

**LOS ANGELES COMMUNITY COLLEGE DISTRICT
BOARD OF TRUSTEES
FINANCE AND AUDIT COMMITTEE
Los Angeles Southwest College
Student Services Education Center – Room 201 A & B
1600 West Imperial Highway
Los Angeles, Ca 90047-4899
Wednesday, May 9, 2012
3:30 p.m. or Immediately Following Public Session of Board Meeting**

Committee: Scott J. Svonkin, Chair; Nancy Pearlman; and Steve Veres

Trustee Svonkin called the meeting to order at 4:12 p.m.

PUBLIC SPEAKERS

On behalf of Teamsters Local 911, Ms. Allison Jones, President, LACCD, Administration Association, stated that they support the bond budget allocation model for Maintenance and Operations (M&O). Ms. Jones inquired as to why this model was not applied to the Los Angeles Community College District's budget allocation model for M&O.

Trustee Svonkin responded that this would be addressed during the Committee meeting.

REPORTS/RECOMMENDATIONS

2011-12 Budget Update/Budget Allocation Model Recommendation

A document entitled "Budget Development 2012-13" was distributed.

Chancellor LaVista gave a PowerPoint presentation and discussed the process of the 2012-13 Budget Development with respect to the core principles impacting student success, actions taken by the colleges, sources of revenue related to best case and worst-case scenarios, projected mandated costs by category, and the \$477 million allocation. He deferred to Ms. Jeanette Gordon.

Ms. Gordon continued the PowerPoint presentation and discussed the document with respect to the Los Angeles Community College District (LACCD) 2012-2013 budget preparation submission, revised preliminary allocation, and the difference between projected revenue available and projected expenditures.

Chancellor LaVista continued the PowerPoint presentation and discussed key policy considerations to address the District's remaining budget deficit gap of \$33 million for the 2012-13 year.

A question and answer session was conducted regarding the draw-down proposed plans for the District's Reserve.

Ms. Gordon continued the PowerPoint presentation and discussed the document with respect to the revenue-expenditure gap and the potential reduction and/or elimination of specific proposed plans.

Chancellor LaVista continued to discuss the document with respect to the District's Reserve related projected balance, standing commitments, total dollars of reserve committed, new and pending commitments, and the District Reserve's shortfall. He further discussed key policy questions related to balancing the 2012-13 budget.

Ms. Gordon distributed and discussed a document entitled "District Budget Committee Recommendation for Budget Allocation Mechanism Changes" with respect to the Base Allocation Study related to the proposed minimum base funding M&O cost based on Fiscal Year 2010-2011.

Disposition: *Trustee Svonkin requested that staff respond to Ms. Allison's inquiry related to the Bond budget allocation model for Maintenance and Operations (M&O) versus the District budget M&O model and explain why the bond budget M&O allocation model was not applied to the District's budget M&O allocation model.*

Legal Fees

Disposition: *None.*

Salary Expenditures/Staffing Data – Six-Year Comparison

Disposition: *None.*

College Food Services Contract/Resolution

Mr. James O'Reilly and Ms. Anne Diga distributed and discussed a Board motion entitled "Adopt Resolution on Intention to Lease Space for Joint Occupancy for Operation of Food Services Facilities at Los Angeles City College, East Los Angeles College, Pierce College, and Los Angeles Southwest College."

Motion by Trustee Pearlman, seconded by Trustee Veres, to recommend to the full Board approval of the draft action item "Adopt Resolution of Intention to Lease Space for Joint Occupancy for Operation of Food Services Facilities at Los Angeles City College, East Los Angeles College, Pierce College, and Los Angeles Southwest College."

Without objection, so ordered.

FOLLOW-UP PRIOR AGENDA ITEMS/INQUIRIES

Status of All Food Services Contracts

No discussion.

FUTURE DISCUSSION ITEMS

Efficiency Audit
Retirement Incentives
Policy Framework for Naming Buildings
Revenue Enhancement Strategies

FUTURE FINANCE AND AUDIT COMMITTEE MEETING DATES

Wednesday, June 13, 2012

NEW BUSINESS

None.

SUMMARY – NEXT MEETING

None.

ADJOURNMENT

There being no objection, the meeting was adjourned at 5:57 p.m.