

COUNCIL ON BUDGET AND FACILITIES

June 10, 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 May 13, 2024 Summary Notes | Irma Ramos | Action |
| 2. Budget Update | | |
| ➤ Governor’s May Revise Information | Fred Williams | Information |
| ➤ RAM Update | Kashu Vyas | Information |
| 3. One-time Funding | | |
| ➤ Network Refresh – Phase II | Geoff Hurst | Action |
| 4. Facilities Updates | Budget Officers | Information |
| 5. Future Meeting Dates: | | |
| July 8* | | |
| August 12* | | |
| September 9 | | |
| 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
May 13, 2024

UNAPPROVED SUMMARY

Members Present: Terry Cox, Karla Frizler, Henry Hua, Cherry Li-Bugg, Elaine Loayza, Kathleen McAlister, Jeremy Peters, Jeannette Rodriguez, Stephen Schoonmaker, Marlo Smith, Leslie Tsubaki, Lourdes Valiente, Kashu Vyas and Fred Williams,

Members Absent: Jennifer Oo, Jesus Ramirz, Jomari Tugade, Irma Ramos

Guests Present: Geoff Hurst, Cynthia Olivo, Debbie Shandy, Richard Williams, Jackie Eckhardt (DLR), Patti Mason (DLR)

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

1. **Summary:** The summary of the March 11, 2024, meeting notes were approved.
2. **Districtwide Sustainability Plan** - In May 2021, the Board adopted BP 3580 Sustainability Plan which requires the District to maintain and continue to evaluate a sustainability plan. In February 2022, AP 3580 Environmental Sustainability was adopted. AP 3580 provides guidelines for implementing principles of environmental sustainability in the institutional design, services, and operations of NOCCCD campuses. In 2023, DLR group was selected to assist NOCCCD in creating a District-wide Sustainability Plan (Plan).

Jackie Eckhardt and Patti Mason presented on behalf of DLR group and the Sustainability Plan. The Plan was developed using applicable statewide policies and targets and goals relevant to sustainability using guidelines established by the Advancement for Sustainability in Higher Education (AASHE) using the sustainability, tracking, advancement & rating system (STARS) as the guide and on the decision making around utilities and energy/infrastructure, capital planning, and climate resilience.

To build a unique plan specific to the District and campuses, multiple meetings were held with the campus constituency groups to gain feedback and input from faculty, staff, and students. Flexibility within the plan was also taken into consideration to allow for adaptability to external factors as the campus develops and maintains integrity of the proposed vision and goals.

The item is scheduled to be taken to DCC for an initial reading on May 27.

Questions/Comments:

1. Mr. Williams also stated that the Plan is very comprehensive and detailed, which requires significant monetary resources. A funding plan will need to be established for future funding. Dr. Cythia Olivo, Fullerton President, also commented that fiscal implications would be helpful to know as the project and plan continue.
2. *Using the STARS system and the data that we have right now, how close are we to being able to measure NOCCCD to other districts?* The first steps are getting each of the campuses onto the STARS platform. Fullerton has started the process and is further along than the District and Cypress, we're about 1/3 there. Once all the campuses are on the platform, The dashboard will be able to provide a better indication of where we are in comparison to the other Districts.

3. Vice Chancellor Williams commented that Fullerton has a Sustainability Director on campus to assist with the sustainability efforts and while funding was allocated for support for two positions, for a two-year period, the search has been unsuccessful to find assistance for the second position. As of June, only one year of funding for one of the positions will have been spent.
4. *Is there a need for additional support and/or dollars at this point?* Dr. Stephen Schoonmaker shared that while Tyler Deacy, Fullerton Sustainability Director, has been assisting the other campuses, grant support is still lacking and a District coordinator with a level or expertise to help oversee the project is still needed.

3. May Revise – Vice Chancellor Williams noted after the release of the Governor’s 2024-25 May Revise summary, not a lot of details have been heard from Sacramento, however, the Joint Analysis is expected to be released on May 14 at 4:00 p.m. Staff will continue to provide updates to CBF as new information is released.

4. One-Time Funding

Districtwide Success Advocates Pilot – The item was taken to DCC for a first reading and is scheduled to be brought back for further discussion at the May 20th meeting.

Technology Cost and Change Increases – These costs were approved at the March 2024 CBF meeting and the April 2024 DCC meeting.

New Funding Request - Scheduled Maintenance – In the 2022-23 State budget, \$840.7 million was allocated for scheduled maintenance and instructional equipment. As part of the State’s budget for 2023-24, \$500 million of the previous scheduled maintenance and instructional materials funds were clawed back by the State, which amounted to \$11.4 million for our District.

In the Governor’s January Budget, \$0 dollars were included for deferred maintenance and instruction equipment for the 2024-25 State Budget.

Cypress College Vice President, Dr. Stephen Schoonmaker, Fullerton College Vice President, Henry Hua, and Facilities Director, Richard Williams all provided detailed list of campus projects and requested \$5 million of one-time funding to offset the costs. While the total amounts exceeded the requested \$5 million, the lists provided insight to the committee on the overall campus needs.

The request for \$5 million to campus scheduled maintenance was approved by consensus to move the request up to DCC.

In addition, a brief status update of the last allocation made on December 6, 2022 of \$5.5 million was shared with the committee.

Vice Chancellor Williams shared that the SERP has not been finalized, which may leave additional one-time dollars available if it does not pass. A discussion is scheduled to take place with the Board of Trustees at the May 14, 2024 Board meeting.

Questions/Comments:

1. *Would the SERP payments be covered by the one-time unallocated dollars?* A portion would be covered by one-time dollars; however, the overall payment is spread out over a five-year period. The one-time dollars would help support the campuses offset these payments.

Kashu Vyas shared with the committee that the tentative budget is approaching and will give staff an opportunity to capture the personnel expense changes and the proposed budget, which will provide the final budget numbers. While we know there is a deficit, staff will hopefully be able to provide a better indication whether there is a current year deficit. Other factors will need to be taken into consideration, such as the possibility of the SERP and negotiations, but staff are expected to have stronger numbers after year end closing.

Questions/Comments:

2. *Where can the carryover budgets be found?* The Budget Book provides a summary and campus specific carryover budgets.

5. Facilities Updates

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

- Fine Arts Renovation – the project is underway.
- Health and Wellness Center Renovation – this project involves temporary relocation to begin renovations. DSA acceptance letter was received.
- Auto Yard – Auto lifts are being installed in the auto yard this summer.
- Electrical Vehicle Charging Stations – 60 stations will be installed in lot 4.
- Softball field – currently in design phase.
- Summer Projects – two new roofing projects and paint the outsides of the LLC and student center
- Cooling Towers – the campus had a premature equipment failure but will be replaced under warranty.
- Soccer field – there will be spot spraying and seeding to improve the field, installation of a new score board, and new timed lighting to adhere to the new lighting regulations.

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

- 300 Building Renovation – approved by the board, notice to proceed will be coming out on May 15.
- Performing Arts Complex – project team sent DSA addendum and working drawing submittal to CCCCO. Construction is anticipated in October 2024.
- Instructional Building – framing has gone up and staff anticipate a topping ceremony in June.
- M&O Building – masonry work is underway and moving along.
- Solar Charging Stations – panels are ready to be installed. Project will continue through summer until the fall.
- Wilshire Chiller Plant Relocation – Notice to Proceed was received and meetings with the construction Manager are schedule later this week.

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

- Upper deck renovation – phase one of three is 90% complete with no issues. The project also consists of a new all gender restroom on the first floor.
- Interior and Exterior Signage – surveying came back clean with no utilities in the way allowing the sign to be left where it is.
- Swing Space-Interim Housing – DSA Certification was received on May 13 and the project will be closed out.

- Outside Patio Remodel – Construction documents were submitted to DSA in April, with approval anticipated in mid-summer.
- Board Room – the team is trying to expedite this project to have a completion date in late 2024/early 2025 for occupancy in early spring of 2025.
- SPUR Solar Project – 18 contractors came for the walkthrough. This is a pilot project for a Power Purchase Agreement (PPA) used for statewide projects. Project is anticipated in 2025.

Vice Chancellor Williams shared that there will be a statewide facilities bond on the November ballot. He also shared that the Fullerton College STEM building is contingent on the bond passing. In efforts to support the statewide bond, a Region 8 fundraiser, showcasing district projects, will be held on June 12, 2024 at Irvine Valley College.

6. **CBF Calendar** – The committee reviewed and discussed the 2024-25 calendar. November 11th was notated as a holiday and will remain on the calendar and will only be rescheduled if deemed necessary.
7. **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.

June 10

Meeting was adjourned at 3:28p.m.

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: **June 4, 2024**

From: **Fred Williams, Vice Chancellor, Finance and Facilities**

Re: **Agenda Item for Council on Budget and Facilities of June 10, 2024**

1. AGENDA ITEM NAME

Governor's May Revise

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

5-10 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

Quick updates on the May revise:

- **Not much change from the Jan budget, except COLA increasing to 1.07% for the apportionment calculation and certain categorical programs**
- **No scheduled maintenance funds**
- **No changes to the hold harmless provision, still phased out after the 2024-25 year**
- **Upon discussion with the State Chancellor's Office, they expect significant activity between May and when the budget is signed, before July 1**
- **Still some concern whether COLA will actually be funded, due to opposition with Education being favored in the May Revise.**
- **Still expecting deficit in 23-24 when P2 numbers are release, but the State Chancellor has not quantified this.**

In depth highlights from the State Chancellor's Office:

On Friday, May 10, Governor Newsom released a summary of the 2024-25 May Revision, and final budget details included in the May Revision were shared on May 15. Below are some key changes in the proposal compared to the enacted budget for 2023-24 and the Governor's Budget for 2024-25 that was released in January:

- Under the May Revision, the overall state budget would be lower than proposed in January and lower than the 2023-24 enacted budget, decreasing by about 7% to \$288 billion related to a projected budget deficit of \$45 billion. General Fund spending would decrease by about \$25 billion (11.1%) to \$201 billion.
- The budget proposal for the California Community Colleges focuses on stability in the context of the significant budget deficit. It includes no major core reductions to programs or services, instead drawing on reserves and operational savings to bring the overall budget in balance. Overall, funding increases slightly compared to the current year enacted budget.
- Revised proposals for ongoing spending include about \$100 million for a 1.07% cost-of-living adjustment (COLA) for community college apportionments, \$31 million more than the Governor's original proposed COLA of 0.76% in the January budget proposal. The proposal also includes an additional \$13 million for COLAs and adjustments to certain categorical programs, and \$28 million for systemwide enrollment growth of 0.5%.
- One-time funding in the revised proposal remains limited but retains the previously proposed \$60 million for expansion of nursing program capacity from the Governor's Budget and adds \$35 million for several projects related to the system's Vision 2030 priorities.
- The Governor's revised proposal includes \$29 million in capital outlay funding from Proposition 51 to support the working drawings and construction phases for one continuing project, the same as included in the Governor's Budget.

To assist with the review of the budget proposal, included is the link to the [2024-25 Joint Analysis of the Governor's May Revise Budget](#), put together by the California Community Colleges Chancellor's Office with the Association of California Community College Administrators (ACCCA), the Association of Chief Business Officials (ACBO), and the Community College League of California.

Additional information can also be found in the [School Services of California Community College Update – An Overview of the 2024-25 Governor's May Revision](#).

Budget assumptions are tentatively scheduled to be taken to the June 10 CBF meeting and the tentative budget is schedule to be taken to the June 28 Board meeting. The May revise information will be incorporated in the budgets.

Budget Officers will be attending the Association of Chief Business Officials (ACBO) Conference May 20-22.

5. RECOMMENDATION

It is recommended that the Council review the Joint Analysis of the Governor's May Revise Budget.

Forward this form with all backup material to the office of the Vice Chancellor, Finance & Facilities.

North Orange County Community College District

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: June 5, 2024

From: Kashu Vyas, Executive Director, Fiscal Affairs

Re: Agenda Item for Council on Budget and Facilities of June 10, 2024

1. AGENDA ITEM NAME

2023-24 Resource Allocation Model Tentative Budget Assumptions

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

15 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

To review the tentative budget assumptions and to allow members to discuss the information.

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

Members are asked to review the 2023-24 Resource Allocation Model Tentative Budget Assumptions.

North Orange County Community College District
One-time Funding Discussion
CBF
June 10, 2024

Districtwide	Districtwide
District-wide Success Advocates Pilot	2,500,000
Technology 2023-24 Cost & Change Increases	139,318
Network Refresh - Phase II	5,000,000
Scheduled Maintenance	
Cypress College	2,000,000
Fullerton College	2,000,000
Anaheim Campus	1,000,000
Unallocated	2,127,898
Total	<u><u>\$ 14,767,216</u></u>

Uncommitted Fund Balance	
Unallocated Resources	\$ 14,033,722
PY Apportionment Adjustment	733,494
Total	<u>\$ 14,767,216</u>

New Request

COUNCIL ON BUDGET & FACILITIES

Agenda Item Submittal Form

Date: 06/06/24

From: Geoff Hurst, Executive Director, IT

Re: Agenda Item for Council on Budget and Facilities of June 10, 2024

1. AGENDA ITEM NAME

Network Refresh One-time Funding

2. AGENDA ITEM ACTION (Please check one)

- Information Only
- Review/Discussion
- Action

3. ESTIMATED TIME REQUIRED FOR PRESENTATION/DISCUSSION:

15 minutes

4. BRIEF NARRATIVE SUMMARY OF AGENDA ITEM

With the completion of the Network Refresh Bond Project, it is important to maintain momentum to avoid future costly one-time projects by transitioning to an ongoing funding model for the replacement and maintenance of network equipment and services in the District.

There were also a number of projects that were identified as being outside the scope of the Network Refresh project that still need to be addressed, as they are integral in ensuring that NOCCCD’s network infrastructure is modern and responsive.

Technology changes rapidly. NOCCCD has made a commitment to provide a high quality of service to students and staff. If we are to continue to uphold that commitment there is a need to set aside funding that can be used to enhance and extend our existing network infrastructure.

In order to fund these needs, it is proposed that the District set aside one time funds in the amount of \$5 million. Although the exact amounts for each item are hard to predict, the following is a projected cost estimate based on current quotes. If a three-year renewal period is quoted, the five-year cost includes a multiplier for cost increases.

	Renewal Period	Cost	Proposed
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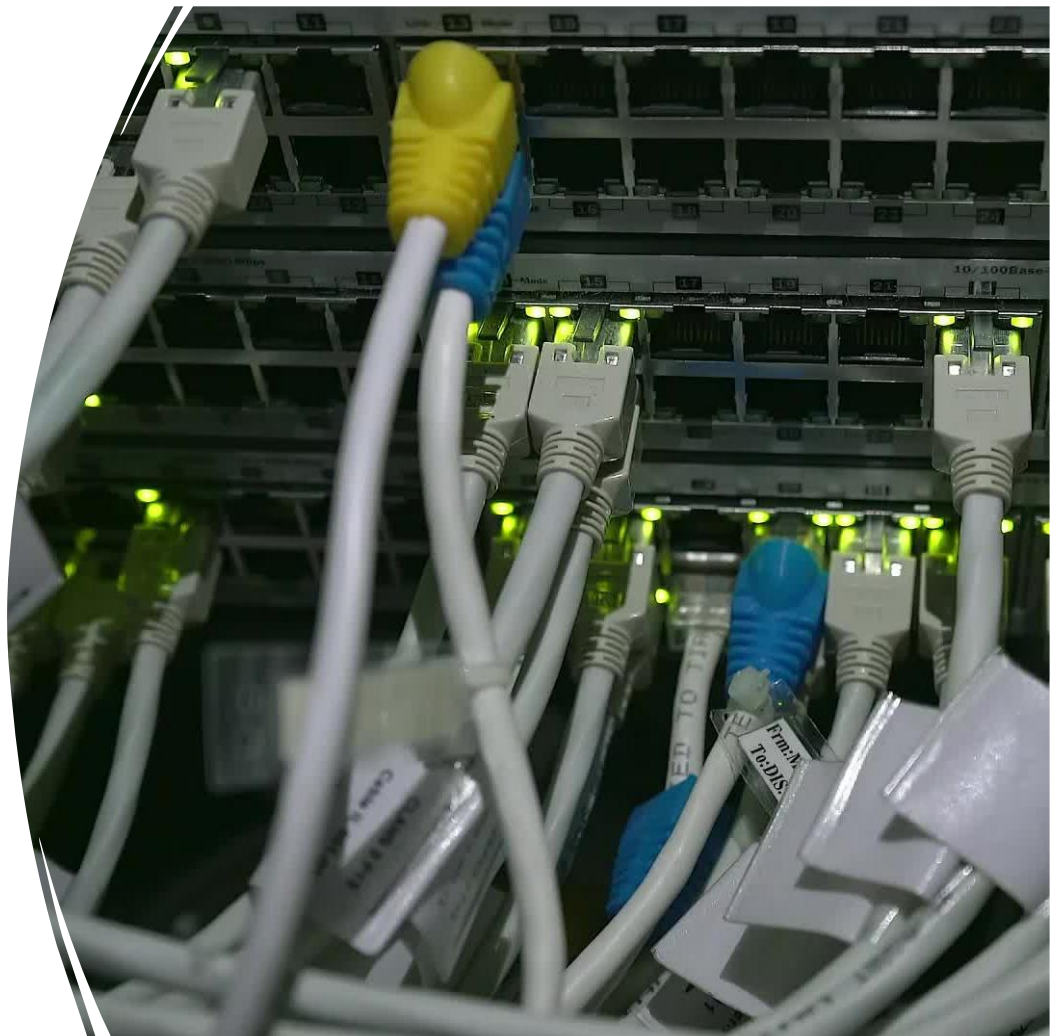
Maintenance/Licensing			
Fortinet Firewall	5yr	1,835,417	2,000,000
Aruba Controllers/SFP	3yr	97,000	250,000
Aruba NetEdit	3yr	30,000	60,000
Clearpass	5yr	60,000	60,000
InfoBlox	3yr	70,000	250,000
VSphere	3yr	74,880.00	200,000
Cisco InformaCast	5yr	40,000	40,000
Cisco RedSky	5yr	30,000	30,000
UPC (UPS)	5yr	150,000	150,000
Data Center Upgrades			
Anaheim			120,000
Fullerton			200,000
Cypress			180,000
Hardware Replace/Upgrade			500,000
Security			
Patching/Monitoring			250,000
Equitable Access			200,000
Total			4,490,000

5. RECOMMENDATION

Approve the use of one-time funds to establish a Network Refresh budget for \$5 million to cover future technology costs and improvements.

Network Refresh 2.0

*Continuous Improvement
Consolidated Services*



Background

With the completion of the Network Refresh Bond Project it is important to maintain the momentum and avoid another costly one time project in the future by transitioning to an ongoing model for funding the replacement and maintenance of network equipment and services in the district.

There were also a number of projects that were identified as being outside the scope of the Network Refresh scope that still need to be addressed, as they are integral in ensuring that NOCCCD's network infrastructure is modern and responsive.

Technology changes rapidly. NOCCCD has made a commitment to provide a high quality of service to students and staff. If we are to continue to uphold that commitment there is a need to set aside funding that can be used to enhance and extend our existing network infrastructure.

Future Planning

The goal of providing one-time funds for ongoing costs is to ensure that the District is able to:

- Stay with, not chase the standard
- Commit to continuous improvement
- Respond to educational technology trends (hybrid classrooms, remote work, EFMP)
- Provide mobile, portable, ubiquitous access
- Develop ongoing plans for hardware refresh cycle

The following are areas identified as requiring ongoing funding:

Equitable Access

Ensuring that there is a high quality of network access for all, across the entire footprint of the District. This will involve:

- Upgrading wi-fi access points as new technology becomes available
- Identifying areas on campuses that require additional wireless access points to improve coverage
- Embracing new technologies to improve privacy and security
- Consistent network performance regardless of location

Geodiversity

Improving reliability of network services by ensuring that there are no single points of failure in the network architecture by partnering with CENIC to add secondary connections that use different paths and carriers.

Replacement of old POTs lines to digital connections for legacy phones (elevators, blue phones, alarms, etc.)

Security

Although we have made significant progress in securing our systems and ensuring that we maintain a high level of threat awareness, there are still areas of improvement:

- Implementing changes to wired and wireless authentication - EAP-TEAP/EAP-TLS
- SDWAN segmentation to isolate access to privileged resources
- Physical security upgrades to data centers to control access
- Implementation of additional security features on purchased equipment
- Improve existing systems for patching, monitoring and incident response

Data Centers

Each site maintains a data center that houses servers, network equipment and storage devices that serve the campus needs. Changes in technology such as the move to cloud hosted services has reduced the need for equipment in these locations.

- Modernizing the data centers with new technologies such as self contained rack storage reduces the need for redundant power and cooling systems.
- Removing deprecated equipment and cabling improves efficiency and reduces maintenance costs.
- Upgrade data storage and backup solutions to include cloud hosted options
- Centralize environment monitoring
- Improve district wide system logging and monitoring

Licensing

Most of the equipment purchased as part of the Network Refresh project requires ongoing licensing and maintenance agreements to ensure that equipment can be repaired or updated. These agreements are usually three to five years in length. As the project took over three years to complete, many of them are now requiring renewal. This is a significant cost as shown in the table below.

Future Trends

Technology changes constantly. By earmarking funding to respond to these changes, the district can be more agile in adopting new technologies as they emerge. Some current trends that are already reaching production:

- 5G/6G and Wifi 6E/Wifi 7
- AIOps/Infrastructure as code
- Multi-cloud strategies for infrastructure needs (Backup, Redundancy, Disaster Recovery)
- IoT and seamless user interactions (proliferation of network connected devices)
- Zero Trust for Edge devices
- OpenRoaming

Proposed Investment Strategy

In order to fund these needs it is proposed that the District set aside one time funds in the amount of \$5m. Although the exact amounts for each item are hard to predict, the following is a projected cost estimate based on current quotes. If a three-year renewal period is quoted, the five-year cost includes a multiplier for cost increases.

	Renewal Period	Cost	Proposed
Maintenance/Licensing			
Fortinet Firewall	5yr	1,835,417	2,000,000
Aruba Controllers/SFP	3yr	97,000	250,000
Aruba NetEdit	3yr	30,000	60,000
Clearpass	5yr	60,000	60,000
InfoBlox	3yr	70,000	250,000
VSphere	3yr	74,880.00	200,000
Cisco InformaCast	5yr	40,000	40,000
Cisco RedSky	5yr	30,000	30,000
UPC (UPS)	5yr	150,000	150,000
Data Center Upgrades			
Anaheim			120,000
Fullerton			200,000
Cypress			180,000
Hardware Replace/Upgrade			
Security			
Patching/Monitoring			250,000
Equitable Access			
			200,000
Total			4,490,000