

PLANNING AND BUDGET COMMITTEE
DRAFT MEETING NOTES – MARCH 2, 2018

Attendees: Noell Adams, Roanna Bennie, Diane Brady, Rajeev Chopra, Laurie Dockter, Jennifer Druley, Wyman Fong, Dave Fouquet, Ron Gerhard, Cathy Gould, LaVaughn Hart, Lorenzo Legaspi, Megan McClain, Thomas Orf, Pedro DeCastilla, Rajinder Samra, Ashanti Smith, Barbara Yesnosky, Turner Zischka, By phone: Susan Sperling

Approval of Agenda

The agenda was approved as submitted.

Approval of Meeting Notes

Meeting notes from February 2, 2018 were approved as submitted.

Introductions

Lorenzo introduced the new attendees and welcomed them to the meeting. They were: Turner Zischka, representing the Associated Students at Las Positas College, Human Resources staff: Jennifer Druley, Megan McClain and Ashanti Smith.

Budget Allocation Model (BAM) Recommendation to the Chancellor

LaVaughn, Chairperson of the BAM subgroup reported on the progress of the development of BAM recommendations to the Chancellor.

The group did not make changes to the recommendations from Spring of 2017. Those were; BAM, funding source for OPEB reserve/target, and District reserves target. Details below:

- a. Contract Ed fund balance to be distributed with 50% to OPEB, 30% for Step 3A costs. 20% to remain Contract Ed for their program and for discretion of the Chancellor.
- b. OPEB reserves to be equivalent to three times the annual retiree medical costs.
- c. General apportionment FTES revenue must go through the BAM, including rollbacks.
- d. General (Base) allocation increases/decreases will flow through the BAM.
- e. One-time revenue from the State need to be identified as one-time in the BAM.
- f. Increase the limit for District Reserves from 8% as previously recommended by PBC

New Recommendations

- 1) Change the funding method for District Office and M&O from percentage to Base with augmentation based on metrics.
- 2) For year 2018-19 base funding for District Office and M&O, use 2017-18 ongoing funding. One-time funding to be allocated as a percentage of total revenue to the four sites.
- 3) The metric for M&O is to be the current usable gross square footage space and the metric for District Office is FTES. Review the metrics and increments after two years and then every three years as a part of the BAM
- 4) The increment for M&O for science laboratory may require more resources than other types of buildings and, therefore, an augmentation at the lower range of square footage might be appropriate. The increment for the District Office is +/- 250 FTES.
- 5) Revenue that flows through to all sites based on the percentage of increase to the total budget. COLAs from the state would go to the sites automatically and base allocation would be based on the percentage of increase to the total budget.

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In recognition of the proposed changes to the funding model from the state, this will need to be revisited to determine the impacts.

- 6) Mechanism for automatic augmentation and review of augmentation and what triggers augmentation. The need to develop scenarios that show how to handle augmentations during budget downturns. Have a mechanism to check that changes in the funding to the District Office and M&O do not negatively impact funding to the campuses. Possible triggers for review of augmentation; projected downturn with FTES reduction, change in funding formula from State, state deficit factor imposed, reduction in per FTES amount.

The co-chairs will meet and wordsmith the recommendations and prepare it to forward to the Chancellor

Update on New Student Centered Funding Formula

Lorenzo updated the group on the state's new future funding formula. The old funding was based on the number students, the new proposal:

Base Grants (50% of formula) – based on FTES enrollment

- Supplemental Grant (25% of formula) – based on the number of low-income students
- Student Success Incentive Grant (25% of formula) – based on the number of degrees and certificates granted and the number of students who complete a degree or certificate within a specified time frame

There is a Hold Harmless Provision where districts will be held harmless during the first year of implementation

Next Meeting

April 6, 2018