

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council on Administrative Services (DCAS)

District Administrative Center, Thomas Lakin Boardroom

Thursday, May 8, 2019

NOTES

DCAS Attendees:

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
Gilbert Downs, Classified Senate Representative, Moorpark College
Diane Eberhardy, Academic Senate President, Oxnard College
David El Fattal, Vice Chancellor, Business and Administrative Services
Nubia Lopez-Villegas, Human Resources Representative
Lydia Morales, Academic Senate President, Ventura College
Chris Renbarger, Classified Senate Representative, Oxnard College
Maria Urenda, SEIU Representative

Absent:

Silvia Barajas, Vice President, Business Services, Moorpark College
Jenine Daly, Human Resources Representative
Mark Frohnauer, AFT Representative
Julius Sokenu, Vice President, Academic Affairs, Moorpark College

Recorder: Laura Galvan

Meeting called to order 1:05 p.m.

APPROVAL OF MEETING NOTES – APRIL 18, 2019

The meeting notes from April 18, 2019, were approved by consensus.

FY19 UNBUDGETED REVENUE

Dr. Clark reviewed the unbudgeted revenue for FY19. She explained that a column was added representing the April 2019, apportionment (P1) update, which resulted in a reduction of FY19 revenue from the March 2019 P1. Part of the reason for decreased revenue is primarily due to how the 3-year average of credit FTES is calculated. The State has removed the special admit (high school students (non CCAP)) credit FTES from the number. Additionally, incarcerated credit FTES have been removed from the three-year rolling average FTES number. For FY2017-18, special admit students total 290 students at Moorpark College; 120 students at Oxnard College; and 339 students at Ventura College. Ventura College had six incarcerated credit FTES for FY18; no others are reported. This change has been applied to the District's credit FTES calculation for FY17, FY18, and FY19. As a result, the District's three-year credit FTES average has decreased. She stated that the FY19 special admit and incarcerated FTES rate is \$5,457/FTES; rolling average credit rate is \$3,727/FTES. Prior to this change, special admit and incarcerated student FTES were counted twice in a district's base allocation. The total FTES/P1 revised April adjustment for FY19 equates to an additional \$1.7 million for VCCCD since Adoption.

Dr. El Fattal indicated that the State wanted to commit to the hold harmless amount previously provided. He explained that they analyzed those amounts and evaluated remaining revenue to be allocated. The remaining revenue (after the hold harmless amounts) will be divided amongst the districts that would benefit from SCFF. He stated there are not enough funds to fully fund the SCFF. The amount was prorated amongst eligible districts; VCCCD will also receive a portion of the deficit. Vice Chancellor El Fattal cautioned DCAS members that this number may change again before the end of the fiscal year. Hopefully, more may be known at the May Revise, which is expected to be released May 9, 2019.

Dr. Clark stated that the total revenue for FY19 is \$166,947,981; that amount will flow through the District's allocation model.

FY20 TENTATIVE BUDGET NARRATIVE

Dr. Clark explained that the FY20 Tentative Budget Narrative is an unfinished draft and will be updated and presented again at the May 23, 2019, DCAS meeting. The narrative will be finalized after the May Revise.

It was stated that Dr. Gillespie has announced the Anthem health care premium will increase by 6%. Dr. Clark explained that the projected 7.5% increase will remain as part of the FY20 Tentative Budget. A note that rates were finalized after budget finalization will be added to the narrative and actual numbers will be reflected in the Adoption Budget.

There was a brief discussion about an update to the actuarial study (roll forward) being presented to the Board at the May 2019, Board meeting. Ms. (Emily) Day indicated that the update was done for the sole purpose of financial statement reporting. The FY20 Tentative Budget Narrative will be updated reflecting the current actuarial figure.

Ms. Day explained that Restricted funds include grants and categoricals. She stated that some grants are carried over from FY19: Strong Workforce and Guided Pathways. She noted that the figures are placeholders for carryovers. Further, the majority of the categoricals are budgeted at 95% of the FY19 funding. Other grants are budgeted for FY20 using the latest award letters from the sponsoring agencies. Ms. Day noted that the face pages of these contracts and grants may not be ready in time for the May 23 agenda distribution. DCAS members were understanding of the budget development time constraints, but would like the bulk of the documents as soon they are ready, while the balance of the documents can be distributed at the meeting or as soon as possible beforehand.

Dr. Clark explained that the new, increased parking rates are included in the budget projections. The amounts also reflect the additional \$430,000 for three new officers.

There was a discussion about mandated claim reimbursements vs. the block grant. Ms. Day explained that when the District receives the block grant funds, some of those funds are allocated to the health care centers and the balance goes into Fund 113. In FY15, the District received over \$14 million that was over and above the block grant apportionment. For FY20, the Mandated Claim Block Grant funds will continue to be allocated internally as in recent years.

Ms. Day explained that the Scheduled Maintenance and Instructional Equipment and Library Materials (IELM) funds are not included in the FY20 budget as they were not included in the Governor's initial

budget proposal. This may change at the May Revise and, if so, will be reflected in the FY20 Adoption Budget.

FY20 REVENUE PROJECTIONS

Dr. Clark explained that the FY20 revenue projections have been updated to reflect the recent changes made to FTES calculations presented as part of the P1 in late April 2019.

DISTRICTWIDE SERVICES

Ms. Brown explained that when the Districtwide Services budget is presented to Chancellor's Consultation Council, the Academic Senate will use that opportunity to object to some of the increases. She reiterated that the concerns expressed at the April 2019 meeting about using reserves was not addressed by the group. She explained that the colleges must live within their budgets and the Districtwide Services budget should also. Ms. Brown stated she feels that some of the proposed expenditures in districtwide should be paid with reserves. The other concerns expressed by Moorpark College were the excessive funds used for consultants, specifically an external consultant for the allocation model development for VCCCD. There are also concerns with the space utilization report. Ms. Brown reiterated that these expenses should be paid for through reserves.

Dr. Bush expressed concern about perceptions and communications. When Information Technology goes over in their districtwide budget, Associate Vice Chancellor Watkins comes to DOC to discuss the issue. When Police Services goes over their budget, there is no communication or reporting.

Ms. Brown stated that Districtwide Services is for the three campuses and the DAC. The DAC makes decisions, but the colleges don't have input. If this were the campuses, the expenses would be vetted and prioritized at the campus. Not everyone would be happy, but each member would know the item was appropriately vetted. That discussion did not happen in this group. It was suggested that more detailed information be provided within the Tentative and Adoption Budget books, for instance, the schedule that is provided to DOC/DCAS. There were no objections about providing detailed information.

Ms. Brown asked whether or not DCAS members were interested in making a recommendation to use reserves for some of those special reports, etc. Ms. Bojorquez suggested that DCAS wait until the May Revise occurs and the District knows what will be provided for Adoption. That might be the time to address the one-time expenses. She further explained there could be requests on campus that might provide an opportunity to address campus needs as well. This discussion will take place before the Adoption Budget.

UTILITIES

Dr. Clark explained that utilities will be budgeted the same as FY19; no increase.

FY20 BUDGET ALLOCATION MODEL

Dr. Clark explained that the FY20 Allocation Model is very similar to what was presented at the April DCAS meeting. The only exception is the FY19 carryover amount, which has been reduced due to P1 adjustments by the State regarding FTES calculations.

Ms. (Emily) Day also cautioned DCAS members that the State has mentioned they may take back the shifted FTES amount from summer. If this comes to fruition, she said this will result in an even great deficit to the District.

FUND 113 BY MAJOR OBJECT

Vice Chancellor El Fattal stated that the Quarterly 311 Report will be presented to the Board in May with additional projections regarding Fund 113.

POLICE SERVICES/PARKING

Dr. Bush expressed concerns about overspending in the police services budget. He stated that the colleges need monthly reports on parking permits and salary expenses. Dr. Bush suggested using the parking lots allocation as a protection for a potential police services budget shortfall. There was a discussion about postponing parking lot projects funded by Fund 124 in order to have a contingency for police services.

Dr. Clark stated that the FY19 police services budget is projected to be in deficit by approximately \$300,000. With a beginning fund balance of about \$122,000, the fund is expected to have a shortfall of approximately \$184,000, which is presently identified as being covered by the DAC budget. It was suggested that DCAS receive bi-monthly updates from Chief Justice, while DOC will receive monthly updates. Chief Justice will be invited to present budget updates to both groups.

All expressed sentiments that this is an issue and must be addressed.

CHILD CARE SERVICES

There were no comments regarding the Child Care Services budget.

FOOD SERVICES/VENDING

Dr. Clark explained that the District is in the process of issuing an RFP for beverage services. The current contract with Coca Cola is expired and the District is in the extended period and renegotiating the contract. No bonus has been budgeted as the contract has not been finalized.

There was a question about the \$20,000 transfer out at Moorpark College. Where is it going? Ms. Brown suggested it goes to ASG. Dr. Clark will provide information on this transfer out at the May 23 meeting.

(Note: The FY19 \$20,000 transfer out from MC Food Services/Vending went to MC's Public Relations trust org.)

SPECIAL REVENUE FUND/CRM

There were no comments regarding the Special Revenue/CRM budget.

INTERNAL SERVICES FUND

The projected FY20 ending fund balance is \$2,130,000. However, the projected budgeted amount always comes up short in collections, for various reasons. Therefore, a lower ending fund balance is anticipated. This will continued to be monitored by DCAS on a quarterly basis.

Dr. Clark explained that the HR2/HRL rates increased significantly for FY20.

DCAS COMMITTEE SELF-APPRAISAL SURVEY RESPONSES

The FY19 DCAS Committee Self-Appraisal Survey responses were reviewed and discussed. The following summarize discussions related to specific questions:

Question #3 – There was a discussion about a response where respondents felt their opinion didn't matter. The consensus of the group is that everyone has the time to ask questions and should speak up. Committee members are encouraged/reminded to bring items to the agenda.

Question #4 – Vice Chancellor El Fattal stated that he doesn't dispute the comments made and appreciates the need for more effective prioritization.

Question #5 – In order to publish the DCAS agenda more timely, it was suggested that the DOC meeting dates be moved up to provide more time between DOC and DCAS.

It was suggested that self-evaluation survey questions be discussed and possible changes be suggested. A goal-setting should take place in the fall.

Ms. Brown suggested that the comments be shuffled to ensure anonymity. Also, Ms. Brown suggested that staggering due dates/survey end dates would allow more inclusion. It is difficult when multiple surveys for various committees are due at the same time.

Meeting adjourned 3:09 p.m.

Agenda items for May 23, 2019

- FY20 Tentative Budget
- Police Services revisit