

Membership**Academic Senate**

Holly Bailey-Hofmann
Lourdes Brent
Angela Echeverri
Jeff Hernandez*
Robert L. Stewart Jr.
Dan Wanner

Faculty Guild

Joseph Guerrieri
Sandra Lee
John McDowell
Rodger Mc Guinness
Olga Shewfelt
Joanne Waddell

Unions/Association

Arif Ahmed
Kathleen Becket
Velma Butler/Shirley Chen
Iris Ingram
Paulina Palomino
Vacant-Build& Const Trade

College Presidents

Kathleen F. Burke*
Erika A. Endrijonas
Larry Frank
Mary Gallagher **
Otto W. Lee
James M. Limbaugh
Marvin Martinez
Denise Noldon**
Monte Perez

**STUDENT TRUSTEE
REPRESENTATIVE**

James Ingram

* Co-chairs

**Interim

District Budget Committee

May 16, 2018

1:30 pm – 3:30 pm

Educational Services Center, Board Room

1. Call to Order (*Co-Chair Jeff Hernandez*)
2. Approval of Agenda
3. Approval of Minutes for April 11, 2018
4. Chancellor's Remarks/Updates
5. DBC Co-Chair Nomination (Administration)
6. ECDBC Reports and Recommendations
7. Enrollment Update (Cornner)
8. FON Update and Discussion (Román)
9. Year End Balance Projection – 3rd Qtr 311 Report (Gordon)
10. STRS/PERS Reserve (Gordon)
11. New Funding Model/May Revise (Gordon)
12. 2018-19 Proposed Tentative Budget (Gordon)
13. Proposed 2018-19 DBC/ECDBC Meeting Dates
14. DBC Recommendations to the Chancellor
15. Items to Be Addressed by ECDBC
16. Other Business

Future DBC Meetings: Jun 13

Future ECDBC Meetings: May 29, Jun 26

Supporting Documents can be found at:

<http://laccd.edu/Departments/DistrictLevelGovernance/DBC/Pages/default.aspx>

Los Angeles Community College District

District Budget Committee Meeting Minutes

April 11, 2018

1:30-3:30 pm, Educational Services Center, Board Room

Roll Call X Indicates Present

Academic Senate

Holly Bailey-Hoffman	
Lourdes Brent	X
Angela Echeverri	X
Jeff Hernandez*	X
Robert L. Stewart Jr.	
Dan Wanner	X

L.A. Faculty Guild

Joseph Guerrieri	X
Sandra Lee	X
John McDowell	X
Rodger Mc Ginness	X
Olga Shewfelt	X
Joanne Waddell	X

Unions/Association

Arif Ahmed	X
Kathleen Becket	
Velma Butler/Shirley Chen	
Iris Ingram	X
Paulina Palomino	X
Vacant-Build & Cost Trade	

College Presidents

Kathleen F. Burke*	X
Erika A. Endrijonas	X
Larry Frank	X
Mary Gallagher**	X
Otto W. Lee	X
James M. Limbaugh	X
Marvin Martinez	X
Denise Noldon**	X
Monte Perez	X

Student Trustee Rep

James Ingram

* DBC CO-chairs

** Interim

Also Present

Resource Persons

Chancellor Rodriguez
Ryan Cornner
Jeanette Gordon
Deborah La Teer
Bob Miller
Albert Román

Guests

Myeshia	Armstrong		
Grace	Chee	Robert	Medina
Ruby	Brougham	Sarah	Song
Dan	Hall	Bob	Suppelsa
Anil	Jain		
Mike	Lee		

1. **Call to Order** by Kathleen F. Burke at 1:40pm.
2. **Approval of Agenda** – Approved with no changes.
3. **Approval of Minutes for February 14, 2018** – Approved with no changes.
4. **Chancellor’s Remarks/Updates**
 - Discussion on 3 Pieces of Legislation
CCC Apply Simplification - Miguel Santiago has authored a bill that would simplify and stream line the application into the Community College System.
Assembly Bill 288 – A technical amendment to Dual Enrollment to allow instruction in Public Charter and Private Schools.
Extension of Cal Grant Eligibility – Allows the Cal Grant eligibility to extend from its current 4 years to 6 years.
5. **ECDBC Reports and Recommendations**
 - ECDBC did not meet.
6. **Enrollment Update (Cornner)**
 - FTES projection are based on actuals for Fall 2017, Summer2 2017, Winter and Spring full term classes. FTES are 5,800 less than last year; 4% down overall.
 - The District will report 102,194 at the P2 320 reporting.
7. **Update on New State Funding Formula (Gordon)**
 - Marvin Martinez, who sits on the CEO Workgroup on the Funding Formula, and Ms. Gordon who sits on the Advisory Workgroup of Fiscal Affairs gave the committee an update.
 - Simulations were distributed that show the Revenue impact to the District at various FTES levels under the existing state funding model.
 - If the District reports 102,395 FTES at the annual 320 reporting, the District will lose approx. \$ 28 million in 2018-2019 year.
8. **FON Update and Discussion (Roman)**
 - A handout was distributed that shows the Full Time Faculty hiring goals per college. The current goal for Fall 2018 is 48 hires.
 - A request was made for historical data on the number of Full Time faculty.
 - The District will meet its FON number, as early separations are coming in lower than projected.
9. **Administrative Co-Chair nominees**
 - In June, Dr. Kathleen F. Burke will end her two-year term, and a new co-chair will be nominated at the May meeting
10. **DBC Recommendations to the Chancellor**
 - none
11. **Items to Be Addressed by ECDBC**
 - Review scenarios of deficits and growth
12. **Other Business**
 - none

The meeting was adjourned at 3:10pm.

Future DBC Meetings: Jun 13

Future ECDBC Meetings: May 29, Jun 26



LOS ANGELES COMMUNITY COLLEGE DISTRICT

2017-18 Third Quarter Financial Status Report

District Budget Committee May 16, 2018

Projected Ending Balance

Projected Revenue	\$679.1 million
Projected Expenditures	<u>\$681.3 million</u>
Projected Revenue vs Expenditures	\$- 2.2 million
Balances Carried Forward for 2016-17	\$113.0 million
Adjustment to Beg Bal	<u>\$- 3.4 million</u>
Projected Ending Balance	\$ 107.4 million
Percent of Projected Expenditures	15.8%

Projected Reserves

General Reserve (6.5%)	42,576,661
Contingency Reserve (3.5%)	22,925,894
Deferred Maintenance	0
Balances/Open Orders	14,976,383
STRS/PERS Reserve	<u>26,900,000</u>
Total Projected Reserves as of June 30, 2018	107,378,938

Los Angeles Community College District

Projected Pension Cost Increase and Reserve Usage

Fiscal Year	CALSTRS			CALPERS			TOTAL		
	Employer Rate	Employer Liability	Annual Increase	Employer Rate	Employer Liability	Annual Increase	Employer Liability	Annual Increase	Cummulative Annual Increase
2013-2014	8.250%	14,800,892		11.442%	15,048,537		29,849,429		
2014-2015	8.880%	17,160,584	2,359,692	11.771%	16,091,452	1,042,915	33,252,036	3,402,607	3,402,607
2015-2016	10.730%	21,600,000	4,439,416	11.850%	16,900,000	808,548	38,500,000	5,247,964	8,650,571
2016-2017	12.580%	26,100,000	4,500,000	13.888%	20,300,000	3,400,000	46,400,000	7,900,000	16,550,571
2017-2018	14.430%	29,900,000	3,800,000	15.531%	22,800,000	2,500,000	52,700,000	6,300,000	22,850,571
2018-2019	16.280%	33,700,000	3,800,000	18.062%	26,500,000	3,700,000	60,200,000	7,500,000	30,350,571
2019-2020	18.130%	37,500,000	3,800,000	20.800%	30,500,000	4,000,000	68,000,000	7,800,000	38,150,571
2020-2021	19.100%	39,600,000	2,100,000	23.500%	34,400,000	3,900,000	74,000,000	6,000,000	44,150,571
2021-2022	20.250%	41,900,000	2,300,000	24.600%	36,000,000	1,600,000	77,900,000	3,900,000	48,050,571
2022-2023	20.250%	41,900,000	-	25.300%	37,100,000	1,100,000	79,000,000	1,100,000	49,150,571
2023-2024	20.250%	41,900,000	-	25.800%	37,800,000	700,000	79,700,000	700,000	49,850,571
2024-2025	20.250%	41,900,000	-	26.000%	38,100,000	300,000	80,000,000	300,000	50,150,571

STRS/PERS Contingency Reserve Fund-APPROVED

Current Funding Plan - Cover 100% of the cost of the annual increase (one year only) - plan short by \$400,000

Fiscal Year	usage	additions	Reserve Balance
2015-2016			22,000,000
2016-2017	7,200,000	18,400,000	33,200,000
2017-2018	6,300,000		26,900,000
2018-2019	7,500,000		19,400,000
2019-2020	7,800,000		11,600,000
2020-2021	6,000,000		5,600,000
2021-2022	3,900,000		1,700,000
2022-2023	1,100,000		600,000
2023-2024	600,000		-
2024-2025	-		-

STRS/PERS Contingency Reserve Fund-PROPOSED

Proposed Plan - Add \$17 million

Fiscal Year	usage	additions	Reserve Balance
2015-2016			22,000,000
2016-2017	7,200,000	18,400,000	33,200,000
2017-2018	6,300,000	17,000,000	43,900,000
2018-2019	12,111,000		31,789,000
2019-2020	12,595,440		19,193,560
2020-2021	9,688,800		9,504,760
2021-2022	6,297,720		3,207,040
2022-2023	1,776,280		1,430,760
2023-2024	1,130,360		300,400
2024-2025	300,400		-

Los Angeles Community College District
2018-19 Budget Projection
May 11, 2018

Description	Final Signed Budget 2017-18		Governor's January Proposal 2018-19		Governor's May Revise 2018-19		Jan vs May Change to LACCD
	System	LACCD	System	LACCD	System	LACCD	
General Fund							
Increased Access (1% in FY2018-19; 1.0% in FY2017-18) ^[4]	57,800,000	5,500,000	60,000,000	5,800,000	60,000,000	5,800,000	-
COLA (2.71% in FY2018-19; 1.56% in FY2017-18)	97,600,000	9,200,000	161,200,000	15,500,000	173,100,000	16,400,000	900,000
Funding Formula Transition ^[1] (Base augmentation in 2017-18)	183,600,000	16,400,000	175,000,000	?	279,000,000	?	-
Apprenticeship	-	-	18,000,000	166,000	22,800,000	210,000	44,000
Total Ongoing Base Increase	339,000,000	31,100,000	414,200,000	21,466,000	534,900,000	22,410,000	944,000
Categorical/Restricted							
COLA for EOPS, DSPS, CALWorks, Child Care tax bailout ^[2]	5,700,000	500,000	7,300,000	700,000	8,059,000	800,000	100,000
Guided Pathways ^[3]	150,000,000	12,800,000	-	-	-	-	-
Certified Nursing Assistant ^[1]	-	-	2,000,000	?	2,000,000	?	-
Proposition 39	38,900,000	3,700,000	-	-	-	-	-
Adult Ed Data Sharing	-	-	5,000,000	-	5,000,000	-	-
Adult Ed - COLA	-	-	20,500,000	196,000	21,500,000	211,000	15,000
Scheduled Main/Instructional Equipment	76,900,000	7,300,000	275,000,000	26,400,000	143,500,000	13,800,000	(12,600,000)
CCCCO System Office	-	-	2,000,000	-	2,000,000	-	-
Innovation Awards (grant based)	20,000,000	?	20,000,000	?	20,000,000	?	-
Online Education Initiative - system office	10,000,000	-	120,000,000	-	120,000,000	-	-
College Promise ^{[1] [2]}	-	-	46,000,000	4,400,000	46,000,000	4,400,000	-
Integrated Library System - system office	6,000,000	-	-	-	-	-	-
							-
Total Categorical/Restricted	307,500,000	24,300,000	497,800,000	31,696,000	368,059,000	19,211,000	(12,485,000)
Other/one time							
Cal Grant B (to Students)	-	-	32,900,000	-	40,700,000	-	-
Apprenticeship (one-time)			30,600,000	282,000	36,500,000	336,000	54,000
Open Educational Resources					6,000,000	?	-
Course Identification Numbering					685,000	?	-
Next Up (CAYFES)					5,000,000	?	-
New Financial Aid System - system office					18,500,000	-	-
Total Other/One Time	-	-	63,500,000	282,000	40,700,000	-	-
Grand Total	646,500,000	55,400,000	975,500,000	53,444,000	943,659,000	41,621,000	(11,541,000)

^[1] Subject to change; pending information from State Chancellor's Office.

^[2] Projected amount is based on the proportional share of LACCD FTES to the State system, currently 9.6%.

^[3] LACCD projected amount based on FTES share; could be grant based.

^[4] Currently 1 % growth is not likely for LACCD and is not included on 5 year forecasts.

**California Community College
New Funding Model
2018-2019**

Issue	Governor's January Budget Proposal	Governor's May Revise
Formula Construction	Base Grant, Supplemental Grant, Student Success Incentive Grant 50-25-25 split	same 60-20-20 split Non-Credit FTES continues to be funded at 100%
Funding Available to Implement Formula	\$175 million	Additional \$104 million for a total of \$279 million.
Implementation Timeline ("Hold Harmless")	1 year: 2018-19	2 years: 2018-19 (increased by COLA) and 2019-20
Calculation of Base Grant	FTES and Basic Allocation same as current model ends practice of summer shift	Three year FTES average and Basic Allocation same ends enrollment stability funding
Calculation of Supplemental Grant (Equity Allocation)	Additional funding using a cohort measure of low-income students as measured by Pell and College Promise Grants	Measure of total number of low-income students; adds AB 540 students to Pell and College Promise grant students
Calculation of Student Success Incentive Grant (Student Success Allocation)	Additional Resources based on three defined outcomes	Includes more broadly-defined set of outcomes
Funding for Interventions	Authorizes Chancellor to direct a District to use up to 3% for assistance	Authorizes Chancellor to direct a District to use up to 1% for assistance
Future Changes to the Formula	Authorizes the Board of Governors to amend formula	same

Los Angeles Community College District
District Budget Committee

2018-2019
Proposed Tentative Budget

May 16, 2018

Impact on LACCD Based on Governor's May Revise

New State Funding Formula:

- District "held harmless" to 2017-18 State Apportionment

Unrestricted General Fund (for General Operations):

- \$16.4 million (2.71%) COLA
- Funded Growth Revenue (1%) \$5.8 million (not distributed to colleges until earned)

Restricted General Fund:

- \$1 million (2.71%) COLA for EOPS, DSPS, CALWorks, Child Care tax bailout, Adult Ed
- \$13.8 million in Scheduled Maintenance & Instructional Equip

Budget Planning Assumptions

- Based on Governor's May Revise
- Revenue Assumptions:
 - Hold Harmless State Apportionment of \$604.8 million
 - COLA of \$16.4 million
 - Funded Enrollment Growth – 1% (\$5.8 million, not distributed to Colleges until earned)
 - Maintain a 6.5% General Reserve and a 3.5% Contingency Reserve
 - No distribution of the projected balances until year end

2018-19 Allocation Assumptions

- Total General Fund Unrestricted Budget Allocations – \$781 million
- \$78.2 million of the EPA fund distribution and \$16.4 million in COLA
- College Allocations - \$531.8 million
- Centralized Services Accounts are budgeted at \$79.7 million
- Educational Services Center (\$28.1 million) and Information Technology (\$11.6 million) Allocations
- Contingency Reserve (3.5%) - \$23.6 million
- General Reserve (6.5%) - \$43.8 million
- Deferred Maintenance Reserve (2.0%) - \$13.5 million
- STRS/PERS Reserve - \$19.4 million
- Projected location ending balance = \$15.0 million. No distribution of the projected balances until year end

Proposed 2018-2019 DBC/ECDBC Meeting Dates

<i>Board Meeting</i>	DBC	<i>Committee Meeting</i>	ECDBC
<i>July 11, 2018</i>	July 18, 2018	<i>July 25, 2018</i>	July 31, 2018
<i>August 8, 2018</i>	August 15, 2018	<i>August 22, 2018</i>	August 28, 2018
<i>September 5, 2018</i>	September 12, 2018	<i>September 19, 2018</i>	September 25, 2018
<i>October 3, 2018</i>	October 10, 2018	<i>October 17, 2018</i>	October 23, 2018
<i>November 7, 2018</i>	November 14, 2018	<i>November 21, 2018</i>	November 27, 2018
<i>December 5, 2018</i>	December 12, 2018	<i>December 19, 2018</i>	January 8, 2018
<i>January 9, 2019</i>	January 30, 2019	<i>January 23, 2019</i>	January 29, 2019
<i>February 6, 2019</i>	February 13, 2019	<i>February 20, 2019</i>	February 26, 2019
<i>March 6, 2019</i>	March 13, 2019	<i>March 20, 2019</i>	March 26, 2019
<i>April 3, 2019</i>	April 10, 2019	<i>April 17, 2019</i>	April 30, 2019
<i>May 8, 2019</i>	May 15, 2019	<i>May 22, 2019</i>	May 28, 2019
<i>June 5, 2019</i>	June 12, 2019	<i>June 19, 2019</i>	June 25, 2019

**Total Los Angeles Community College District
Full-Time Faculty Obligation Calculations Submitted to State***

From Fall 2008 to Fall 2017

(As of May 16, 2018)

	Fall 08	Fall 09	Fall 10	Fall 11	Fall 12	Fall 13	Fall 14	Fall 15	Fall 16	Fall 17
1 Full-Time Faculty	1434.53	1442.60	1479.10	1450.18	1445.34	1453.79	1436.85	1529.03	1660.28	1676.58
2 Part-Time Faculty	1107.18	967.10	872.90	849.28	779.90	931.34	1012.13	1004.97	926.65	894.40
3 Total (Line 1 + Line 2)	2541.71	2409.70	2352.00	2299.46	2225.24	2385.13	2448.98	2534.00	2586.93	2570.98
Full-Time Percentage	56.44%	59.87%	62.89%	63.07%	64.95%	60.95%	58.67%	60.34%	64.18%	65.21%
4 (Line 1/Line 3)										

The Part-time faculty amounts above are those submitted to the State on the LACCD Full-Time Faculty Obligation Report for the particular year. The Full-time Faculty report does not reflect the actual adjunct FTEF as overloads are not included in the calculations as well as replacements for regular faculty that are on leave/reassigned or late separations.

Notes:

* Data based on the LACCD Full-Time Faculty Obligation Report submitted to the State Chancellor's Office for the particular year.



LOS ANGELES COMMUNITY COLLEGE DISTRICT

CITY / EAST / HARBOR / MISSION / PIERCE / SOUTHWEST / TRADE-TECHNICAL / VALLEY / WEST

HUMAN RESOURCES

Probationary Faculty Hiring Notices – Fall 2018 as of 05/15/2018

Based upon Goal(s) set forth on 03/15/18

LOC	GOAL	RECEIVED	OUTSTANDING
C	5	6	-1
E	7	7	0
H	2	0	2
M	5	5	0
P	8	8	0
S	4	4	0
T	10	7	3
V	5	6	-1
W	5	5	0
Total	51	48	5

SUMMER 2018: Credit Enrollment Comparison

Census day for most classes: 6/14 and 6/17-19 for Summer 1 and 7/19 for Summer 2

Day

-27

Day relative to beginning of instruction

Tuesday, May 15, 2018

Tuesday, May 16, 2017

HEADCOUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Summer 2018	3,791	7,666	1,939	2,131	5,480	1,588	2,818	4,456	3,355	148	33,372
Summer 2017	3,910	9,068	1,925	1,936	5,739	1,770	2,967	3,987	3,363	191	34,856
2018 % of 2017	97%	85%	101%	110%	95%	90%	95%	112%	100%	77%	96%

ENROLLMENT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Summer 2018	5,270	11,242	2,564	2,820	8,093	2,554	3,906	6,193	4,805	162	47,609
Summer 2017	5,679	13,276	2,630	2,604	8,571	2,768	4,172	5,754	4,979	206	50,639
2018 % of 2017	93%	85%	97%	108%	94%	92%	94%	108%	97%	79%	94%

SECTION COUNT	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Summer 2018	279	593	101	152	394	102	365	298	256	40	2,580
Summer 2017	295	702	119	133	395	140	332	323	268	10	2,717
2018 % of 2017	95%	84%	85%	114%	100%	73%	110%	92%	96%	400%	95%

Enrollment divided by Section	City	East	Harbor	Mission	Pierce	Southwest	Trade	Valley	West	ITV	Total
Summer 2018	18.9	19.0	25.4	18.6	20.5	25.0	10.7	20.8	18.8	4.1	18.5
Summer 2017	19.3	18.9	22.1	19.6	21.7	19.8	12.6	17.8	18.6	20.6	18.6
2018 % of 2017	98%	100%	115%	95%	95%	127%	85%	117%	101%	20%	99%

Source: LACCD Student Information System, PS_CLASS_TBL, PS_STDNT_ENRL tables.

*Enrollment and Section count: Includes Credit Pa, WSCH, DSCH, Ind Study, and Work Exp. Excludes Non-Credit Adult Ed and Non-Credit Tutoring. 2017 Section count reflects the information as of the end of the term (instead of the relative day listed above).