

Fiscal Resources Committee

Via Zoom Video Conference Call

1:30 p.m. – 3:00 p.m.

Meeting Minutes for October 20, 2021

FRC Members Present: Iris Ingram, Morrie Barembaum, Steven Deeley, Noemi Guzman, Bart Hoffman, Jim Isbell, Cristina Morones, William Nguyen, Adam O'Connor, Enrique Perez, Craig Rutan, Arleen Satele, and Vanessa Urbina

FRC Members Absent: Safa Hamid and Yara Hernandez

Alternates/Guests Present: Erika Almaraz, Jason Bui, Kelvin Leeds, Thao Nguyen, Mark Reynoso, Vaniethia Hubbard, Jose Vargas, Kennethia Vega and Barbie Yniguez

1. Welcome: Ingram called the meeting to order at 1:35 p.m. via zoom and introductions were made.

2. State/District Budget Update

- SSC – Legislature Wraps up the First Year of the 2021-22 Legislative Session
- SSC – BOG to Consider 2022-23 Budget and Legislative Request Next Week
- SSC – BOG Approves 2022-23 Budget and Legislative Request
- SSC – Department of Finance Releases September Finance Bulletin
- SSC – Governor Signs the Postsecondary Education Budget Cleanup Trailer Bill
- SSC – Fourth Quarter Lottery Apportionment for 2020-21

Ingram referenced above handouts for information and further review. She briefly discussed the application process by the District for Student Housing opportunities at both colleges.

3. 2022-23 Draft Budget Calendar - ACTION

Ingram referenced the 2022-23 draft budget calendars previously presented for review and approval. O'Connor noted one edit to update the title of Business Services on both the tentative and adopted draft calendars. It was moved by Bart Hoffman and seconded by William Nguyen to approve the 2022-23 draft budget calendars with edits as noted by O'Connor. With no additional corrections or discussion the motion passed unanimously.

4. Planning Design Review and FRC Accomplishments and Goals - ACTION

Ingram referenced the FRC accomplishments and goals. It was moved by Steven Deeley to approve the Planning Design Review and FRC Accomplishments and Goals as presented. The motion was seconded by Bart Hoffman and passed unanimously.

Procedurally, it was discussed and determined that alternates only vote on behalf of administrative representatives absent and as such do not represent student votes.

Discussion ensued regarding the motion and the need to separate the accomplishments and the goals and potential addition of a new goal related to review of revenue generation, expenditures and efficiencies such as:

- Consideration of districtwide revenue efficiencies; creation of more FTES collectively to obtain more funds from the state. Review of spending patterns and compare with districts of current size. (W Nguyen)

- Review of district expenditures and comparison to districts of similar size to Rancho's current FTES generation. This includes how much is spent on faculty and how much is spent on administration. (Rutan)
- Consideration be given in the evaluation of expenditures to include same size college, same size district, same size budget, noting RSCCD has unique nuances and therefore not include expenses associated with continuing education or apprenticeship programs. (Vargas)
- An appropriate analysis and reviewing similarities. (Ingram)

It was noted that when/if one budget center is more efficient than another, everyone benefits and maybe that is a starting point in making the "pot bigger" for everyone. It was determined the goals would be revised for review, comment and approval at the next meeting.

An inquiry was made about right sizing project being reviewed by FRC. It was confirmed, the colleges' right sizing changes go through college processes whereas changes in personnel at district level process through district council. A report was previously provided to FRC that showed right sizing that was completed by site.

5. Salaries & Benefits - % of Total Expenditures (Instructional vs. Non-Instructional by Location)
O'Connor reviewed the percent of salary/benefits in unrestricted general funds in comparison to total costs for years 2018-19, 2019-20 and 2020-21. The data reflects each budget center and total districtwide. The percentage has progressively increased over the last three fiscal years and moving in the wrong direction. To try to control expenses, two SRPs were offered. For 2021-22 there is a slight decrease and that should continue as SRP positions are filled. Once the budget was adopted, SRP positions were stripped from the budget and will be added back in at actual costs for those positions determined to hire. It is anticipated that it will end up at 89% at the end of the year. This comparison does not include those positions supported by grants and other categorical funds. It is not sustainable to have 90% of the expenses devoted to personnel/salaries, and therefore it is necessary to find ways to reduce such costs. The institutional costs designated as instructional are for retiree health benefits. A discussion on grant funded positions and the remaining burden on the district if the employees do not go away with the grant and the additional costs absorbed by general funds. Grant funding of positions is a temporary fix and not a long-term solution. It is expected that recent changes to the retiree health benefits, will garner savings not only in current costs but also OPEB liability including the actuarial study for next year.
6. Standing Report from District Council - Craig Rutan
Craig Rutan provided a brief report on the actions of District Council including the approval of a new administrative job description for SCC and approval of a reorganization, related to previously approved job description in HR as part of right sizing project at district office.
7. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscgd.edu>
 - Vacant Funded Position List as of October 12, 2021
 - Measure "Q" Project Cost Summary as of September 30, 2021
 - Monthly Cash Flow Summary as of September 30, 2021
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)
 - Districtwide Enrollment Management Workgroup Minutes

Informational handouts were referenced for further review.

8. Approval of FRC Minutes – September 15, 2021
A motion by Bart Hoffman was seconded by Craig Rutan to approve the minutes of the September 15, 2021 meeting as presented. There were no questions, comments or corrections and the motion passed unanimously.
9. Other
It was confirmed FRC approved the planning design review, FRC accomplishments and current goals. However, the goals will be amended as discussed today to be reviewed, discussed and approved at the next meeting.

Next FRC Committee Meeting:

The next FRC meeting is scheduled for Wednesday, November 17, 2021, 1:30-3:00 p.m.

It was moved by Morrie Barembaum and seconded by Bart Hoffman to adjourn the meeting at 2:08 p.m.
The motion carried unanimously.