

**California Community Colleges
Advisory Workgroup on Fiscal Affairs
November 6, 2015 Meeting Notes**

❖ **Actions Taken**

The workgroup voted to approve the September 25, 2015 meeting notes. The notes will be posted to the Chancellor's Office website under the "Workgroup on Fiscal Affairs" section of the Finance and Facilities Division homepage.

The workgroup welcomed the new President of the Community College League of California, Larry Galizio, who attended the meeting along with Lizette Navarette, CCLC's standing representative for CCLC.

❖ **Agenda Items Added**

Several items were added to the agenda: funding for locally-funded (aka Basic Aid) districts (6.f.); impacts of the CDCP non-credit rate increase (6.g.); possible fixes to SSSP/SEP (6.h.); and an update from Dan (4.a.).

❖ **Replacement for Sierra Joint CCD on the Workgroup**

As Chris Yatooma had scheduling conflicts with attending the Workgroup on Fiscal Affairs meetings, Bonnie, Ann-Marie & Dan discussed the need to appoint a replacement district representing a single college district in the north, and Butte CCD was identified. Andy Suleski will serve on the workgroup to represent northern region single college districts. The ACBO President is a non-voting member of the workgroup and Andy is currently serving as the ACBO President. However, because Butte CCD has been selected as representing single college districts in the north, as District CBO for Butte CCD, Andy will now be a voting member of the workgroup.

❖ **Spring Meeting Dates Determined**

Some Workgroup on Fiscal Affairs meeting dates will occur on Thursdays when there is a Friday meeting of the ACBO Board in Sacramento to reduce travel time and expense for those members serving on both boards. The dates for the spring 2016 meetings are as follows:

Feb 4 (Thursday)	Mar 18 (Friday)	April 8 (Friday)
May 5 (Thursday)	June 2 (Thursday)	No meeting in July

Meeting times will be 10:00 am -2:00 pm; however, depending upon agenda items for each meeting, it might be necessary to return to a 9:00 am to 3:00 pm meeting time as needed.

❖ **Dan Troy Update**

Dan reported that the Dept. of Finance (DOF) is interested in the workforce task force effort, and is probably also still on board with the general base increase to the system. At this time there is no further information as to what the overall revenue level for the system will be in 2016-17.

❖ **Growth Formula, Part 2 – Mario Rodriguez**

Mario began the discussion by reminding the group that there was general consensus that the Pell grant would be the most appropriate factor to add to the growth formula. He presented a spreadsheet with various options, including each district's Pell grant count (expressed as a percentage of the state's total count) and a column showing districts serving more than their share of Pell grant students compared to the districts' overall share of students ("Pell Above"). The options illustrated included a 20% add-on to the current formula for the "Pell count" and for the "Pell above", and varying percentages that could be used.

There was much discussion about the various scenarios and how they would play out. Some of the discussion centered on whether the straight Pell count or the "Pell above" should be used; it was pointed out that "Pell above" was more consistent with the language in the legislation. There was also a decision to be made about the percentages, with an observation that the group does not want to revisit the percentages that were decided on before. It was decided that if the "10% Pell Above" would satisfy the Legislature, that would be preferable as an adjustment that somewhat equalizes the haves & have nots.

The group also discussed language in the 2014-15 Higher Ed Trailer Bill, SB 860, which places limits on the amount of growth funding a district may receive being dependent upon whether it has reached its highest level of apportionment revenues previously received. It was noted that there is often a large discrepancy between the level of FTES a district reports during the fall term vs. what it reports at annual, due to the potential for adding significant numbers of courses in the spring and the ability to shift summer courses. Because of these factors, it was decided that there would be very little value in having the Chancellor's Office survey districts on their FTES levels at different points in the year. The workgroup will continue to discuss what has been identified as Part 2 of the Growth formula.

❖ **Other agenda items**

Student Success & Support Program (SSSP)

The workgroup discussed the difficulty of meeting the match requirements for SSSP. There are many concerns being expressed throughout the system about the lack of updated guidelines, the allowable activities for the funding, the time to spend the funds, etc. Some recommendations were to loosen some of the guidelines by expanding the definition of

direct services, considering allowing indirect costs, and expanding allowable uses of the funds (to include IT staff), etc.

Workgroup on Regulations

Bonnie along with David Morse, Academic Senate President have been asked by Chancellor Harris to co-chair a workgroup tasked with examining CCC regulations, such as, the 50% Law. This is a direct result of the work Bonnie has been engaged in over several years first with Beth Smith and currently with David Morse and Willie Duncan, former ACCCA President and President of Sierra CCD. Dan Troy serves as a System Resource to the workgroup. The workgroup also includes faculty union representatives and CEOs. Chancellor Harris invited each member of the workgroup to participate on the workgroup. Now that Chancellor Harris has announced his retirement in April, Bonnie and Dan anticipate that an initial report will be provided to Chancellor Harris prior to his retirement so the initial report may also be brought to Consultation Council prior to Chancellor Harris' retirement. Tom Burke said he has some statistics from an old survey that might be helpful. Bonnie said she will connect with Tom to obtain that information when the workgroup is ready to begin to identify some recommended modifications to the law as it currently exists.

Locally-Funded Districts receiving state funds

From an apportionment standpoint, there are 2 calculations to be made – first the locally-funded districts are included to make sure their adjusted TCR is correctly determined, but then they are not included in the distribution of funds. This can be seen in the September 'revision of the 15-16 Advance apportionment, wherein the total in line V.C. Base Increase was \$289.2 million, although we only allocated the amount that was appropriated (\$266.7 million). The Full-Time Faculty hiring was not done this way, because of its possible impact on districts' FON levels, and there was discussion about the TCRs of the locally-funded districts being changed vs. remaining stagnant. It was stated that the FT hiring funds could be distributed the same way as the Base Increase in the future but it was decided that this subject may need more discussion before finalizing the policy.

Workforce funding and other items were held over to the December meeting.

❖ **Upcoming Meetings**

- Thursday, December 3, 2015 Lunch to be provided by the Chancellor's Office

❖ **Attendees at the November 6, 2015 Meeting:**

- Bonnie Ann Dowd – San Diego CCD
- Ann-Marie Gabel – Long Beach CCD
- Theresa Matista – Los Rios CCD
- Doug Roberts – Sonoma CCD

- Peter Hardash – Rancho Santiago CCD
- Kathy Blackwood – San Mateo CCD
- Sharlene Coleal – Santa Clarita CCD
- Jeanette Gordon – Los Angeles CCD
- Teresa Scott – Yosemite CCD
- Larry Galizio -- CCLC
- Lizette Navarette – CCLC
- Dan Troy – CCC Chancellor's Office
- Diane Brady – CCC Chancellor's Office
- Mario Rodriguez – CCC Chancellor's Office
- Tom Burke – Kern CCD (phone in)