

# VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

## District Council on Administrative Services (DCAS)

District Administrative Center, Thomas Lakin Boardroom

Thursday, April 18, 2019

### NOTES

#### DCAS Attendees:

Silvia Barajas, Vice President, Business Services, Moorpark College  
Cathy Bojorquez, Vice President, Business Services, Ventura College  
Nenagh Brown, Academic Senate President, Moorpark College  
Mike Bush, Vice President, Business Services, Oxnard College  
Jennifer Clark, Budget Director  
Emily Day, Director, Fiscal Services  
Jeanine Day, Classified Senate Representative, Ventura College  
Jenine Daly, Human Resources Representative  
Gilbert Downs, Classified Senate Representative, Moorpark College  
Diane Eberhardy, Academic Senate President, Oxnard College  
David El Fattal, Vice Chancellor, Business and Administrative Services  
Mark Frohnauer, AFT Representative  
Nubia Lopez-Villegas, Human Resources Representative  
Lydia Morales, Academic Senate President, Ventura College - Skype  
Chris Renbarger, Classified Senate Representative, Oxnard College  
Maria Urenda, SEIU Representative

#### Absent:

Julius Sokenu, Vice President, Academic Affairs, Moorpark College

*Recorder: Laura Galvan*

Meeting called to order 9:03 a.m.

#### APPROVAL OF MEETING NOTES – MARCH 21, 2019

The meeting notes from March 21, 2019, were approved by consensus.

Ms. Brown commented that the Self-assessment surveys will be open through the end of the day.

#### COLLABORATIVE BRAIN TRUST (CBT) REPORT

Vice Chancellor El Fattal briefly discussed the CBT report and some of the recommendations it contains. He explained the report will be discussed in detail with Chancellor's Cabinet at an upcoming retreat. The second day of the two-day retreat will include all vice presidents. Ms. Brown suggested having academic and classified senates represented at the retreat. Ms. Barajas explained that she felt the Chancellor can meet with his Executive Management Team and any suggestions from that retreat would be brought through the participatory governance process.

#### FUND 693 QUARTERLY REVIEW

Dr. Clark explained the report contains information through the end of March 2019. She stated that the beginning balance is \$474,874; projected current year shortfall of \$489,000. In summary, the fund will have a projected deficit fund balance of approximately \$15,000 at 6/30/19. She explained that the

deficit in this fund will be shared by all cost centers at year end. Dr. Clark explained that HRL/HR2 rates will increase for FY20. Dr. Clark will recalculate rates, notify campus vice presidents, and update rates and Banner, thus updating the FY20 budgets.

#### UNBUDGETED FY19 REVENUE

Ms. (Emily) Day explained the total unbudgeted revenue that is projected for FY19. She explained that the District's Total Computational Revenue increased by \$11.4 million and that the State imposed a deficit factor of \$5.06 (\$8.6 million) at P1 (March 2019). The total unbudgeted revenue also consists of the full-time faculty hiring funds. Ms. Day explained that the 2015-16 FT faculty hiring funds were included in the Total Computational Revenue (TCR) and that the 2017-18 funds were apportioned separate from TCR. Hence, there is an additional \$1.2 million at P1. Part-time Equity Compensation funding has also increased in the P1 estimates by \$27,000. In summary, the total unbudgeted FY19 revenue is \$4 million. The FY19 Adoption Budget was built using \$164 million in revenue; the revised revenue to be allocated for FY19 is \$168,163,715.

Dr. Clark presented a revised FY19 Allocation Model. The DAC's dollar amount also increased because of the increased amount to be distributed, but the percentage remains at 6.98%. Dr. Clark explained that Line 6, full-time faculty, has changed since the Adoption Budget. It is the actual number of teaching faculty hired at the beginning of the fall semester. This additional revenue will flow through the model this year (FY19). The allocation model narrative includes provisions for an extra line of carryover. This amount is different from the *up to 2% carryover amount* and will be accounted for separately.

Vice Chancellor El Fattal explained that the upcoming Statewide Chancellor's Office Consultation Council meeting agenda includes an item to deal with the deficit. There is talk to extend the hold harmless through FY22. This is primarily due to additional state costs for student outcomes. This change would affect this fiscal year (FY19). He also stated that the 50% law and Full-time Obligation Number (FON) are also being discussed at the Statewide Consultation Council meeting.

#### FY20 REVENUE PROJECTIONS

Dr. Clark explained that revenue projections for FY20 Tentative Budget are based on FY18 TCR plus COLA from FY19 and FY20. She also discussed COLA for FY 19 and 20. The deficit factor is not applied to the District's hold harmless amount. Dr. Clark explained that the FY20 Revenue Projection spreadsheet changed to mirror the way the State allocates funds with SCFF. She indicated that \$170.8 million will be allocated for FY20. There was a discussion about the FTES figures, whether or not it is a 3-year average. Dr. Clark will confirm and follow-up with DCAS members via email.

*[NOTE: Subsequent to the April 18, 2019, DCAS meeting, Dr. Clark sent DCAS members an email confirming the following:*

- *FY19: 26,289 is based on the base allocation portion of the SCFF. It is calculated using a three-year average of credit FTES plus special admit and incarcerated credit, non-credit, and CDCP.*
- *FY20: 26,667 is calculated using the 'traditional' FTES only apportionment model. The FY20 budget is based the 2017-18 'Hold-Harmless' TCR calculation. 2017-18 FTES of 26,667 includes the shift from 2018-19.]*

The Full-time Faculty hiring funds are ongoing. Ms. Brown reminded the Committee that these funds are not necessarily going towards hiring new faculty. Dr. Bush explained that, in summary, the District "front loads" hiring as illustrated by being above the FON and is now funded by the state.

### FY20 REVENUE PROJECTIONS/INCREASED COSTS

Dr. Clark explained the projected new revenues for FY20; a total of \$6,708,080. She also explained the projected increased costs for FY20. Faculty health and welfare is projected to increase by 7.5%, which equals \$790,000/year. She also described the increase in salary step/column expenses. There was a discussion regarding any potential increase in part-time faculty. Ms. Bojorquez explained that part-time faculty budgets are handled at the campus; they are not included in these projections. Dr. Clark stated that the PERS rate has been solidified at 20.733% (up slightly from 20.7%).

### FY20 DISTRICTWIDE SERVICES

Dr. Clark described the changes to the Districtwide Services spreadsheet:

- 82011 (Personnel Commissioners) increased due to necessary software for hiring and recruitment.
- 82141 (Airport Maintenance) decreased by \$15,000. It was suggested that the ORG name change to something more relevant.
- 82149 (Executive Management Search) has been increased due to recent vacancies. There was a discussion about 82174 (New Information Technology). Carryover from FY18 into FY19 is approximately \$60,000. Currently, \$159,000 is still available for FY19, but expenditures are pending. These funds are allotted and transferred to a 451 org after DOC has approved expenditures for new implementation of technology.
- 82177 (Data Base Admin/Tech Implementation) decreased by \$210,000; there was a discussion about the decrease related to a database administrator that was hired. The expenses shifted from consulting services to the hire of personnel. Dr. Clark explained this change should have been captured in FY19, but due to an oversight is not reflected until FY20.
- 82181 (Contingency) increased and two new orgs that will be created: facilities and management consulting.

There is a total overall increase of \$919,000 for Districtwide Services. The facilities org code will be to develop the 5-year construction plan as well as the space inventory report. Vice Chancellor El Fattal briefly described the current space inventory issues related to cap load issues and qualifications for state funding. There will also be an increase to 82101 (Board of Trustees) of \$100,000 for livestreaming/broadcasting VCCCD Board meetings. Vice Chancellor El Fattal explained the projects included in the increased management consultant org. He stated that items in this org may include, compressed calendar scope of work (SIG/Banner programming), Districtwide Strategic Plan, Districtwide hazardous materials inventory/training, and budget allocation model consulting. There was a discussion about the revenue received from Institutional Effectiveness Program Implementation (IEPI) (\$200,000). Vice Chancellor El Fattal explained that approximately \$86,000 was paid to Collaborative Brain Trust (CBT).

Ms. Brown commented on expenses related to the 5-year plan and space inventory consultants. She stated that some of the expenses seem nebulous and inquired whether or not the colleges asked for these studies. Vice Chancellor El Fattal explained that the current, incorrect information currently in FUSION does not allow VCCCD to receive state funding for scheduled maintenance. These two facility reports are required to be reported to the State on an annual basis. Vice Chancellor El Fattal discussed other proposed studies that need to be conducted, i.e., health benefit consultant audit.

Ms. Brown suggested that some of these expenses be taken from Reserves.

Dr. Eberhardy explained that she spoke with Dr. Gillespie and he indicated the \$430,000 for police services would be put on hold. Vice Chancellor El Fattal was not aware of this information and will consult with the Chancellor.

*[NOTE: Vice Chancellor El Fattal had a discussion with Chancellor Gillespie and \$430,000 will remain allocated to police services for the hiring of three additional police officers.]*

#### UTILITIES

Dr. Clark explained that the utilities will be budgeted the same as FY19. There was a discussion about the solar projects at each campus and how that may impact the cost of electricity.

#### FY20 ALLOCATION MODEL

Dr. Clark explained the FY20 allocation model. She explained that the DAC percentage has increased slightly due to the shift in the IT database administrator expense moving from districtwide services to DAC. The new percentage is 7.1% vs. 6.98%. After District-wide services and utilities, \$146 million is available for distribution and will flow through the allocation model. Dr. Clark noted that line 6, FTEF (instructional faculty), includes vacancies. During the Adoption Budget building process, this number will be adjusted to the actual number of hired, teaching faculty; the actual cost of salary and benefits will also be reflected. As previously discussed, line 15b is the one-time, one-year additional allowable carryover from FY19.

Ms. Bojorquez made a statement on behalf of Ventura College. In general, she understands the reasoning for the additional districtwide expenses, but would like it also recorded that the colleges get the shortfall.

Ms. Brown advocated for the expenses from districtwide expenses coming from reserves. Dr. Eberhardy expressed concern about police services. Dr. Bush asked whether or not to budget to the revenue number provided. He explained that some of this can be resolved at Adoption, but the campuses need to proceed with the Tentative Budget. At a minimum, the police services issue can be clarified.

Ms. Barajas agrees with Ms. Brown that some of these expenses are one-time and should be spent from reserves.

Ms. (Jeanine) Day explained that the campuses are asked to constantly cut back, but she doesn't see the same reductions at the DAC. Ms. Brown asked that the timeline calendar be updated to review the districtwide services earlier in the budget process. It seems to be late to adjust campus budgets accordingly.

There was a request to update page 46 of the FY19 Adoption Budget to include benefits by employee group, if possible.

Mr. Frohnauer inquired about the ending fund balance for funds 113 and 114. Vice Chancellor El Fattal explained that the Tentative Budget will include more details than in previous years.

Meeting adjourned at 10:49 a.m.