

Committee Co-Chairs

Iris Ingram, VPAS
Olga Shewfelt

Academic Senate

Charles V. Daniel
Zack Brown

Administration

Ara Aguiar, VPAA
Roberto Gonzalez, VPSS

AFT Classified

Dionne Morrisette
Ashanti Lyles

AFT Faculty

Olga Shewfelt
Vidya Swaminathan

ASO

Stacey Perez

SEIU 721

Bruce Hicks

Teamsters

Walter Jones

Planning Comt Liaison

Agyeman Boateng

President / Guest

James Limbaugh

Resources

Rasel Menendez
Hansel Tsai
Helen Lin

Minutes

**Thursday, May 24, 2018 3:30PM
Student Services Building, Room 414**

Present:

| | |
|-------------------|----------------------|
| Iris Ingram | Co-Chair, VPAS |
| Olga Shewfelt | Co-Chair AFT Faculty |
| Charles V. Daniel | Academic Senate |
| Vidya Swaminathan | AFT Faculty |
| Agyeman Boateng | PIE Liaison |
| Hansel Tsai | Resource |
| Rasel Menendez | Resource |
| Helen Lin | Resource |
| Dionne Morrisette | AFT Staff Guild |
| Ashanti Lyles | AFT Staff Guild |
| Tim Russell | AFT Faculty Guild |
| Sara Coppola | Academic Senate |

1. Call to Order / Approval of Agenda:

Meeting was called to order by Co-Chair I. Ingram at 3:41 PM.

2. Approval of Minutes (March 22, 2018)

March 22nd, 2018 meeting minutes approved as corrected. Motion moved by Co-Chair O. Shewfelt. Seconded by V. Swaminathan.

3. Old Business

a. District Budget Committee - Co-Chair Shewfelt

Co-Chair Shewfelt reviewed the 2018-19 Budget Projection Additions/Deletions handout from the DBC meeting, explaining that the fiscal year for all state agencies begins on July 1st and ends on June 30th. In January, the Governor presents his budget proposal for the upcoming fiscal year. This year's January proposal changed the way community colleges were funded.

Last year, approximately 73% of our budget allocation was based on FTES. That year's proposed funding model was a 50/25/25 split with 50% of funding based on FTES, 25% on equity factors, i.e. poverty, economic struggles and 25% on performance, i.e. number of transfers, number of degrees awarded.

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In May, the Governor presents a revised budget. This year's May Revise, proposed that 60% of funding be based on FTES, 20% on economic factors and 20% on performance.

Non-credit FTES will continue to be funded at 100%. AB540 students will be included in the calculation of the 20% equity allocation in addition to Pell grant students.

Co-Chair Ingram explained that AB540 is also known as The Dream Act, a state law concerning undocumented students which is similar to the federal DACA policy but narrower in scope.

Co-Chair Shewfelt noted that the time given to implement this new funding model may be a concern for WLAC. Governor Brown is giving community colleges 3 years to implement this system.

4. New Business:

a. Governor's 2018-19 May Revised Budget – Co-Chair Ingram

Both the state senate and state assembly rejected the governor's May revise and the new 60/20/20 funding allocation model. Based on ACBO conference proceedings, Co-Chair Ingram reported that calculation of the Base Grant (60%) and Equity Allocation (20%) will likely remain the same, though the factors used as a proxy for the poverty calculation are still being debated. The greatest point of contention related to the Student Success Incentive (20%). One reason being that there is research showing this type of performance-based funding doesn't work.

The assembly asked for a task force that will look at the funding planning. There is a 95% confidence level that the 3 year FTES rolling average will be preserved and will help the "hold harmless" provision. Due to declining enrollment, a \$50 million shortfall is projected and the old funding model will likely impact us.

Additionally, we are still fighting the governor's proposal as it relates to online colleges. Governor Brown wants to create an online-only community college in California. Most of the colleges with current online programs, such as West, will be impacted. The Chancellors believe the process of accrediting a fully online college will take years.

Co-Chair Shewfelt added that many of the changes are driven by the legislative political climate and as this is Governor Brown's last budget many of the new provisions will be viewed as a significant part of his legacy as governor of California.

Co-Chair Ingram noted that there are a lot of moving parts that will impact the budget but by law, it must be signed by June 1st in order for the district to begin operations for the 2018/19 fiscal year. By law, we cannot expend funds unless there is a tentative budget in place. A permanent budget will be adopted by September.

b. FY 2018-19 Preliminary Budget Allocation – Co-Chair Ingram

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In terms of LACCD, whatever we have in the current year will be rolled over. In order to plan for next year, budget managers and VPs are being told to use their July 1, 2017 allocation plus 2.71% COLA. Under the proposed tentative budget, the District is held harmless to 2017-2018 apportionment.

West will receive additional funds out of District reserves because we met our growth target. There are additional funds for block grants and scheduled maintenance. The three categorical programs will be combined and there will be one allocation for Student Equity, SSSP, and Basic Skills.

O. Shewfelt asked has it been decided how we will allocate the \$13.8 million in scheduled maintenance and instructional equipment. I. Ingram answered that this has not been decided yet.

There was a presentation on centralized IT at the BOT meeting in regards to services and staffing. The report, commissioned by the Board, identified several issues including underfunding and understaffing which have been attributed to a series of decisions.

Reviewing the Projected Ending Balance and Projected Reserves handouts, I. Ingram explained that Deferred Maintenance has been zeroed out because it has been distributed to the campuses. The projected ending balance for the District is ~\$107 million and takes into account all reserves. Projected revenue for current year is ~\$680 million, projected expense is at \$681.2 million. And we have an adjusted beginning balance of -\$3.4 million. The deficit will be covered through the reserve. Legally, as a district we cannot be in the red.

c. District Campus Quarterly Financial Status Report – Co-Chair Ingram

Co-Chair Ingram will meet with the Vice Chancellor of Finance, the District CFO, and the District Budget director to review each line item of this handout. Our beginning allocation on July 1, 2017 was ~\$45 million. This included the contribution from the bookstore, events management rentals, and carry-over from the previous year. We are the only college with a positive ending balance.

d. PIE Prioritization Retreat Report – A. Boateng

A. Boateng reviewed a rough draft of the minutes of the May 11th Prioritization Retreat attended by members of PIE and the Budget Committee. Rather than assigning a specific numerical rank to each request, the committee approved a method of categorizing requests by tiers of prioritization. Most of the requests in Tier 2 are instruction requests.

It was recommended to move the comprehensive program review cycle from a one-year to a two-year system. The idea being to clarify how program review relates to annual review and not to separate resource allocation from program plan.

The College Council will meet May 29th to review the recommendations of PIE.

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Co-Chair Shewfelt noted that many items on the list are operational in nature. Her first recommendation was that anything that is safety-related should be the obligation of the college to provide and should be programmed in as part of the operations budget. Her second recommendation was for the Budget Committee to provide clarity and a framework for the budget allocation process.

MOTION by Co-Chair Shewfelt to endorse the adoption of the prioritization list and recommendations of PIE and set a time in the fall for a Budget and Planning retreat. Motion seconded by V. Swaminathan. MOTION CARRIED unanimously.

Co-Chair Ingram added the budget staff will work on a framework over the summer to help simplify the budget and resource allocation process and link it to program review.

5. Adjournment: Meeting adjourned at 5 PM.

Next meeting: September 2018.

MINUTES APPROVED 9/27/18