

Fiscal Resources Committee

Via Zoom Video Conference Call
1:31 p.m. – 2:36 p.m.

Meeting Minutes for August 20, 2025

FRC Members Present: Iris Ingram, Claire Coyne, Sarah Fisher, Noemi Guzman (arrived at 1:39), Bart Hoffman, Tara Kubicka-Miller, Madeline Grant, Sara Gonzalez, Veronica Gonzalez, Joanne Mejia, Veronica Munoz (arrived at 1:38), Adam O'Connor, Arleen Satele, and Tommy Strong

FRC Members Absent:

Alternates/Guests Present: Jason Bui, Lorena Chavez, Janet Cruz-Teposte, Vaniethia Hubbard, Gina Huegli, James Kennedy, Kelvin Leeds, Jesus Miranda, Annebelle Nery, Thao Nguyen, Michelle Samura, Kennethia Vega, and Barbie Yniguez

1. Welcome: Vice Chancellor Ingram welcomed all to the first meeting of FRC for the new fiscal year and called the meeting to order at 1:31 p.m. via zoom upon achieving quorum.
2. State/District Budget Update
 - 2025/26 Advance Apportionment:
 - Memo
 - Exhibit R – FY 2025/26 Advance Apportionment (July 2025)
 - Exhibit A – Payments by Program (July 2025)
 - Exhibit C – FY 2024/25 Early Recalculation July2025-Statewide
 - Exhibit C – FY 2024/25 Early Recalculation July2025-RSCCD
 - SSC –2025-26 State Budget Agreement Reached
 - SSC –Top Legislative Issues-June 27, 2025
 - SSC –General Fund Revenues Beating May Estimates
 - SSC –Governor Newsom Signs 2025-26 State Budget Package
 - SSC – Top Legislative Issues-July 11, 2025
 - SSC –U.S. Department of Education Delays FY 2025 Funds
 - SSC –California Sues over Frozen Federal Funds
 - SSC –Supreme Court Allows ED Firings- For Now
 - SSC –Another Strong Investment Year for CALPERS
 - SSC –California Law on Subminimum Wage Remains
 - SSC – Top Legislative Issues-July 25, 2025
 - SSC –2024-25 General Fund Revenues Exceed Projections
 - SSC –Trump Administration Releases Frozen Federal Education Funds
 - SSC –It's Time to Calculate Your Annual Gann Limit
 - SSC –CalSTRS 2024-25 Investment Returns Surpass Benchmark
 - SSC –Governor Newsom Signs CCC Legislation
 - SSC –2025-26 Enacted Budget Dartboard
 - [DOF – Finance Bulletin-July 2025](#)

Ingram briefly referenced the state/district budget update information for further understanding noting that while the budget appears to be shrinking, the community colleges received their allotments which may have no impact on the current fiscal year so therefore no need to worry until next year. Ingram introduced O'Connor to present the proposed adopted general fund budget including the budget assumptions and recap of unrestricted general funds. She stated the proposed adopted budget will be presented to the Board of Trustees in September.

3. Proposed Adopted General Fund Budget

- Budget Assumptions Update

O'Connor screenshared page 19 and reviewed the recal that was received unusually early due to the State budget including the 2.35% growth distributed over a period of two years starting with money related to 2024-25. RSCCD received \$10 million for growth leaving about \$5 million unfunded FTES. RSCCD had significant growth with over 1,600 FTES funded that left 889 unfunded. This is based on P2. P3 recorded less so another recal will be prepared this year and that could change FTES again which means that 2024-25 final funding is not completely known.

O'Connor screenshared page 11, reviewing the advance for 2025-26 and noted the total projected \$258.8 million. He explained how RSCCD would have to pick up the unfunded growth first before any additional growth is obtained.

For the budget assumption changes, O'Connor screenshared and reviewed pages 56-58 with the proposed budget noted on pages 59-95. He pointed out changes from the last review by FRC. The projected growth restoration was reduced slightly which also reduces Fund 13 set-aside. The EPA is updated with a slight increase but does not affect the budget. Ingram provided further explanation that the legislature did not lift statewide cap even though the Chancellor's Office hadn't anticipated that they would. Other districts around the state showed growth, but once true up happens, that may change at P3 when it is demonstrated if growth actually occurred. Other possibilities were also discussed.

O'Connor continued with review of budget assumptions with unrestricted lottery projected with increase, as well as mandated programs block grant that increased slightly. Apprenticeship revenue went up considerably with additional \$1.2 million in revenue.

The only change to the expense assumptions is the additional food costs for board meetings, to cover additional meals. This budget includes \$31 million in new revenues and about \$24.5 million in new expenditures leaving a bottom line of about \$3.2 million unallocated amount.

- Proposed Adopted General Fund Budget – ACTION

O'Connor continued to screenshare and review the budget stating the \$258 million in apportionment is the full booking of the revenue apportionment. In the past, the apportionment was reduced for a deficit factor that is no longer being done in accordance with the BAM update. He also discussed the percentage of salary and benefits costs to total expenditures with RSCCD having been within the 88-90% range. The budget is a little less at 88.12% because not all salaries have been settled yet. That percentage is expected to increase by the end of the year. He discussed the Board Policy Contingency of two-months total expenditures that changed slightly, and the BAM language updates with a cap for the budget stabilization fund at \$3 million. But for that cap, the amount would have been \$5.8 million, so the additional \$2.8 million did flow through the model to the colleges. The total expenditures from last year increased, but fund 12 expenses went down by the same amount, which makes it almost the same. SAC carryover is \$14.9 million; SCC is \$7.7 million and then \$4.1 million of other reserves and carryovers. The distribution through the model with the latest information and metrics provides \$5.5 million to SAC and negative \$2.2 million to SCC of which they are working on to fill that gap.

- 2024/25 Recap of Unrestricted General Fund – Major Changes Comparing Adopted Budget to Actuals

O'Connor continued to screenshare and review a recap of major changes comparing the adopted budget with actuals. Last year's beginning balance was \$108 million, and this year's was closer to \$100 million, which went down. The recap explains the change to the fund balance of \$7.5 million. Actual revenue came in \$24 million more than budget and actual expenditures exceeded budgeted expenditures by \$3.8 million as were further clarified.

Questions were asked and answers provided for clarification of understanding. O'Connor agreed to provide further information on "Gains (loss)/Outlawed Checks in the amount of (490,855) as referenced on page 84. Discussion ensued and definitions provided about structural deficit, budgets, and SCC's two-year plan to correct deficiencies. While there is work to be done, SCC must develop a two-year plan to fix it, but the District is fiscally sound at this time.

A motion by Hoffman to approve the proposed adopted general fund budget 2025-26 was seconded by Satele. By roll call vote, the motion passed unanimously.

4. Closeout of 2024/25 Budget

- **Final FTES Update for 2024/25 at P3**
 Nguyen screenshared and provided a review of FTES at P3, the split between the two colleges is SAC 4.325%; SCC 54.68% for non-credit; for non-credit/independent study/distance education with SAC having a larger share at SAC 91.46% and SCC 8.54%. For CDCP SAC is 72.35%, SCC at 27.65% ; and CDCP/IS/DE SAC is 67.45% and SCC at 32.55%; For credit the split between the two colleges is SAC 72.68% and SCC 27.32% and with special admit there is a little bit more for SAC 77.48% and SCC at 22.52%. Overall totals for the different categories SAC 71.81% and SCC 28.19%. In 2024-25 the growth for SAC was 8.29% and SCC is -.23% giving the district total growth at 5.75% mostly all SAC with deficit by SCC.
- **Recap of 2024/25 SCFF Metrics**
 Nguyen continued screenshared and provided a review of basic allocation that reflects the shift between the two colleges, and the FTES based on the dollar amounts. Overall, SAC obtains 69.68% and SCC 30.32% based on FTES reductions. For the Student Supplemental categories, it is 77.24% for SAC and 22.76% for SCC. For student success, SAC is 66.49% and SCC 33.52%. Based on current information received. With the total split of the three categories, SAC 70.32% and SCC 29.68%.
- **Final Budget Allocation Model Distribution of Carryover**
 Nguyen continued with 2024/25 actuals apportionment for SAC 70.32% and SCC 29.68% respectively and other categories and expenditures for fund 11 ending balance at \$11.2 million for SAC and \$4.8 for SCC. Fund 13 expenses were reviewed with adjustments noted including support of elections, with totals moving forward for SAC at \$3.2 million and \$2.6 million for SCC. Carryover balances for Funds 11 and 13 are \$14.3 million for SAC and \$7.4 million for SCC with reductions for ADA and budget stabilization fund distributions, offering a **Total Carryover Balance of \$14.9 million for SAC and \$7.7 million for SCC**. With tentative budget adjustments made \$3.2 million for SAC and \$4.1 million for SCC. O'Connor provided further explanation of elections that happen every other year including any bond measures or items that concern RSCCD, the budget model is distributed half in one year and carryover for the next year with the colleges making up any difference as necessary.
- **50% Law Compliance Update**
 O'Connor screenshared and provided a review of 50% law compliance with SAC ending up at 63.81% and SCC at 61.89%. The colleges need to be in the 60 percentiles to ensure districtwide compliance at 50%. Combined, 54.11% slightly down from last year, but we are still well above the 50% law. Ingram explained the law that requires at least 50% of district budget needs to be spent in the classroom (originally written for K-12 and expanded to include community colleges). A complex formula is applied, and not all instructional expenses get applied to instruction as part of this formula. This does not include academic administrators.

5. Standing Report from District Council – Kubicka-Miller
Kubicka-Miller reported on the District Council meeting of July 21, 2025. While she wasn't in attendance, the council approved the budget assumptions that was previously approved by FRC; and approved Administrative Regulation: 4410 – Educational Research followed by the approval of two HR items: job description for District Accounting Supervisor, and one reorg #1468 DO/Accounts Payable/Fiscal Services and then concluded with routine committee reports.
6. Informational Handouts
 - District-wide expenditure report link: <https://intranet.rscsd.edu>
 - Vacant Funded Position List as of August 12, 2025
 - Monthly Cash Flow Summary as of July 31, 2025
 - [SAC Planning and Budget Committee Agendas and Minutes](#)
 - [SCC Budget Committee Agendas and Minutes](#)

General informational handouts, links, and webpages above were referenced for further review.

7. Approval of FRC Minutes – July 2, 2025
A motion by Hoffman to approve the minutes of July 2, 2025, meeting as presented was seconded by Coyne. By roll call vote the motion passed with abstentions by Hoffman, Coyne, S. Gonzalez, V. Gonzalez, and Grant.
8. Other
O'Connor reminded the colleges to update links to college budget committees for ease of review by committee members at the next meeting.

O'Connor further explained the outlawed checks with confirmation of two large checks related to Santa Ana Unified School District and staff will research further for clarification.

There were no further comments, questions, or discussions.

Next FRC Committee Meeting:

The next FRC meeting is on September 17, 2025, 1:30-3:00 p.m. With a motion by Coyne that was seconded by Kubicka-Miller, the meeting was unanimously adjourned at 2:36 p.m.