



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

**Facilitator:** Dr. Abiodun Osanyinpeju  
**Date of Meeting Recorded:** May 26, 2020, 1:00 pm – 2:00 pm

**Recorder:** C. Edwards  
**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.

**PRESENT:**

<u>X</u> Jose Bernaudo	<u>  </u> Stephanie DeWitt	<u>X</u> Dr. Abiodun Osanyinpeju
<u>X</u> Jonathan Chase Butler	<u>X</u> LaVetta Johnson	<u>X</u> Dr. Jose Villalobos
<u>X</u> Keith Cobb	<u>X</u> Janette Morales	

**OTHERS ATTENDING:** Stephen Kibui, Lauren Sosenko, and Andree Pacheco

**Handouts**

- 2020-2021 Revised Budget Assumptions
- 2020-2021 Tentative Budget
- Line of Credit Debt Service Schedule
- Other Postemployment Benefits (OPEB) Public Entity Investment Trust Funding Schedule
- Pension (PERS/STRS) Funding Schedule

**Meeting Minutes**

I. Call to Order

The meeting was called to order at 1:15 p.m. by Dr. Abiodun Osanyinpeju.

II. Review of Minutes

The minutes of April 28, 2020 were approved. Mr. Bernaudo, Ms. Johnson (moved/seconded). The motion passed unanimously.

III. Governor’s May Revise

On May 14, 2020, Governor Gavin Newsom released the May Revision to the January 2020 Budget Proposal. The May Revision Budget Proposal included several areas of reduction from the January 2020 Budget Proposal. We are still analyzing the May Revision and the potential impact to the Compton Community College District 2020-2021 Budget.

The Governor's May Revision Budget Proposal reduces ongoing funding for California Community colleges in 2020-2021 by \$5.6 billion compared to the Governor's January 2020 Budget Proposal. The May Revision, if approved, would reduce our General Fund unrestricted budget by roughly 10%, which is \$4.2 million (including the elimination of a planned Cost of Living Adjustment), reduces the Strong Workforce Program by 55%, reduces Student Equity and Achievement by 15%, and the Adult Education program by 10%.

#### IV. Revised Budget Assumptions

Mr. Kibui stated that the Governor had some good idea of how he wanted to fund the Community Colleges. However, things have changed since coronavirus. He provided an overview of the 2020-2021 Tentative Budget Assumptions for the District. A question and answer session followed.

The following 2020-2021 Tentative Budget Assumptions are recommended by the President/Chief Executive Officer.

##### I. Organization

The 2020-2021 Compton Community College District Tentative Budget Assumptions reflects information available currently from the California Community Colleges Chancellor's Office, Governor's May Revision, and District Management.

##### II. Unrestricted General Fund Budget Guidelines

- A. Estimated beginning balance: \$14,897,702 (2020 Estimated Ending Balance)
- B. Estimated revenue including state and local sources: \$37,480,000
- C. Budget the General State Apportionment based on generation of 5,980 FTES.
- D. Offering 1,381 sections for the 2020-2021 year.
- E. No funding for Cost of Living Adjustment (Governor's May Revision).
- F. Budget for the GASB "pay as you go" costs for Retiree Benefits: \$577,000 (Estimate based on annualized 2020 actual costs).
- G. Pension contributions: Public Employee Retirement System (PERS) employer contributions at 20.70% and State Teachers Employee Retirement System (STRS) at 16.15% (Chancellor's Office Analysis of the Governor's May Revision).
- H. Budget for projected utility increases of 4%.
- I. Budget to fill the following full-time faculty positions:
  - 1. EOPS/CARE Guided Pathway Counselor – Restricted General Fund
  - 2. Heating, Ventilation, and Air Conditioning (HVAC)
  - 3. Nursing Instructor (3 Positions)
  - 4. Special Resource Center Guided Pathways Counselor
- J. Budget to fill the following full-time classified positions:
  - 1. Police Officer (5 Positions)
- K. Budget to fill the following full-time management positions:
  - 1. Associate Dean of Nursing – Restricted General Fun
  - 2. Distance Education Manager – Restricted General Fund
- L. Budget for the following one-time Augmentations/Enhancements (\$150,000):
  - 1. Enrollment Management Plan (\$50,000)
  - 2. Budget Augmentations and Enhancements (\$100,000)
- M. Budget for Line of Credit debt expense (\$1,181,841)
- N. Budget for the Other Postemployment Benefit (OPEB) contribution of \$250,000.

- O. Budget for the California Public Entity Pension Stabilization Fund (PERS/STRS) contribution of \$200,000.
- P. Budget for the Compton Community College District Board of Trustees Elections (\$145,000).
- Q. Reserve the following expenditures from the ending balance (\$3,750,000):
  - 1. Compton College Enterprise Resource Planning System (\$3,000,000)
  - 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 from the Workers Compensation Fund to the Property & Liability Fund to pay cost of property and liability insurance.

2020-2021 Unrestricted General Fund Budget

Page 3 – General Fund Unrestricted – Fund 01.0

Beginning Balance - \$14,897,702  
 8610 Principal Apportionment - \$23,167,000  
 8606 Part-Time Faculty Apportionment - \$132,000  
 8630 Education Protection Account Funds - \$4,682,000  
 8690 On behalf Contribution to STRS - \$1,068,000  
 8691 Mandated Block Grant - \$172,000  
 Total State Revenue - \$30,352,000

Page 4 – Local Revenue

8811 District Taxes – Secured Roll - \$4,468,000  
 8874 Enrollment Fees (net of BFAP) - \$1,170,000  
 8890 Other Local Revenues - \$600,000  
 Total Local Revenue - \$7,128,000  
 Total Revenue – All Sources - \$37,480,000  
 Total Revenue - \$52,377,702

Page 6 - Expenditures

*Academic Salaries*

1100 Regular Schedule, Teaching - \$7,536,360  
 1200 Regular Schedule, Non-Teaching (Keith Curry, Deans, Academic VP) - \$3,196,650  
 1300 Other Schedule, Teaching - \$3,676,880  
 Total Academic Salaries - \$13,796,161

*Classified Salaries*

2100 Full Time - \$6,970,439  
 2200 Instructional Aides, Regular - \$746,360  
 2300 Student Help, Hourly and Overtime - \$552,280  
 Total Classified Salaries - \$8,365,309

*Staff Benefits*

3100 State Teacher’s Retirement - \$2,228,080  
 3200 Public Employees’ Retirement - \$1,617,297  
 3300 Social Security – OASD/Medicare - \$1,011,240  
 3400 Health and Welfare Medical - \$3,331,165  
 3600 Workers’ Compensation Insurance - \$883,830  
 3700 Cash in Lieu of Insurance - \$217,790  
 Total Staff Benefits - \$9,358,562

*Books, Supplies and Materials*

- Total Books, Supplies and Materials - \$777,370

Page 8- Expenditures

*Contract Services and Operating Expenses*

- Total Contract Services and Operating Expenses - \$5,073,770

*Capital Outlay*

- Total Capital Outlay - \$236,183

*Other Outgo*

7100 Debt Retirement - \$1,181,850

Total Other Outgo - \$1,256,850

- Total Assigned Fund Balance - \$3,750,000
- Total Ending Balance/Reserves - \$13,513,497
- Grand Total – Expenditures/Ending Balance/Reserves - \$52,377,702

Mr. Bernaudo confirmed if the amount shown in the reserves was correct. Mr. Kibui replied “yes.” Mr. Bernaudo indicated that since we are short \$4 million, that we could easily cover any short falls with the reserves due to the pandemic which merits an emergency. Mr. Kibui stated that we did not have enough in our reserves to cover our expenses for the 2020-2021 fiscal year.

Mr. Bernaudo stated that at some point the subject of releasing full-time workers will be an issue down the road. Mr. Kibui responded that is not a consideration. Mr. Bernaudo stated that he would like to encourage dialogue and that the district could say that currently all jobs are safe. However, the district was reluctant to do that, which he did not understand. Ms. Sosenko indicated that she was a little confused because the message that she heard predicted consistently is that the highest priority is to maintain all employees. He wanted to know why the district could not go a step further to reassure folks instead of saying, the goal is to retain all full-time employees, it should be no lay-offs. He felt that the district could not give a 100% guarantee. Mr. Kibui stated that the district cannot guarantee anything as we do not know what will happen tomorrow. Ms. Sosenko mentioned that we had some deep cuts in our grant areas which is going to be difficult for us to figure out. She stated that those conversation still needs to be had and understand the district is still trying to figure it out.

Ms. Morales asked where is it written that the Fifty Percent Law was waived? Mr. Kibui indicated that if the numbers are correct we are still in compliance for the Fifty Percent Law. She asked where the information is posted? He informed her that the information could be found on the district website for last year because for this year 2019-2020 the information is not due until October 20<sup>th</sup>. He stated that if you go to the 311Q Report, the Fifty Percent Law in on page four of the report.

Jonathan Butler introduced himself as the ASB Commissioner. He indicated that his majors are Cosmetology and Music. He would like to know if Performing Arts and the Art Divisions are going to be okay? He stated that his instructor had informed students that if they did not enroll in classes by the 19<sup>th</sup> or 20<sup>th</sup>, the classes would be cancelled. He voiced concern as he was trying to complete his major along with other concerned students. Ms. Sosenko thanked Mr. Butler for attending the meeting and indicated we were thrilled to have a student voice in the perspective. She indicated that Dr. Curry had sent an email out to all faculty where an evaluation of all open courses to see how many students are enrolled in those courses. The standing policies is if there are less than nine, the courses are cancelled unless there is an appeal to the Dean of that area. There are a couple of different criteria for an appeal; for example, if the class is shown as a class that students need to complete their degree. The Deans have some discretion and can help to make the argument to keep the

class but what is really needed is for students to enroll and enroll early in their classes. Dr. Osanyinpeju mentioned that for Mr. Davis to keep his students, he needs to encourage them to enroll on time so that the district is assured that the classes are going to run. For now, all those classes are scheduled to run. However, if the students do not enroll on time then there is no point keeping those classes open for one or two students. Dr. Osanyinpeju stated that the budget is not going to adversely affect the summer classes.

Mr. Butler inquired if the school will reopen for the Fall semester? He stated that of the students he spoke with none of them wants to have online classes. He indicated that online classes are good for English, math, science, and doing homework. However, as a Cosmetology major the class is hands on and the professor needs to see the work. He mentioned that when the pandemic started it was difficult for him as a student and had to drop most of his classes because he could not handle home and school. It was easier for him to be in school. As a Music major he felt more pressure and frustration because he did not know if the instructor was hearing him or if he was hitting the right notes or not. Dr. Osanyinpeju stated that the administration understands the situations and are putting all considerations into play for the students to come back.

## V. Outstanding Liabilities and Funding Schedule for OPEB, PERS/STRS, and Lines of Credit

### A. *OPEB*

Mr. Kibui indicated that the Actuarial Study will project the next three years and will be coming up in July. (No changes).

- The District intends to fully fund the unfunded liability within 20 years.
- Annual contribution increases to \$1.3 million in 2029 as a result of the line of credit pay-off.
- The Board of Trustees approved the President/CEO recommendation to make another payment of 42,500,000 to OPEB Irrevocable Trust. As of April 2020, the District contributed \$7,319,747 to the Trust.

### B. *PERS/STRS*

Mr. Kibui mentioned that the District has been making contribution PERS/STRS since 2016. He stated that the annual contribution of \$500,000 funding with one-time funds. Next year in 2021 the District plans to contribute \$200,000 as the rates are increasing for PERS almost 22 percent to 23 percent. (No changes).

### C. *LINE OF CREDIT*

Mr. Kibui stated that the District must pay the principal and interest on the Line of Credit by year 2029 from the debt service schedule (No changes).

## VI. 2020-2021 College Plan Report

Ms. Sosenko provided an update on the 2020-2021 College Plan. The program and unit plans were filtered down to the following 21 recommendations that have been approved by the President. A question and answer session followed.

1. ID Card System Maintenance System (\$9,000).
2. Upgrade district Wi-Fi System (\$150,000 one-time cost; \$40,000 on-going).
3. AAs a result of the transition from El Camino College, the Admissions and Records Office needs an increase in the supply budget to cover costs like diploma covers and things associated previously covered by El Camino. (\$6,000).
4. Palo Alto Firewall Upgrade (\$250,000 one-time fee; 450,000 on-going).
5. Increase of counseling hourly budget that can be divided up as needed during the non-primary

- terms for career, transfer, or other counseling services (\$13,000).
6. Turn-It-In/Proctorio Tutorial (\$14,321-\$15,648).
  7. Increase for mandatory Student Right to Know charge to the state (\$1,900)
  8. Fire Tech Program to get a Director and Clinical Coordinator required to run the fire tech program (\$30,000).
  9. Provide additional communal space for student groups and solo study. (\$130,000).
  10. Permit Specialist for Childhood Education (\$20,000).
  11. New 3-Point Lines for Gym Floor to be in CCCAA Compliance (\$8,500).
  12. Enhancing our annual on-going professional development days (\$15,000).
  13. In state web-based academic support curriculum (\$5,000).
  14. Renew Nuventive Contract for support of planning, accreditation, and SLO data collection (\$70,000).
  15. Replacement of Parking Citation Devices (\$6,000).
  16. Achieving the Dream – Half of Enrollment Fee (\$112,500).
  17. Establishing a standardized new hire orientation (\$5,000).
  18. Completion recertification process and start classes. COVID-19 delays (\$40,000).
  19. Continue funding Academic Senate for California Community Colleges (ASCCC) Annual Fees (\$2,500 is already budgeted, increase \$500).
  20. Continue funding ASCCC Conferences. Plenary Sessions and Curriculum Institute - Fall 2020 and Spring 2021 (\$2,500). They currently have a little less than \$4,000, augment by \$2,500 for a total of \$6,500.
  21. (STEM 8, Chemistry)- Buy Chem Draw Professional for the Chemistry faculty and staff (\$2,000).

VII. Adjournment

The meeting was adjourned at 2:55 pm. Dr. Villalobos, Ms. Johnson (moved/seconded) the motion for adjournment.