

**COUNCIL ON BUDGET AND FACILITIES**  
**October 9, 2023**

**APPROVED SUMMARY**

**Members Present:** Andrew Baldwin, Terry Cox, Danielle Davy, Karla Frizler, Henry Hua Elaine Loayza, Kathleen McAlister, Jennifer Oo, Jeremy Peters, Irma Ramos, Jeanette Rodriguez, Stephen Schoonmaker, Lourdes Valiente, Kashu Vyas, Fred Williams

**Members Absent:** Cherry Li-Bugg, Marwin Luminarias, Fola Odeunmi, Marlo Smith, Jomari Tugade

**Guests Present:** Cynthia Olivo and Richard Williams

**Call to Order:** The meeting was called to order at 2:03 p.m.

1. **Summary:** The summary of the September 11, 2023, meeting was approved.
2. **Resource Allocation Evaluation:** Kashu Vyas, Executive Director of Fiscal Affairs, presented the evaluation of the Resource Allocation Model (RAM).

Some of the highlights and changes during the year included:

- The Districtwide RAM SCFF continues to be based on the actual final FTES numbers. Any additional funding due to participation in the Emergency Conditions Provision and Hold Harmless continues to be considered separate from the RAM's ongoing structure.
- The District elected to continue to participate in the Emergency Conditions Provision which holds our FTES to the 2019-20 P1 levels for funding purposes. Funding received above the earned SCFF RAM calculations was also allocated as supplemental revenue to the 3 campuses as well as to District Services.
- As part of participating in the 2022-23 Emergency Conditions Allowance, the District went to the Board to increase its required reserves. In line with the information approved by the Board, \$10,904,712 was pulled back from the additional funding to be used to increase reserves.
- Interest and Investment Income is very unpredictable. Current interest rates are unprecedented.
- Lottery calculations are based on reported FTES and adjustments from the State.
- Salary and benefits are the largest portion for each budget center.

**Questions/Comments:**

1. *What is the salary & benefits calculation as a percentage of revenue?* 86.6% based on total revenue.
2. *Does the salary & benefits calculation include all the salaries in the RAM?* Yes. However, as CBF had previously discussed, categorical expenses are not included.
3. *Will Emergency Conditions funding continue until 2025?* No, next year Hold Harmless funding will continue. The presentation that was shared at the September 11 CBF meeting provided additional information.

Based on the evaluation, it can be concluded that the model is working as intended. The Budget Officers also acknowledged that there is strength in allowing the budget centers to spend what they earn.

Mr. Williams noted that the 9.25% allocation to the District may need to be discussed and re-evaluated as the job families project continues.

3. **Districtwide Expenses:** Kash Vyas reviewed the spreadsheet and expressed the need to establish guiding principles to help determine districtwide expenses. These guidelines can be applied to the list of identified items. The committee agreed that the Budget Officers would work to formulate guidelines that would then be shared at a future CBF meeting.

Questions/Comments:

1. *How many retirees are covered under the Retiree Medical benefits?* Roughly 1,000.
  2. *Jeremy Peters suggested using a minimum dollar amount to trigger a review by the committee.*
  3. *Was the Supplemental Early Retirement Plan (SERP) included under retiree medical benefits?* No. The SERP was funded with one-time dollars.
4. **2024-2025 Budget Calendar:** Kashu Vyas shared a copy of the budget calendar with the committee for review. The calendar will be taken to the October 10, 2023 Board meeting for approval.
  5. **Prior One-Time Funds:** The Budget Officers provided status updates on scheduled maintenance funds, primarily one-time fund allocations (local funding), enrollment support funding, and grant details related to enrollment dollars.

Questions/Comments:

1. *Could you please elaborate more on the Health and Wellness Center funding At Cypress College?* The campus is trying to integrate the Counseling Center (2<sup>nd</sup> floor) and the Health and Wellness Center (1<sup>st</sup> floor) in a more conducive way for the students to access services. In addition, a dance center and kinesiology wellness lab are being added to the plan.
2. *Will the food passes continue through the Spring semester at Cypress?* Yes, we are anticipating that the state grant monies will stretch out through the spring.
3. *Are there any plans to bring in additional food vendors at Cypress?* The campus is open to additional options and suggestions.

Rick Williams shared with the committee an update on State Scheduled Maintenance funds which were significantly reduced. The list of future projects was reevaluated to put the top priorities at the top of the list.

Vice Chancellor Williams and Kashu Vyas provided a one-time funding overview and noted the following. A sustainability consultant was hired, and the committee continues to search for the two staff members. The 5 Year Cyber Security Plan completed the first year, \$97,000 remains for the Title IX requests, and the Microsoft 365 collaboration implementation is in the process of being completed.

## 6. Facilities Updates

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

- Fire riser replacement and chilled water piping are currently on hold until the final budget is finalized.
- Upper deck renovation - The application to the State Chancellor's Office to bid the project was approved and received. Final Board approval will be submitted at the second meeting in November. Construction is anticipated in December.
- Swing space – The punch walk is scheduled for October 18 for final repairs. Move in is anticipated in October/November.
- Wayfinding/Signage – Construction is scheduled to begin in November. Some signs include the culinary arts, all other elements have been approved.
- Patio Area – Plans will be submitted to DSA later this year for the canopy and remodel of the outdoor seating area and electrical connections.

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

- Fine Arts Renovation – The walkthrough was scheduled and the deadline to submit any bids will be ending shortly.
- Culinary Arts Swing Space – The ADA parking lot was completed. The modular kitchens have been delivered. The coolers, dining room, and restrooms will be delivered shortly.
- Softball Field Renovation – An architect has been identified and will be taken to the October 10 Board meeting for approval.
- Campus Complex 4<sup>th</sup> Floor Renovations – first phase is complete.

### Questions/Comments:

1. *Is there an expected move in date for the culinary Arts Center?* At the end of semester.

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

- 300 Building – The project was approved for bidding in August. The Construction Manager was selected for the project and is anticipated to begin in February 2024.
- Performance Art Building – A very high-cost project and is experiencing a significant funding shortfall.
- Wilshire Chiller – Was DSA approved and the authorization to bid was submitted to the State Chancellor's Office.
- Chapman Newall – Currently in negotiations of the projects Guaranteed Maximum Price (GMP). Construction is expected to begin October 2023 and awaiting city approvals.
- Sherbeck field – still in the process of closing out the project. Bleachers and audio are the last final touches.

Fred Williams noted that there had been discussion regarding the Performing Arts Center and the Wellness Center during the EFMP refresh project. Due to the shortfalls and significant cost escalation due to inflation, a decision will need to be made on which projects will need to be scaled back.

Questions/Comments:

1. *Where is the money coming from if there is a large shortfall at Fullerton College?* It will need to come from other projects. The campus project list will need to be reassessed, and some projects will need to be pushed back or removed from the list.
2. *Is this project all Measure J funds?* Yes. The Performing Arts Project is a Measure J and State funded project. \$40M will need to be returned to the State if we do not decide to move forward with the project.

**Future Meetings**

- November 13, 2023
- December 11, 2023

**Meeting was adjourned: 4:04 p.m.**