



PLANNING & BUDGET COMMITTEE (PBC) MEETING
Compton Community College District
June 24, 2014 – 2:00 pm – 3:00 pm
Board Room

MEMBERS PRESENT

Trish Bonacic Dr. Billie Moore LaVetta Johnson Joanna Navarro
 Dr. Rodney Murray Miguel Ornelas David Simmons
 Carmela Aguilar Dr. Michelle Priest

OTHERS ATTENDING: Felipe Lopez, Barbara Perez, and Marci Myers

Handouts

- Planning and Budget Timeline: Planning Year 2014-2015
- 2014-2015 State Budget Update

I. Call to Order

The meeting was called to order at 2:17 p.m. by Dr. Rodney Murray.

II. Approval of Minutes

The minutes of April 22, 2014, May 27, 2014, and June 3, 2014 were deferred until the next meeting, as there was no quorum.

III. Committee Reports – None.

IV. Final Budget Timeline

Mr. Lopez provided a handout of the Planning and Budget Timeline. . A question and answer session followed.

- The Board approved the Tentative Budget on June 11, 2014.
- The Board is scheduled to approve the final Budget on September 9, 2014.
- Mr. Lopez mentioned that we will have additional meetings between June 11, 2014 and September 9, 2014. He will be going through the final budget and making changes, incorporating the information that was just released from the state after we adopted our tentative budget.
- Set aside monies for both one-time planning allocations: Enrollment Management, site improvement, and Technology. We need to finalize what the funds will be utilized for. Mr. Lopez stated that we will have someone from Enrollment Management come to this committee to provide a presentation.
- The PBC will review the first draft of the final budget on August 5, 2014. Mr. Lopez mentioned that the committee will meet twice in July and August to allow sufficient time to review the budget, make any changes, and make it available for

the Board to adopt.

- Mr. Lopez stated that he would send out a calendar of the upcoming PBC meeting dates. He stressed that it is important for all members to be in attendance during the time when adopting the tentative and final budgets. Ms. Perez stated that Dr. Priest will begin to teach in the mornings. Dr. Murray indicated the Dr. Moore is unavailable until the fall semester and he was not sure about Ms. Aguilar. Mr. Lopez indicated that this time frame is most critical.
- Mr. Lopez stated that he plans to close the books and general ledger no later than August 15, 2014 to ensure he has the unaudited numbers for the budget. He stated that he will be sending out email notices to remind the departments to urgently forward any invoices they receive to the Business Office, so they may be included in the year end close. Mr. Lopez stated that if goods and services are not received by June 30, 2014, it will be a 2015 expenditure. There are no exceptions.
- Ms. Perez asked when the 2014-2015 budget will be uploaded. Mr. Lopez stated hopefully by Wednesday, June 25, 2014 but no later than Thursday, June 26, 2014.

V. State Budget Update

Mr. Lopez provided a handout of the 2014-2015 State Budget update. A question and answer session followed. Mr. Lopez stated that when we do our tentative budget it does not match when the state adopts it; it was two days afterwards when the Legislature passed the final version of the 2014-2015 budget. He stated that there are some slight changes from the tentative budget and assumptions that was adopted on June 11, 2014.

- The STRS rate increase was originally budgeted at 9.50 percent. It was adjusted to 8.88 percent and we will be making the correction. It increased from the previous year of 8.25 percent. During the 2015-2016 through 2019-2020 fiscal years, the rate will grow by an additional 1.85 percent annually. In 2020-2021, it will further increase by 0.97 percent, resulting in an employer contribution rate of 19.1 percent over the next seven years. It will affect Child Development, categorical programs, general fund unrestricted, and anyone who is under the STRS retirement system. The adjustments will be made in the final budget.
- Increased access was budgeted for 2.75 percent, something the District budgeted at 2 percent.
- COLA 0.85 percent.
- The big news was the removal of the local match for scheduled maintenance and instructional equipment - \$148 million (includes district flexibility)
- \$100 million increase for the Student Success Services Program (SSSP). It had a large 3 to 1 match requirement and now it is proposed that the first \$100 million will require a 2 to 1 match and the second \$100 million will be a 1 to 1 match. For every state dollar that we utilize we have to come up with \$2 of unrestricted dollars. Ms. Perez asked if we could do it. Mr. Lopez replied he reviewed the District match for 2013-2014 and what it will be in 2014-2015; it is basically doubling. He sent an email to Trish asking if there is a plan to be able to utilize all of the SSSP dollars. The impact would be if we are unable to come up with the match requirement and not be able to utilize all of the additional state funds for the SSSP. Ms. Perez stated that there were some areas of need that were discussed between SSSP and Student Equity. For example, Student Equity will require a significant amount of research support and she would like to see an

additional research person funded between the two programs and if we can afford the match.

- Mr. Lopez stated that the complete buy down of all of the deferrals will not happen, but some were included in the budget. All but \$94.6 million of system deferrals will be paid down.
- A positive trigger is in place, allowing the Director of Finance to increase Proposition 98 funding if, in his determination, the Proposition 98 guarantee is higher than estimated at the time of budget adoption. Any additional expenditure will then be to pay down the remaining deferrals. We were hoping that all deferrals would be eliminated during the 2015 budget year, but we will not eliminate them all for another year.
- Mr. Lopez stated that he will be modifying and making changes to the tentative budget as we go through the final stages and once it is available he will bring it back to the PBC for presentation and review.
- Ms. Perez asked if there was an upcoming Budget Workshop. Mr. Lopez stated it was on July 3, 2014. Ms. Perez asked if we would find out what our funding level would be at that time. Mr. Lopez stated that Linda from the Chancellor's Office had previously sent that information and he would forward the information to her.

VI. Other Business

Ms. Navarro mentioned that she is taking a Physics 1A class at El Camino and she noticed the pictures on the walls that pertain to Physics. She wanted to know if funding at the District could be allocated to make the classrooms more aesthetically appealing. Ms. Perez stated that the pictures were provided by outside funding. She indicated that there is not enough walls space to decorate because of the cabinetry. Ms. Navarro stated that she feels that all of the buildings on this campus are not up to par when compared to other Districts.

VII. Adjournment

The meeting adjourned at 2:41 pm.