



Board of Trustees

Los Angeles Community College District

ACTION

Com No. BF3

Division: BUSINESS AND FINANCE

Date: February 12, 2014

Subject: 2013-2014 BUDGET ADJUSTMENT FOR FON SUBSIDY

In the General Fund, transfer \$910,000 from the Contingency Reserve account to account 100000 at East Los Angeles College, Los Angeles Harbor College, Pierce College, Los Angeles Trade-Technical College, and West Los Angeles College. (eBTA: D-0421)

Background: In order to meet the Full-Time/Part-Time faculty obligations for the 2013 Fall Semester at each college, the District is committed to provide a subsidy for 26 new full-time filled faculty positions (see Attachment A). Colleges shall be reimbursed for the difference between the salary and benefit costs paid for a contract faculty position and the adjunct (hourly) faculty position over three-year period. This is the first reimbursement provided by the District at \$35,000 per position.

FISCAL IMPLICATIONS: This action increases the college budgets by \$910,000 and reduces the Contingency Reserve by the same amount, leaving a balance of \$13,598,036 (2.64%).

Amounts will be transferred to each college as follows: East Los Angeles College (\$245,000); Los Angeles Harbor College (\$175,000); Pierce College (\$140,000); Los Angeles Trade-Technical College (\$70,000); West Los Angeles College (\$280,000).

REQUIRES FIVE (5) AFFIRMATIVE VOTES

Recommended and Approved by: _____
Adriana D. Barrera, Interim Chancellor

Chancellor and Secretary of the Board of Trustees By: _____ Date _____	Eng _____	Santiago _____
	Field _____	Svonkin _____
	Moreno _____	Veres _____
	Pearlman _____	Griggs _____
	Student Trustee Advisory Vote	

2013-14
FON Subsidy
Year 1

Subsidized Funding for Full-Time Faculty Filled Positions for Fall 13*

<u>Institution</u>	<u>Filled</u>	<u>Amount per position</u>	<u>Total</u>
City College	0	\$ 35,000	\$ -
East Los Angeles College	7	\$ 35,000	\$ 245,000
Harbor College	5	\$ 35,000	\$ 175,000
Mission College	0	\$ 35,000	\$ -
Pierce College	4	\$ 35,000	\$ 140,000
Southwest College	0	\$ 35,000	\$ -
Trade-Technical College	2	\$ 35,000	\$ 70,000
Valley College	0	\$ 35,000	\$ -
West Los Angeles College	8	\$ 35,000	\$ 280,000
	26		\$ 910,000

*Three year subsidy. First year reimbursement \$35,000. Second year reimbursement \$25,000. Third year reimbursement \$15,000.



Board of Trustees

Los Angeles Community College District

ACTION

Com. No. BF4

Division: BUSINESS AND FINANCE

Date: February 12, 2014

Subject: 2013-2014 BUDGET ADJUSTMENTS

In the General Fund, transfer \$288,047 from the Contingency Reserve to account 200000 to provide funding for seven positions in the Educational Services Center. Funding for future years will be provided from an ongoing reduction to the General Reserve. (eBTA: D-0361).

The positions approved for funding are the following:

- Maintenance and Operating Standards Coordinator
- Energy Program Manager
- Facilities Project Managers (2 positions)
- Research Analyst
- Auditor
- Data Communications Specialist

Background: As requested by the Chancellor, on November 13, 2013, the District Budget Committee (DBC) approved funding for an additional seven essential positions in the Educational Services Center. Funding for Fiscal Year 2013-2014 will be from the Contingency Reserve and prorated for the remainder of the fiscal year. **(Attachment I)** For future years, funding for these positions will be provided from an ongoing reduction to the General Reserve. The estimated amount for fiscal year 2014-2015 is \$864,145.

FISCAL IMPLICATIONS: This action increases the Educational Services Center's budget by \$288,047 and reduces the Contingency Reserve by the same amount, leaving a balance in the Contingency Reserve of \$13,309,989.

REQUIRES FIVE (5) AFFIRMATIVE VOTES

Recommended and Approved by: _____
Adriana D. Barrera, Interim Chancellor

Chancellor and Secretary of the Board of Trustees	Eng _____	Santiago _____
	Field _____	Svonkin _____
By _____	Moreno _____	Veres _____
	Pearlman _____	Griggs _____ Student Trustee Advisory Vote
Date _____		

EDUCATIONAL SERVICES CENTER
Positions approved for Funding by District Budget Committee on November 13, 2013

Office/Position Title	Positions (Plan to be Filled)			
	#FTE	Estimated Annual Salary	Approved (Y/N)	Funded Amount (4 months)
Office of Educational Programs and Institutional Effectiveness				
Senior Research Analyst	4	89,088	Y	29,696
Research Analyst	1	71,914	Y	23,971
Total Institutional Effectiveness	1.0	71,914	1.0	23,971
Internal Audit				
Auditor	1	71,914	Y	23,971
Total Internal Audit	1.0	71,914	1.0	23,971
Facilities				
Administrator of Maintenance	4	112,200	Y	37,400
Maintenance and Operating Standards Coordinator	1	102,000	Y	34,000
Energy Program Manager	1	98,484	Y	32,828
Facilities Project Manager	2	176,952	Y	58,984
Total Facilities	4.0	377,436	4.0	125,812
Information Technology				
Data Communications Specialist	1	79,504	Y	26,501
Total Information Technology	1.0	79,504	1.0	26,501
TOTAL SALARIES	7.0	600,768	7.0	200,255
Added Benefits		263,377		87,792
TOTAL		864,145		288,047

Summary Statement on Additional 7 Positions
(revised 12-19-13)

Senior Research Analyst, Office of Research and Institutional Effectiveness:

The position is a critical position in the Office of Research and Institutional Effectiveness. It is the primary position responsible for formulating methodologies to address complex educational and public policy issues, strategic planning, accreditation, institutional accountability and effectiveness, and student success, and make recommendations for policies and procedures based on the results.

The senior research analyst also develops, implements, and directs the maintenance of the specialized data systems used for institutional research and planning activities. These systems contain District-wide information on student demographic, assessment, enrollment, achievement, and financial aid and information on college section and course offerings, FTES, and weekly contact hours as well as staffing information and are utilized in research by both colleges and the District Office of Research and Institutional Effectiveness.

This position assists with data-driven decision making and District strategic planning by preparing external and internal scan data (both quantitative and qualitative), constructing data measures corresponding to objectives in the District Strategic Plan, determining methodology for measuring and evaluating progress towards the goals/objectives. The Senior Research Analyst position became vacant and defunded when the incumbent accepted a promotional opportunity at a college. The position was previously that of Senior Research Analyst and has been reclassified to Research Analyst.

Auditor, Internal Audit: IAD approved annual audit plan for 2013/2014 was executed with a budgeted hour that engaged a total of four auditors, a senior auditor, and a director. At the current time, the department is staffed with three auditors and the director. The workload of the department has increased because of the implementation of the whistleblower hotlines and requests from the colleges.

The audit plan includes the completion of one audit area which is below the normal completion rate of an audit department. However, in consideration of the current budget constraints IAD has adjusted its goal to one audit area per year. With the current staff, IAD is unable to complete 39% of its required plan. Additionally, of the 71% completion, IAD is unable to complete 85% of these requests in a timely manner. Our turnaround time for an assignment has increased tremendously. For example, the turnaround time for an investigation has increased from an average of 30 days to 90 days and an audit from an average of 90 days to 150 days.

Please note that budgeted hours are more than available hours with three auditors and one Director. The addition of an auditor will help the Department meets 99% of the scheduled audit plan (a completion of only one audit area "Procurement" for the fiscal year 2013-14).

Administrator of Maintenance Maintenance and Operating Standards

Coordinator, Facilities: The District is implementing the Computerized Maintenance Management System (CMMS) module of the SAP software. The District has owned this module since the purchase of the SAP software but has not implemented this module yet. There has been a concentrated effort through the Bond Program to capture all the information about the District's fixed assets. The information about these assets is housed in the CMMS module and includes things such as warranty information, ongoing maintenance requirements, and records of work performed. This position is responsible for the continued management of the CMMS database.

In addition, this position is responsible for coordinating and tracking of specialized facilities training. The need for specialized facilities training has increased as a result of new and different facility systems being added through the construction and renovation of buildings and infrastructure improvements.

The impact to the District if this position is not filled are:

1. Increased expected maintenance costs
2. Increased equipment downtime
3. Increased level of outsourcing of repairs
4. Inadequate trained facilities staff
5. Increased safety risks

Energy Program Manager, Facilities: In June of 2013 the Personnel Commission changed the title of this position to Utility Program Manager.

The District through the Bond Program has engaged in several energy initiatives which include the development of solar arrays, the building of energy storage systems, the

installation of metering and monitoring systems, and the construction of central plants, as well as, several other energy savings retrofits. In addition, the District has entered into several solar purchase and lease agreements, energy savings company (ESCOs) agreements, and applied for many energy incentives and grants. This position is instrumental in the review and follow-up to ensure the District is receiving what was promised. This position will also review utility usages throughout the district looking for abnormalities and investigate any discrepancies while making operational recommendations for improvements. The goal is to maintain a comfortable learning environment while achieving a reduction in utility consumption and expenditures.

The risks to the District if this position is not filled are:

1. Utilities are not managed and the District spends considerably more than necessary
2. Energy agreements are not monitored and the District spends considerably more than necessary
3. Energy incentives are not managed and the District does not receive eligible funds
4. Excessive downtime in energy production and load shifting increasing the amount the District will spend in utilities
5. Harder to maintain a comfortable learning environment

Facilities Project Manager, Facilities: The District has over 500 buildings and the Bond Program is only touching about 200 of these buildings. The District's Facilities Planning and Development department has the responsibility of managing all of the district projects over \$125,000. LACCD employs project managers that handle all projects above \$125,000 that are non-bond fundable.

Five years ago the District had six project managers. Since then four of these project managers have retired. The Facilities Planning and Development department had chosen not to fill the four open project manager positions because of a lack of non-bond construction funding. The current need is to increase the level of LACCD project managers by two.

This need is a result of the Board making the decision to set aside funding to address deferred maintenance issues throughout the district. In addition, the State has indicated there will be additional funding coming to the Districts to help address scheduled maintenance projects. Filling these two existing positions will allow the Facilities Planning and Development department to manage these additional projects.

The risk to the District if these positions are not filled is:

1. A majority of the projects that fall within the price range in which these projects will fall are labor intensive. External company overheads usually charged on projects this size are usually very high. Outsourcing this work would be very costly to the district and considerably more than doing the work using internal staff.

Without augmenting the Facilities Planning and Development department with the addition of the project managers, the deferred maintenance and scheduled maintenance projects will not be accomplished within this fiscal year.

Data Communications Specialist, IT: This position is responsible for network infrastructure changes and support. If this position is not filled, there will be an increased risk to all of our technology services. Also technology projects will take longer to complete. This position was already in the existing organizational chart.