

COUNCIL ON BUDGET AND FACILITIES

September 9, 2024

2:00 p.m.

Anaheim Campus – Chancellor’s Conference Room

Videoconferencing of the meeting will be available at Cypress College President’s Conference Room and the Fullerton College President’s Conference Room B

AGENDA

- | | | |
|---|---------------------------------|-------------|
| 1. Approval of the August 12, 2024 Summary Notes | Irma Ramos | Action |
| 2. Memberships | Irma Ramos | Discussion |
| 3. Budget Update | | |
| ➤ Proposed Budget Book & Presentation | Fred Williams/
Erika Almaraz | Information |
| 4. One-time Funding | Fred Williams | |
| 5. Calendar for the 2025-26 Budget | Erika Almaraz | |
| 6. Facilities Updates | Budget Officers | Information |
| 7. Future Meeting Dates: | | |
| October 14 | | |
| November 11 (holiday)** | | |
| December 9 | | |

**Tentative meeting and will only take place if deemed necessary*

*** Holiday – will be rescheduled if deemed necessary*

NOTE: The numerical order of items on this agenda is for convenience of reference. To promote efficiency and as an accommodation to the parties involved, agenda items may be taken out of order upon request of the Chair or Members of the CBF.

COUNCIL ON BUDGET AND FACILITIES
August 12, 2024

UNAPPROVED SUMMARY

Members Present: Erika Almaraz, Terry Cox, Karla Frizler, Henry Hua, Elaine Loayza, Kathleen McAlister, Thu Nguyen, Michelle Patrick-Norng, Jeremy Peters, Marlo Smith, Gabrielle Stanco (Alternate), Leslie Tsubaki, Lourdes Valiente, and Fred Williams

Members Absent: Cherry Li-Bugg, Irma Ramos, Jeanette Rodriguez

Guests Present: Bridget Kominek (alternate), Jaclyn Magginetti (alternate), Debbie Shandy, Scott Thayer, and Richard Williams

Call to Order: The meeting was called to order at 2:05 p.m.

1. **Introductions:** Members of the committee, attendees, and guests.
2. **Summary:** The summary of the June 10, 2024, meeting notes were approved.
3. **Budget Update**

State Budget – CBOs attended the 2024 Budget workshop and gained more insight on the 2024-25 budget. Executive Director, Erika Almaraz provided a brief update on the budget and reported that the 2024-25 budget reflects state expenditures of approximately \$298 billion, a 4.2% decrease from the 2023-24 enacted budget. The 2024-25 state budget plan addresses a projected \$45 billion revenue shortfall by building on the \$17 billion ‘early action’ budget-balancing measures to close the remaining \$28 billion projected budget shortfall. Some of the other major highlights included the following:

- Approximately \$143 million in on-going adjustments to the Student-Centered Funding Formula (SCFF), of which \$100 million is for a 1.07% cost-of-living adjustment (COLA). Another \$13 million is provided for the same COLA for selected categorical programs along with \$28 million for enrollment growth.
- One-time funding of \$18 million for two projects to support the system’s Vision 2030 priorities, \$10 million for the second year of the LGBTQ+ Pilot Program, and a \$20 million enhancement to financial aid administration to help colleges support students in the context of FAFSA delays.
- Funds to expand nursing program capacity and to implement a low-income workers demonstration project in 2024-25 are now earmarked to be funded through allocation of funds from the Strong Workforce Program.
- Reappropriations of unspent funds as of June 30, 2024 from the 2020 Strong Workforce Program and the 2022 Student Success Completion Grant.
- Capital outlay funding from Proposition 51 of \$29 million for one continuing project.
- \$446.4 million in deferrals from the SCFF for the 2023-24, 2024-25 years (\$243.7 million) and 2025-26.
- Advanced apportionment – using a 6% deficit factor, and increase from 2%, roughly a \$15-\$20 million deficit for next year. Districts are still trying to figure out what deficit factor they will each be using for their calculations. More information will be shared at the September Board meeting.

- Economic Forecast – An economic recession is expected. Some of the contributing factors could be the rise in unemployment and the housing market. Housing prices in California are becoming increasingly unaffordable and residents are leaving California, affecting state income taxes, which ultimately affects the community college funding.
- Position Control – The Full-time Obligation Number (FON) was met for 2024; however, we are 67 positions over. No hiring will be needed for this year or next.
- 50% Law – Initial estimate was 51.7%, which is higher than last year

In summary, the school system is not seeing any reductions and no changes to the hold harmless provision, which is still expected to expire in 2024-25. Mr. Williams noted that dependent on enrollment and COLA rates, NOCCCD may not receive for the next three years.

Questions/Comments:

1. *Has the District decided how COLA will be used?* In the funding formula, COLA is allocated to the campuses. Negotiations will also be a part of the determination of how COLA will be used.

Compendium – On August 7, 2024, the 2024-25 Compendium of Allocations and Resources was updated to reflect the enacted budget. A link to the compendium can be found here: [2024-25 Compendium.](#)

FTE Targets - Total of ~10% above target for 2023-24. The campuses have been tasked with reviewing their numbers with the Vice Presidents of Instruction to identify their campus targets and planning strategies to get their numbers up. The 2024-25 targets increased ~7% since last years but will continue to increase each year. Mr. Williams emphasized that enrollment is critical to get the numbers up to the 2017-18 actuals, which were used for the hold harmless funding calculations.

Ending Fund Balance – The preliminary ending fund balance was outlined by Erika Almaraz and Fred Williams. An ending fund balance of \$141.5 million was identified, \$1.3 million down from the prior year.

Questions/Comments:

1. *What do the election expenses cover?* The dollars allocated are used to cover the Board election fees, which include mailing fees, ballots, etc. The district budgets ~\$100,000 for each election.
2. *State reimbursement for office hours is now at 90%, when will that be effective?* It will be effective in 2024-25. Claims were submitted for office hours and part-time faculty in November.
3. *What are the differences between the different fund types?* They are all very specific in how the dollars can be spent, but they all total up to the ending fund balance. The nonspendable fund balance are dollars that cannot be spent, items such as inventory and cash reserves. Restricted funds have legal restrictions, including categorical funds and other restricted funds which provide revenue for specific purposes. Assigned fund balances are funds that have already been allocated. Finally, there are the uncommitted fund balances dollars that the Board has control over, and the remaining dollars are allocated to the campus budget centers.

4. Facilities Updates

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

- Upper Deck Renovation – State is funding 80% of the project. Waterproofing and seismic joints are still being installed. The project will also include fixes to the existing water damage that has affected 15-18 rooms.
- Community Green Space/Lower-level circle – Ramps and parking lot will be reconfigured to comply with the new ADA requirements/codes. The project will also include a gathering space for campus events. Project will start after the upper deck renovation is finished.
- Outdoor Patio Remodel – The project will incorporate coverage for current seating. Bids will be coming in at the end of August. A good turnout of 15 contractors walked the site.
- Interior and Exterior Signage – Currently resolving some coloring issues and hoping to hear back from DSA for the marquee sign within a week.
- Board Room Renovation – Currently working on color selections for the interior. Minor comments from DSA were received. Architects are still working with the city for the sprinkler system (water flow) requirements. Expected completion in mid-spring.
- East Parking Lot Restoration – Portable usage is expected to be extended due to the Board Room Renovation noise interruptions.
- 9th Floor Renovation – Demolition and construction is underway.

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

- 300 Building Renovation – The Notice to Proceed was received on May 15. Mobilization and construction began on May 28. A site walk is scheduled for Thursday. Project completion is anticipated in December 2025.
- Chapman/Newell Instructional Building and M&O Building – Currently meeting to finalize the furnishings of the building.
- Wilshire Chiller Plant Relocation – On May 15, a pre-construction meeting was held with all major parties to strategize the project's success. Staff are running into a lot of cost escalations and unforeseen issues.
- Performing Arts Complex – The State did approve the project to be bid, but the project is contingent on the Wilshire Chiller Plant.
- Electrical Vehicle Charging Stations – 44 new stations were installed and will be ready before the semester starts.
- Athletic Fields – 9 renditions of the project were created, but value engineering is still needed and will be scheduled to try and get the project price down.
- STEM Building – Contingent on a State bond passing.
- Welcome Center – No update at this time.

Cypress College – *Dr. Thayer and Fred Williams provided an update on behalf of the campus.*

- Auto Yard – Restroom and yard are anticipated to be available at the start of the semester.
- Health and Wellness Center – Construction commenced today. The campus was approved to use a portion of their HEERF funds for the project's completion.

- Electrical Vehicle Charging Stations – A power outage is scheduled on August 19 to allow electrical coordination with the charging stations. Staff continue to work with Charge Point on getting the high voltage equipment, which is on backorder with lead times up to a year. Staff will continue to try and meet the anticipated start date before the fall semester.
 - Fine Arts Renovation – The project involves a significant amount of renovations and staff have done well with cost savings. Deductive change orders are scheduled to come to the Board.
 - Softball Field – The Design Team completed the schematic design. A new team room will be included in the scope of work. Construction is anticipated in 2025.
 - CCCPlex – Plans to paint the outsides of the LRC and Student Center and working on the Theater Path of Travel. Completion anticipated before the fall semester.
5. **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.
- September 9
 - October 14
 - November 11 (holiday)
 - December 9

Meeting was adjourned at 3:09 p.m.

Council on Budget and Facilities

As of: 9/6/2024

#	Member	Constituent Group
	Jaclyn Magginiti	Academic Senate, CC - ALTERNATE
1	Kathleen McAlister	Academic Senate, CC
2	Michelle Patrick	Academic Senate, NOCE
3	Marlo Smith	AdFac
4	Terry Cox	Dir Admin Services, NOCE
5	Lourdes Valiente	Student Leader, NOCE
6	VACANT	Associated Students, CC
7	VACANT	Associated Students, FC
8	Leslie Tsubaki	Confidential
9	Elaine Loayza	CSEA
10	Erika Almaraz	Dist Dir Fiscal Affairs
11	Karla Frizler	DMA
	Monica Farias	DMA - ALTERNATE
12	Jeanette Rodriguez	Faculty Senate, FC
	Bridget Kominek	Faculty Senate, FC - ALTERNATE
	Christie Diep	UF - ALTERNATE
13	Jeremy Peters	UF
14	Cherry Li-Bugg	VC ES&T
15	Fred Williams	VC Finance & Facilities
	Irma Ramos	VC HR
16	VACANT	VPAS, CC
17	Henry Hua	VPAS, FC

- Alternate - Is considered a voting member only on the days in which they are an acting representative
- Committee Chair, non- voting

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 9/6/2024

From: Fred Williams, Vice Chancellor, Finance and Facilities

Re: Agenda Item for Council on Budget and Facilities of September 9, 2024

1. AGENDA ITEM NAME

2024-25 Budget Presentation

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

30 Minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

Staff will present the [2024-25 Proposed Budget and Financial Report](#) to the Board of Trustees at the September 10, 2024, Board meeting. For CBF, staff will present the presentation and answer any questions related to the presentation, proposed budget book and financial report.

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

Members are asked to review the information.

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 9/6/24

From: Fred Williams, Vice Chancellor, Finance and Facilities

Re: Agenda Item for Council on Budget and Facilities of September 9, 2024

1. AGENDA ITEM NAME

One-time Funding – Unallocated Resources

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

5 Minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

As part of the year end closing process, District staff analyze the ending balances for the District. After this year's close, the District has \$5.8 million of unallocated resources as of June 30, 2024.

At the June 10, 2024 CBF meeting, CBF approved \$4,490,000 for Phase II of the Network Refresh project. At the August 26, DCC meeting, DCC approved the funding for the request.

With the above funding for Phase II of the Network Refresh project, \$1,307,284 is remaining for allocation.

CBF can begin discussions on making a recommendation for the use of these funds.

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

Members are asked to review the information.

North Orange County Community College District
One-time Funding Discussion
CBF
 September 9, 2024

Districtwide

Districtwide

Network Refresh - Phase II

4,490,000

Unallocated
Total

1,307,284
\$ 5,797,284

Uncommitted Fund Balance

Prior Year Reported Balance

\$ 7,127,898

Adjustment to Board Policy Reserve

(1,330,614)

7/1/24 Beginning Balance

\$ 5,797,284

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 9/6/2024

From: Fred Williams, Vice Chancellor, Finance and Facilities

Re: Agenda Item for Council on Budget and Facilities of September 9, 2024

1. AGENDA ITEM NAME

Detailed Spending Allocations of One-time Funds

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

10 Minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

Over previous years, allocations have been made through CBF and DCC. As of June 30, 2024, \$17,369,143 was remaining for these funds. It is recommended that a spending plan be presented for the remaining balances from each budget center by each budget center manager at the December 9, 2024, CBF meeting.

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

North Orange County CCD
Detail of Allocations of One-Time Funds (Part of Assigned Fund Balance)
June 30, 2024

	<u>Districtwide</u>	<u>DS</u>	<u>CC</u>	<u>FC</u>	<u>NOCE</u>	<u>Total</u>
Balance of Allocated of One-Time Funds P/Ys:						
Assist with Fraudulent Student Investigation activities			77,494.86	-		77,494.86
Campus Enrollment Support			2,341,233.33	3,412,589.16	394,813.81	6,148,636.30
Capital Expenses						
ADA			170,228.59		219,385.42	389,614.01
Campus Priorities			96,916.04	866,216.17		963,132.21
CC Pilot Internship Program: Legacy/Puente			3,018.72			3,018.72
Diversity Programs	2,070.09					2,070.09
Equipment		316,030.36				316,030.36
Foundations				-		-
HR Banner Projects		27,977.10				27,977.10
Hunger Initiative			100,000.00		3,182.04	103,182.04
Institutional Capacity	23,264.00					23,264.00
Professional Development Program	192,542.18			-		192,542.18
Safety	300,000.00					300,000.00
Business Process Analysis	130,151.78					130,151.78
Campus Priorities						-
Local Funding Requests		294,794.92		476,779.01		771,573.93
Outreach/Recruitment/Onboarding/Advertising				-		-
Pathways Support				121,002.73		121,002.73
Strategic Plan Allocation for DEIA			136,931.57	78,253.60	39,898.76	255,083.93
Student Success Advocates			792,000.00	952,000.00	396,000.00	2,140,000.00
Student Success Funds - Online Education			68,114.10			68,114.10
Student Success Funds - Supplemental Instruction				351,463.00		351,463.00
Student Success Funds - Universal Design					87,451.23	87,451.23
Technology - Microsoft 365 Collaboration			-			-
Title IX		87,618.63				87,618.63
Website Modifications				17,863.71		17,863.71
5-Yr Cyber Security Plan		1,479,238.28				1,479,238.28
Book Program Pilot Supplement			-	1,570,613.32	51,974.05	1,622,587.37
Foundation to supplement initial cost of new position			203,547.26	391,639.00		595,186.26
Hospitality Supplement		-	3,786.59	-		3,786.59
Part-Time Faculty Office Hours - Fall Semester			74,467.00	135,893.00	-	210,360.00
Part-Time Faculty Office Hours - Spring Semester			-	-		-
Sustainability Plan		880,699.34				880,699.34
Funds already allocated	648,028.05	3,086,358.63	4,067,738.06	8,374,312.70	1,192,705.31	17,369,142.75
Add'l One-Time Funds to be Allocated						
Subtotal Additional Allocations	-	-	-	-	-	-
Total	\$ 648,028.05	\$ 3,086,358.63	\$ 4,067,738.06	\$ 8,374,312.70	\$ 1,192,705.31	\$ 17,369,142.75

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 09/06/24

From: Erika Almaraz, Executive Director, Fiscal Affairs

Re: Agenda Item for Council on Budget and Facilities of September 9, 2024

1. AGENDA ITEM NAME

Calendar for the 2025-26 Budget

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

5 Minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

The calendar for the 2025-26 budget highlights significant dates related to budget preparation, including dates for presentations of the tentative budget, required public hearings, Board study sessions, and approval of the final budget. The schedule will be shared with the Board at its October 8, 2024 Board meeting.

5. RECOMMENDATION (Required for all action items; encouraged for all review/discussion items)

Members are asked to review the information.

Calendar for FY 2025-26 Budget

January 15, 2025	P-1 Apportionment Attendance Report Submission Due
January 28, 2025	Board review of Governor's January Budget and discussion on Priorities
February 17, 2025	Budget Centers are requested to start Position Clean up
February 28, 2025*	First Principal Apportionment Report Issued by State Chancellor's Office
March 10, 2025	CBF review of Tentative Budget Assumptions and Board Priorities
March 24, 2025	DCC review of Tentative Budget Assumptions and Board Priorities
April 14, 2025	CBF review of Tentative Budget Assumptions and Board Priorities
April 20, 2025	P-2 Apportionment Attendance Report Submission Due
April 21, 2025	Budget Centers are requested to start Faculty Position Clean up
April 28, 2025	DCC review of Tentative Budget Assumptions and Board Priorities
May 05, 2025	Personnel Change Forms due to Human Resources for Tentative Budget
May 12, 2025	CBF review of Tentative Budget Assumptions and Board Priorities
May 12, 2025	HR to complete processing all submitted Personnel Changes related to Tentative Budget (further changes are to be held until the data is rolled over to the Budget Tables (See May 19 below)
May 19, 2025	<ul style="list-style-type: none"> • HR & District Fiscal Affairs to clean up Position Control budget information related to Tentative Budget • District Fiscal Affairs to roll Position Budget data over to the Budget Tables • Budget Centers to start budget input for NONPOS phase
May 27, 2025	Report provided to Board on Governor's May Budget Revisions
June 04, 2025	Budget Centers to be complete with Budget inputs of NONPOS phase and reconciliation of budgets for Tentative Budget
June 10, 2025	Prepare GASB 54 Agenda item to be taken to the Board (if needed)
June 9, 2025	CBF review of Governor's May Budget Revisions and Proposed Budget Assumptions (if needed)
June 9, 2025	Completion of the Tentative Budget
June 06, 2025	Final changes for Position Control due to HR for Proposed Budget
June 13, 2025	HR to complete Personnel Changes related to Proposed Budget
June 26, 2025*	Second Principal Apportionment Report issued by State Chancellor's Office
June 20, 2025	HR & District Fiscal Affairs to clean up Position Control budget information related to Proposed Budget. (further permanent changes to NYSPBUP are to be held until the Tentative Budget is rolled over to the finance tables (See June 26 below)
June 23, 2025	DCC review of Proposed Budget Assumptions (if needed)
June 24, 2025	Board approval of the Tentative Budget
June 25, 2025	<ul style="list-style-type: none"> • District Fiscal Affairs to Feed Tentative Budget (TENTAT) to Operating Ledger to start the fiscal year • District Fiscal Affairs to roll Position Budget over to the Budget Tables. • HR can resume making permanent changes to NYSPBUP • Budget Centers can access NONPOS for updated budget input
July 15, 2025	Annual Apportionment Attendance Report Submission Due
July 31, 2025*	Year-end closing completed for District and Campus accounts
August 6, 2025*	Carryover balances completed and distributed
Aug. 12 or 26, 2025	Board review of the Proposed Budget Assumptions
August 14, 2025*	Budget Centers to complete Budget input of NONPOS phase and reconciliation of budgets for Proposed Budget
August 21, 2025*	Completion of Proposed Budget and close FINAL phase in Banner
August 22, 2025*	Public Notice published in the Orange County Register
Sept. 5-9, 2025	Proposed Budget available for public inspection
September 9, 2025	Public Hearing on the Proposed Budget at Board Meeting
September 10, 2025	District Fiscal Affairs to Feed Proposed Budget (FINADJ) to the Operating Ledger.

*Estimated Date

(as of 9/6/2024)