

**COUNCIL ON BUDGET AND FACILITIES**  
**March 11, 2024**

**APPROVED SUMMARY**

**Members Present:** Balinda Allan, Terry Cox, Karla Frizler, Henry Hua, Cherry Li-Bugg, Kathleen McAlister, Jeremy Peters, Irma Ramos, Stephen Schoonmaker, Marlo Smith, Leslie Tsubaki, Lourdes Valiente, Kashu Vyas and Fred Williams

**Members Absent:** Elaine Loayza, Jennifer Oo, Jesus Ramirz, Jeannette Rodriguez, Jomari Tugade

**Guests Present:** Damon De La Cruz, Geoff Hurst, Valentina Purtell, Debbie Shandy, Richard Williams

**Call to Order:** The meeting was called to order at 2:06

1. **Summary:** The summary of the February 12, 2024, meeting notes were approved.
2. **Budget Update –** Vice Chancellor of Finance and Facilities, Fred Williams noted that following the Governor’s January budget, the Legislative Analyst’s Office (LAO) now forecasts a potentially larger deficit than initially projected, attributed to a further decline in the Proposition 98 guarantee. While the LAO does not support the recommendations of the Governor, some of the alternatives included no COLA for 2024-25, rejecting the Governor’s new spending proposals, sweeping some unspent funds, reducing spending in existing programs, and reducing specific areas such as intercollegiate athletics.

On March 5, 2024, Vice Chancellor Williams attended the Budget Advocacy Day in Sacramento to meet with the Department of Finance, the Chair of the Higher Education Budget Committee, and other Representatives. The major concern revolved around the \$30 billion dollar deficit spanning over the next several years.

**Questions/Comments –**

1. *“Sweeping some unspent funds”, are these unspent or unallocated funds that are being referred to? Unallocated, such as growth funds where they were not earned in the prior year. Unfortunately, we are also seeing specific funds being targeted, such as COVID -19 funds. The key is getting them to focus on the unallocated rather than taking back funding.*
2. *Is it true that if a District is not already using funding for the part-time faculty health benefits, the money would be taken away? NOCCCD only started participating in the program in 2023-24 and the discussions were focused on previous years. From what staff are hearing, the funding looks like it will still be available. Estimates will be submitted at the end of June and final numbers in November.*

**P-1 Apportionment Information –** P-1 data provides an updated revenue after the 320 reports are submitted to the State.

Mr. Williams shared that the apportionment report shows a 3.55% deficit, which equates to \$9.4 million for our District. While deficits have historically shown a tendency to decrease or even disappear in previous years, the outlook for the current year remains unknown and uncertain.

The 2023-24 Proposed Budget Model incorporating the deficit factor was shared with the committee to show the impacts to the budget centers.

Questions/Comments –

1. *Where do the P-1 numbers get pulled from?* The numbers are from the State-wide apportionment reports.
  2. *Is it possible to use COLA to offset the deficit?* Essentially prior numbers are increased by COLA, it is not automatic. The deficit is created by not enough statewide money to pay the original amount projected.
- 3. One-Time Funding Request** - At year end closing, in September 2023, roughly \$14.8 million one-time dollars had not been allocated.

SERP Payments – If the SERP passes, the District will be looking at approximately a \$10 million dollar payment for premiums and commission fees over a 5-year period. Mr. Williams suggested using the one-time dollars to fund the SERP and allowing the campuses to keep the savings generated, projected at \$5 million.

District-wide Success Advocates Pilot Program – Henry Hua, Vice President, Administrative Services, Fullerton College shared a PowerPoint presentation to the committee to request \$2.14 million to address Student Enrollment, Retention and Success. The program is centered on Success Advocates to help prospective, former and current students enroll, re-enroll or remain enrolled through providing just-in-time help, referrals and support proactively through multiple outlets. For consistency, this program would be rolled out to all three campuses—credit and noncredit alike.

Questions/Comments:

1. *How long is the pilot?* One year.
2. *Cypress College commented that Title IV efforts have been in place over the past five years with similar goals.*
3. *When would be the start date of the pilot program?* Ideally, Fall 2024.
4. *Are the enrollment efforts and losses based on Districtwide numbers or Fullerton numbers?* Just Fullerton.
5. *Who are the advocates and what type of support are they providing?* The advocates would be more of a liaison directing students in the right direction or to see what personnel, someone who knows the campus and what staff/department could assist the student further.

After further discussion, the committee requested that the data reflect all campuses, not only Fullerton, to provide a better understanding of the impacts Districtwide and survey campus staff and administration to see what current efforts are currently in place.

To meet the fall 2024 start date, a consensus was made to update the data and take the request to the March 25, 2024, DCC meeting as an information item, first reading. This item will be brought back to DCC for further discussion and action.

- 4. District-wide Expenses** - District-wide Technology Budget. Additional funding is being requested to cover an increase in costs and product shifts. Geoff Hurst, Executive Director, IT, noted that although a 3-4% increase was budgeted for, prices are trending towards a 7% increase. While the previous expenses mainly comprised of hardware and maintenance agreements, the District has shifted to utilizing AWS Cloud services, which entail ongoing

additional costs. The total funding requested amounts to \$139,318 to meet the remaining expenses for 2023-24. Additionally, a five-year projection was presented to illustrate the significant cost escalation anticipated in the five-year Ellucian contract.

Questions/Comments:

1. *Have other options been considered?* Ellucian controls about 80% of the ERP market in higher education. The other two, Anthology and Peoplesoft are very rarely used by districts and there is about a five-year, \$5 million cost to change over.
2. *Does the list only include products projecting an increase?* No, these are all District-wide expenses, but the only ones shown are the ones that are shared by all the budget centers.

After further discussion, consensus was made that the \$139,318 funding request for 2023-24 be moved to DCC. Districtwide IT programs and costs would be brought forth to CBF for annual discussion and approval. This would provide the campus DTC representatives with an opportunity to provide feedback and input on the list of program needs and be vetted before any new programs are recommended.

## 5. Facilities Updates

Anaheim Campus – Richard Williams provided an update on behalf of the campus.

- Upper deck renovation – The upper deck is sectioned off to all staff in preparation of construction. Demolition is scheduled to commence on March 15. The project will be completed in sections, starting with the Culinary Arts wing. The process is scheduled to take 3-4 weeks, followed by the water proofing process onto the project's interior.
- Swing Space – Roof leaks were identified during the recent rain fall and staff are looking to repair these leaks as soon as possible.
- 9<sup>th</sup> Floor Remodel – Plans will be submitted to DSA at the end of March. Bidding is anticipated in April.
- Outside Patio Remodel – Architects have made final adjustments to the plans and will be taken to DSA at the beginning of April.
- Wayfinding – Project is proceeding with NOCE signage, upper and lower entrances, and outside marquee.

Question/Comments:

1. *Are there air vents in the construction zones that could have debris intake into the building?* There are vents in the north and south wing that will be protected but there is no way to prevent small amounts of debris from coming in through the main doorways.
2. *Is there any way to mitigate the noise and disturbance by scheduling the demolition on Fridays or at times when there are less students and staff?* The project will be completed in sections, which will isolate the noise, but premium scheduling requires additional funding. The noise level impact on the lower levels will be monitored.

Cypress College – VPAS, Stephen Schoonmaker provided an update on behalf of the campus.

- Fine Arts Renovation – The project is scheduled to commence on April 1.
- Health and Wellness Center Renovation – Project is currently out to bid. The Target start date for this project is June.
- Electrical Vehicle Charging Stations – Received DSA approval and expect a Notice to Proceed in June.

- Spur Solar RFP – the RFP offers 3-4 different types of project options at Cypress, a great opportunity for the campus.

Fullerton College – VPAS, Henry Hua provided an update on behalf of the campus.

- 300 Building Renovation – Bids came in under projected project cost. Inspector of Record was selected, and construction is anticipated in April.
- Chapman Newell and M&O Building – Demolition is complete. The team is working to get back on schedule with all the rain delays, roughly two weeks behind schedule.
- Solar Charging Stations – Forefront requested an increase to the kWh rate. This will need to be reevaluated.
- STEM Building – Campus was notified that the project was approved for a \$20 million dollar State match. Staff will need to reevaluate the project's current progress and alternative options to determine the next steps.

- 6. Future Meeting** – During the Anaheim Campus construction, meetings will be held in the Chancellor's Conference Room. Videoconferencing options are also available at the campuses.

April 8  
May 13  
June 10

**Meeting was adjourned at 3:39 p.m.**