

BUDGET COMMITTEE

October 23, 2023

4:00 p.m. to 5:00 p.m.

<https://committees.kccd.edu/bc/committee/budget>

MEETING MINUTES DRAFT

Present

Calvin Yu, Steven Holmes, Chris Glaser, Gilbert Ayuk, Jo Ellen Barnes, Tim Bohan, Somaly Boles, John Gerhold, Erica Menchaca, Kyungjin Menjivar, Kimberly Nickell, LeAnn Riley, Angela Williams

Called to Order

At 4:30 p.m. the meeting was called to order.

Welcome

A welcome was extended to everyone.

Agenda

Angela Williams made a motion to accept the agenda; Kim Nichols seconded the motion to accept the agenda. Motion passed.

Minutes

Erica Menchaca made a motion to accept the 9-25-23 minutes with one minor edit; Tim Bohan seconded the motion to accept the minutes. Motion passed.

Budget Decision Criteria Document

This document was made over ten years ago and was made primarily to help with revenue shortfalls and lets us know how to allocate limited resources. We have not had those issues for the last decade and are updating the document to ensure continued relevancy.

The committee first reviewed the recommended edits from the 9-25-23 Budget Committee meeting. In this meeting the following areas were reviewed and edited: Technology Needs, Health and Safety, Legal Requirements and Mandates, and Human Resource Needs. The next step will be to send it to the Academic Senate and then onto College Council for approval.

John Gerhold made a motion to accept the amended Budget Decision Criteria document; Chris Glaser seconded the motion to accept the amended document. Motion passed.

Budget Open Forum

The Budget Open Forum event will be Monday November 27, 2023 at 4:00 p.m. This will be a hybrid meeting with webinar functionality as well as meeting face to face. The Budget Open Forum will replace the regularly scheduled Budget Committee meeting for November and our committee members will receive a webinar invitation.

50% Law

Historically, Ed Code 84632 and 84363 are primary governing documents. The Ed Code states, "There shall be expended during each fiscal year for payment of salaries of classroom instructors by a community college district, 50 percent of the district's current expense of education." That is how we calculate 50%. Current expenses include academic and classified salaries and benefits,

books, supplies equipment, contracting services and operating expenses. Excluded expenses are student transportation, food services, categorical aid, facility acquisition, construction, and Federal Work Study.

Over the last five years Bakersfield College moved from 67% to 61.52% before we include the District Office Chargebacks. The CFO maintains and monitors the priorities of the district wide budget. When BC had a 6% reduction over the last few years, that was felt across the District and the other colleges had to adjust. Overall, the district is currently at 50.4%.

There was some discussion regarding how student transportation was coded as an exclusion. There is a large accounting manual that guides our work. Exclusions are something that are consistently and continuously being clarified. There is a difference between what is considered intercollegiate and what is co-curricular.

Similar discussion covered maintenance of facilities for gym, soccer and the football field which, in the past, used to be prorated for class use. Exceptions are constantly being addressed.

The history of the law has helped to ensure student to faculty ratio. We want to limit the size of administration and the Ed Codes help with these details. This Ed Code started in 1966 and times have changed, especially among the community college system. The cost of wrap around services have grown exponentially. Programs such as Basic Needs Center and the Pantry take a lot of funding and personnel to operate.

There are a lot of restricted programs and categorical programs which are excluded. However, this is a continued conversation statewide and in the Chancellor's office even though it has been there for quite some time and is institutionalized.

Discussion of new program directors/head coaches are being classified as management positions. Management positions cannot teach. However, historically, these positions could teach using a separate adjunct code. District HR is trying to assist in this area.

Budget Breakdown

The committee heard several aspects that led up to viewing the breakdown of our current budget. There was an explanation of a FOAPAL. The Budget Office also has recorded instructional presentations that touch on a number of similar subjects which are time stamped for easy access. These videos walk through many budget related subjects and are located on the "Budget" website.

We looked at some aspects of our current adopted budget.

1000s Faculty & Ed Admin Labor and 2000s Classified and Temp Labor make up about 54% of our budget. The 3000s which are benefits is 26% of the budget. Currently the combined salaries and benefits are about 80% of all our operating and general unrestricted expenses. Higher Ed is a services industry, so this is what we provide students in the community.

4000s are Supplies and Materials which are instructional supplies such as pens, paper, printing, single use items or something that could be discarded within a year. This is about 1.5%

Conversely, the 6000s are equipment which is about 5% of our budget. This includes furniture, lab equipment, welding materials, industrial tech equipment, auto program, large kinds of capital expenses.

The 5000s is Maintenance and Operations. M&O is one of the departments on campus. This department maintains the grounds, how we pay our utility bills, keep the lights on and is about 6% of our general operations budget.

The Other Services is about 7% of our budget and includes Dual Enrollment, travel, membership dues and student aid. The previous numbers just discussed were regarding general unrestricted budget.

Information was presented which included general unrestricted expenses plus restricted programing. The total cost of these two together is a budgeted 246 million.

Some highlights of restricted programing in other services include Basic Needs Grant, Strong Workforce, SEAP, services for students such as Financial Aid, Starfish and Program Mapping. These large programs drive our restricted program budget.

50% law applies to unrestricted GU001 funds.

The general unrestricted budget that is left unspent at the end of each year will roll into the reserves. The Board has a target of 5% of our unrestricted budget flowing to the reserves each year. We can use restricted funds to purchase supplies. This is an area we can improve spending down our categoricals for instructional supplies and materials.

Currently we are going through program review. We can advocate for what is needed and for new positions. As we are involved in program review, we can help influence decisions.

District Wide Budget Committee

At this point the District Wide Budget Committee has not met this year and there are no scheduled meetings at this time.

We did receive the District Office 8-Week FTES update and our enrollment is up at BC and the entire district.

Adjourn

Erica Menchaca made a motion to adjourn the meeting. Kimberly Nickell seconded the motion to adjourn the meeting. Motion passed.