18,039,117 (2022 Estimated Ending Balance)
- B. Estimated revenue including state and local sources: \$47,312,000
- C. Budget the General State Apportionment based on generation of 5,980 FTES (Hold Harmless)
- D. Offering 1,431 sections for the 2022-2023 year.
- E. Cost of Living Adjustment (COLA) increase: 6.56% (Governors Budget Proposal)
- F. Budget for the GASB "pay as you go" costs for Retiree Benefits: \$600,000 (Estimate based on annualized 2022 actual costs)
- G. Pension contributions: Public Employee Retirement System (PERS) employer contributions at 25.37% and State Teachers Employee Retirement System (STRS) at 19.10% (Chancellor's Office Analysis of January).
- H. Unemployment Insurance at 0.5% (LACOE Estimate)
- I. Budget for projected utility increases of 1%.
- J. Budget to fill the following full-time faculty positions:
 - 1. American Sign Language
 - 2. Anatomy/Biology
 - 3. Art

4. History/Ethnic Studies
 5. Sociology
 6. Spanish
 7. Theater Arts
- K. Budget to transfer the following full-time staff positions in Information Technology Department from the Compton Recovery Fund to the Unrestricted Fund (\$185,000).
1. Business Analyst
 2. Helpdesk Supervisor
- M. Budget for the following one-time Augmentations/Enhancements (\$905,000):
1. Enrollment Management Plan (\$600,000)
 2. Budget Augmentations and Enhancements (\$250,000)
 3. Summer Enrichment Activities (\$55,000)
- N. Budget for Line of Credit debt expense of \$1,681,841, which includes a one-time augmentation of \$500,000.
- O. Budget for Other Postemployment Benefit (OPEB) contribution of \$850,000, which includes one-time augmentation of \$600,000.
- P. Budget for the California Public Entity Pension Stabilization Fund (PERS/STRS) contribution of \$200,000.
- Q. Reserve the following expenditures from the ending balance (\$4,450,000):
1. Compton College Enterprise Resource Planning System (\$3,700,000)
 2. Compton Community College District Personnel Commission (\$400,000)
 3. One-time augmentations for future Compton College Fire Academy equipment (\$350,000).
- R. Budget for an inter-fund transfer out:
1. Transfer \$400,000 to the Property & Liability Fund to pay cost of property and liability insurance.
 2. Transfer \$150,000 to the Child Development Fund to support the operational costs for the Child Development Center
 3. Transfer \$1,300,000 to the Capital Outlay Fund to pay for Computer Equipment Replacement
 4. Transfer \$300,000 to the Capital Outlay Fund to pay anticipated additional cost for the Visual & Performing Arts Replacement Project.
 5. Transfer \$3,000,000 to the Capital Outlay Fund to pay anticipated additional cost for the Physical Education Complex Replacement Project.
 6. Transfer \$150,000 to the Capital Outlay Fund for Student Housing California Environmental Quality Act (CEQA) Study

V. Adjournment

The meeting adjourned at 1:45 pm.