

DISTRICT CONSULTATION COUNCIL
September 23, 2024

SUMMARY

MEMBERS PRESENT: Byron D. Clift Breland, Archie Delshad, Karla Frizler, Geoff Hurst, Cherry Li-Bugg, Elaine Loayza, Jaclyn Magginetti, Kathleen McAlister, Flavio Medina-Martin, Cynthia Olivo, Michelle Patrick Norng, Valentina Purtell, Irma Ramos, Marlo Smith, Pamela Spence, Kai Stearns, Scott Thayer, Annalisa Webber, and Fred Williams.

Jennifer Carey attended remotely and did not participate in voting.

VISITORS: Erika Almaraz and Danielle Davy.

Chancellor Byron D. Clift Breland called the meeting to order at 2:04 p.m. and led a round of introductions.

MEETING SUMMARY

Summary: The summary of the August 26, 2024 meeting was approved, with the noted correction to the budget update discussion on page 2, with one abstention (Archie Delshad).

STRATEGIC GOALS & PLANNING

2024-25 Budget Presentation: Fred Williams, Vice Chancellor of Finance & Facilities, and Erika Almaraz, District Director of Fiscal Affairs, presented the District’s 2024-25 Proposed Budget which highlighted ending fund balances, the State budget, the California Community College System budget, the District budget, the structural deficit, six-year forecasts, and other considerations.

Ending Fund Balance (Carryovers)

Non-spendable	\$ 190,000
Restricted	\$ 10,590,000
Assigned By Campus Action	\$ 57,870,000
Assigned One Time Funds	\$ 17,370,000
Assigned – Other	\$ 396,000
Board Policy Reserve	\$ 46,500,000
Unallocated Districtwide	\$ 5,980,000
Unallocated Budget Centers	\$ <u>2,630,000</u>
Total	\$ <u>141,520,000</u>

It was noted that the 5.9 million in unallocated districtwide reserves has been adjusted to reflect the \$4.49 million that was allocated for network refresh funding as approved by DCC.

Board Policy Reserves

The Board Policy on reserves changed from 5% of general fund unrestricted expenditures to two months of general fund expenditures. Two months of a \$279 million ongoing operating expense budget equals \$46.5 million.

Prior 5% Reserve	\$ 14,900,000
Committed Fund Balance	\$ 6,300,000
2022-23 Emergency Conditions	\$ 10,900,000
2023-24 Emergency Conditions	\$ 10,900,000
Unallocated Resources Transfer	\$ 1,200,000
Unallocated Resources Transfer	<u>\$ 2,300,000</u>
Board Policy Reserve for 2023-24	\$ 46,500,000

State Budget

- The State is taking a two-year budget approach with multi-year budget deficits of \$45 billion in 2024-25 and \$30 billion in 2025-26.
- Measures include cuts to government operations, reductions to programs, and a pause on new investments including a 7.95% reduction to operations and permanently eliminating 10,000 vacant positions beginning in 2025-26.
- There are no major reductions to core community college programs or services, but the State is utilizing deferrals and reserves to balance the budget.

Community College System Budget

- COLA 1.07% for apportionment and select categoricals
- Enrollment growth funding 0.5% to address unfunded growth in the system
- Reallocation of unspent funds for 2020 Strong Workforce Programs and the 2022 Student Success Completion Grant

General Fund Summary

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Beg. Balance	\$ 130,930,000	\$ 10,590,000	\$ 141,520,000
Revenues	\$ 287,420,000	\$ 96,250,000	\$ 383,670,000
Expenditures	\$ 308,600,000	\$ 107,780,000	\$ 416,380,000
Other Sources	<u>\$ (17,170,000)</u>	<u>\$ 1,990,000</u>	<u>\$ (15,180,000)</u>
Net	<u>\$ (38,350,000)</u>	<u>\$ (9,540,000)</u>	<u>\$ (47,890,000)</u>
Ending Balance	\$ 92,580,000	\$ 1,050,000	\$ 93,630,000

Structural Deficit

	<u>23-24 Proposed Budget</u>	<u>24-25 Proposed Budget</u>
Earned Revenues	\$ 227,500,000	\$ 247,800,000
Other Revenue	<u>\$ 22,600,000</u>	<u>\$ 21,300,000</u>
Estimated Expenses	<u>\$ 272,100,000</u>	<u>\$ 278,800,000</u>
Deficit	\$ (22,000,000)	\$ (9,700,000)

Emergency Conditions	\$ 18,200,000	\$ 9,100,000
Stability Funding	<u>\$ 20,100,000</u>	<u>\$ 0</u>
Hold Harmless	<u>\$ 0</u>	<u>\$ 5,600,000</u>
Overall Surplus	\$ 38,300,000	\$ 14,700,000

FTES Trend

For 2024-25 the target is 31,230.95 based on the following FTES trends:

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
FTES	33,268.05	33,337.45	31,842.56	26,071.85	26,565.68	29,199.56

Why is the District in a Different Position?

- Funding received in 2024-25 creates the District's new hold harmless "funding floor" and no future COLA will be applied to the new floor.
- Earned revenues will need to grow above the new funding floor to receive additional dollars.
- Growth in FTES show that the District is moving in the right direction.

Six-Year Forecast

The following five different scenarios were provided, each illustrating the different impacts:

- Scenario 1: Uses the 2024-25 budget expenses and 2023-24 FTES, and assumes that any COLA increases are passed through as salary increases and benefit costs increase by COLA as well. \$17,202,609 budget deficit by 2029-30.
- Scenario 2: Includes the Scenario 1 assumptions, less the \$5.395 million in retiree benefit contribution. \$7,443,303,000 budget surplus by 2029-30.
- Scenario 3: Includes Scenario 2 assumptions, uses the 2024-25 FTES targets. \$20,227,237 budget surplus by 2029-30.
- Scenario 4: Includes Scenario 3 assumptions, but illustrates the impact of annual step and column increases in out years and the impact of the Consumer Price Index increases to non-personnel costs. \$4,355,542 budget deficit by 2029-30.
- Scenario 5: Includes the Scenario 4 assumptions, but illustrates 1% annual growth in FTES. \$4,118,967 budget deficit by 2029-30.

Other Considerations

- Deficit Factor: 6.8538% deficit factor (\$18 million) used for 2024-25 Advance Revision (page 51) and a 1% deficit factor (\$2.6 million).
- Negotiations for all groups have not been settled.
- Job Family Studies are still in-progress. The IT family study is expected to increase the budget by approximately \$900,000.
- Change in Attendance Accounting Formula: A systemwide change to standardize calculations for credit FTES is estimating a 2% decline in calculated FTES based on existing class schedules and rosters.
- As federal COVID funds used to support student basic needs are exhausted, impact to enrollments is uncertain.
- Fullerton College Construction Program: The College started a lot of capital projects but is running out of funds to complete them due to continuing escalation of prices in the construction industry.

District and Campus Specific Budget Updates

Finance staff will host in-person budget discussions to share an overview of the ending fund balance, the State budget, the California Community College System budget, the District budget, campus-specific budgets on the following dates:

- District Office: Monday, September 30 at 3:00 p.m.
- Fullerton College: Monday, October 21 at 3:00 p.m.
- NOCE: Wednesday, October 23 at 3:00 p.m.
- Cypress College: Thursday, October 24 at 3:00 p.m.

Chancellor Clift Breland asked members to encourage attendance at the campus budget forums and noted that enrollment growth is the other piece of the budget and highlighted the need to build pathways to noncredit, engage in innovative programs, increase marketing and access for students, and look at specific places where we can do better based on what students are choosing.

Vice Chancellor Williams concluded the presentation by stating that the District tends to focus on the 70% of the Student Centered Funding Formula that is based on enrollment, but pointed to the remaining 30% of the formula that is based on student achievements and demographics.

Calendar for the 2025-26 Budget: Vice Chancellor Fred Williams presented the calendar for the 2025-26 budget which highlights significant dates related to the budget preparation process, 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 the October 8, 2024 Board meeting.

POLICY

Revised AP 7120-9, Employment of Special Project Administrators: Revisions to AP 7120-9 were presented because currently it does not allow Special Project Administrators (SPAs) to serve in more than one role with the District. The ability to assign a SPA to another assignment within the District has been requested by the campuses. This is important in critical areas where there are insufficient numbers of adjunct faculty to meet student course demands. As an example, NOCE has not been able to meet student demand for ESL courses. SPAs are FLSA Exempt. This amendment will enable the use of SPAs to serve a dual role so that campuses can better manage resources and address critical needs in real-time, which is essential for meeting student demands and maintaining educational quality.

During the discussion, Valentina Purtell, NOCE President, expressed her gratitude for the proposed revisions which will help NOCE employ Special Project Administrators who meet minimum qualifications in areas of rapid growth where it is difficult to hire adjunct faculty in a timely manner.

Members supported the revisions and **there was consensus to approve AP 7120-9 and post it to the District website with one member abstaining** (Archie Delshad).

Revised AP 5015, Residence Determination; Revised AP 5020, Nonresident Tuition; Revised AP 5030, Fees; and Revised AP 7120-11, Verification of Eligibility of Employment: These administrative procedures were revised to replace the terms “illegally” and “alien” with alternate language and to update pronoun usage. Updates to AP 5015 also reflect legally recommended revisions per the Community College League of California (CCLC) Policy and Procedure Service’s legal updates.

During the discussion, members inquired about the impact on international students, whether Human Resources forms would also be revised, provided minor grammatical corrections, requested clarification on the intent of the language regarding College and Career Access Pathways in AP 5020, and noted that AB 1096 was signed by Governor Newsom in 2021 to discontinue the use of the term “alien” in state law.

Members supported the revisions and **there was consensus to approve AP 5015, AP 5020, AP 5030, and AP 7120-11 and post them to the District website.**

Revised BP/AP 7600, Campus Safety Officers: At the February 23, 2022 meeting, a DCC item was submitted by Interim Fullerton College Vice President, Student Services for proposed revisions for BP/AP 7600, Campus Safety Officers. At that meeting, changes and rationale were shared with DCC members, so that campus representatives could vet the policies/procedures concurrently and bring their recommendations back to a Safety Committee workgroup. No feedback was received, so the Vice Chancellor, Finance and Facilities was asked to start the discussion over.

BP 7600 included minimal changes, but there were significant changes proposed for AP 7600. Changes included adding definitions explaining community-oriented safety philosophy and outlining the general authority and role of Campus Safety Officers, including providing guidance on use of force, conducting searches, engaging in pursuits, authorization regarding traffic and parking violations, equipment, patrolling, and training. The revision's secondary purpose is so that the Standard Operating Procedures, required by board policy, are established and documented.

At the August 26, 2024, DCC meeting, proposed revisions to BP/AP 7600 were reintroduced for review and discussion. It was requested that members share the proposed policies with their constituencies and be prepared to share feedback at the next DCC meeting.

Chancellor Cliff Breland reminded the group that the Board wants a follow-up discussion these policies in October after having an initial discussion in August.

In the ensuing discussion, members shared the following:

- CSEA continues to advocate for members to defend themselves with the use of an asp.
- Whether the policies have been discussed at campus PAC meetings?
- A suggestion to revise section 1.1 to reflect that the District is the employer, not the campuses.
- At NOCE, the proposed policies were discussed at the September 18 PAC meeting where the group suggested adding training to interact with special populations, had a recommendation that the role of observer be added, that training on how to respond to an attack on an officer be specified, concern that the appearance of a baton could be triggering for students, and if it is added it should be inconspicuous.
- The addition of a baton/retractable baton could present additional concerns.
- Could the Board make changes to the AP after DCC has approved it?
- Any changes regarding equipment would have to be negotiated with CSEA.
- The use of pepper spray is authorized and noted in 3.4.3.3.
- It would be helpful to know what direction the campuses want to move towards in order to better help guide the conversation.

- Clarification is needed as to what level of physical force would be allowable and it needs to be better defined.
- Community policing needs to be included in section 6.0.
- When will action take place so it can be agendized properly by the members with their constituencies?
- At Fullerton College, during preliminary discussions with the Faculty Senate and some campus individuals, most were opposed to the addition of batons or asps, seemed to be OK with pepper spray, and liked that a flashlight was prohibited from being used to defend. There is a difference between policing and campus safety because that's not their job.
- At Cypress College, there was a lot of discussion on detaining with the use of baton or using the baton to defend themselves, and concern with the detainment aspect.
- Use of batons requires licensing.
- Has the use of this equipment and training been priced out and does it mean there could be the termination of any existing officers?
- The campuses have existing MOUs with local law enforcement agencies.
- Local police departments rely on campus safety officers.
- Concern about how students would be affected. Have we looked into rogue officers that have racially profiled students?
- Would like to come up with something that makes people feel safe but also allows people to do their jobs.
- It is challenging to have the discussion because the current draft doesn't include the use of a baton and it is also difficult to make a concrete decision without data about the types of incidents or physical altercations that we are seeing at the campuses. We only know about one incident, and we don't want to sway the discussion based on only that.
- It seems like we do not have a clear understanding of what the campus safety officers do and we need to identify what their roles and responsibilities are.
- Personal safety concerns about having to rely on campus safety officers as a person of color.
- Do Clery reports include when campus safety officers call on police departments?
- What might be the negative impact of having campus safety officers that look more like a police officers which could be triggering for students and employees. What do you have to gain from potentially triggering people in that way when our focus is to serve underrepresented groups?
- At Fullerton College, the Faculty Senate, Classified Senate, and Associated Students have had their first discussion and instructed their members to bring feedback to the next meeting to vote at PAC. If there was a theme in the discussions, it would be concern for students.
- At NOCE, a report was requested regarding the types of incidents that campus safety officers are responding to and at the Anaheim Campus it is low crime campus with most incidents being theft or injuries that require medical attention.
- The climate would remain the same – the campus safety officers aren't going to change into different people.
- What could change is the perception of campus safety officers with the availability of new equipment including how they interact with others and how that equipment can be used against them.
- We need to start here in order to move forward in the direction that people are OK with.
- Concern that the policies could lead to an expansion of powers for campus safety officers without the necessary infrastructure, training, or oversight in place. Before expanding this, much less adding equipment, we need to have an enormous expansion of oversight. Batons cannot be added without adding bodycams and who has access to the footage.

- We need to determine what the big picture is and bring someone in to develop the policy language because this is much bigger than an equipment question.
- It is important to get the student voice in the discussion.
- Can we get a police response time to the campuses because that aspect does influence the conversation.

Chancellor Clift Breland noted the need to define what question is being answered: the language in the policy or the philosophy of who we want to be as a district? He stated that we have police departments in our cities so that we don't over police, but did note that districts have moved towards an enforcement-type model, despite the State recommending that we move towards community-based policing.

This item will be kept as a running item on future DCC meeting agendas.

OTHER ITEMS

Next DCC Meeting: The next DCC meeting will take place on Monday, October 28.

ADJOURNMENT: The meeting was adjourned at 3:58 p.m.