



**Board of Trustees Budget Committee (BBC)**  
SBCCD Board Room, 114 S. Del Rosa Drive, San Bernardino CA 92408

## Meeting Minutes – August 9, 2018

**Members Present** – Gloria Macías Harrison, Donna Ferracone

**Members Absent** – Joseph Williams

**Staff Present** – Jose Torres, Scott Stark, Larry Strong

### **I. Welcome & Introductions**

Gloria called the meeting to order at 10:03 a.m. No introductions were necessary.

### **II. Public Comment**

Gloria called for public comments but there were none.

### **III. Approval of Minutes**

Donna made a motion to approve the minutes of July 12, 2018, which Gloria seconded. There was no discussion and the motion was approved by the following vote.

Ayes: Gloria, Donna  
Noes: None  
Abstentions: None  
Absent: Joseph

### **IV. Current Topics**

#### **New Student Centered Funding Formula**

Jose made a presentation on the State's 2018-19 Student Centered Funding Formula Simulations spreadsheet in preparation for next week's budget workshop. He advised that one tab had been added to the Excel document that summarizes the formula's impact on SBCCD, and he reviewed those numbers specifically, tying them back to supporting document in other parts of the workbook.

Jose explained that funding for 2018-19 is divided into three components. The base component is 70%, the supplemental one is 20%, and the student success component is 10%. Over each of the next two fiscal years, the base component will be reduced by 5% and student success increased by 5% until the formula reaches 60%-20%-20% in 2021-22.

#### **Base Component**

SBCCD receives a basic allocation for a small-sized college (CHC) and a medium-sized college (SBVC), as well as several categories of FTES. Gloria asked about the Special Admit Credit category of FTES and Jose advised that this is for dual high school enrollment such as the Middle College.

Jose distributed the State Exhibit C to illustrate where the FTES numbers come from. Overall they fund us with a three-year average of 2016-17, 2017-18, and 2018-19. Jose distributed a data dictionary, which, he explained, was one of the worksheets from the State's Excel document. It is a 'data dictionary' and explains terms and how data is gathered.

### Supplemental Component

Committee members reviewed the section on Supplemental Components. Jose advised that students can be duplicated for the different initiatives. If a student needs all three, SBCCD would count that student three times. Scott clarified that these numbers are per students that have applied. Students should be reminded to apply for all three. Supplemental funding numbers will be updated as new numbers are reported.

### Student Success Component

Jose advised that this is a complex category and went over the numbers, which are shown at 2016-17 but would be changing to 2017-18 as they are reported. He highlighted the point system translated by Fiscal Services staff that illustrates what initiatives the State values most in this component. For example, SBCCD receives more for a student that earns an AA and transfers than for a student that just earns an AA degree.

The counts can be duplicative for each section that applies. If a student applies for all three waivers in the Supplemental Component and then takes transfer level Math and English, earns nine or more CTE units, then obtains an AA, SBCCD would receive funding for each different piece.

Gloria commented that the District will have to either 1) be very effective at communicating with students the necessity of applying for the grants, or 2) have it occur automatically. Jose commented that this shift will rely heavily on Student Services. The BBC asked staff to communicate a formal recommendation to Chancellor Baron that Jose make this presentation to the Board of Trustees Student Success Committee.

### Grand Total & Hold Harmless

Jose pointed out the numbers on tab *1. 2018-19 Allocations* to summarize the development of this year's funding. SBCCD will receive about 8% more than last year. The statewide average is about 6%. The hold harmless clause guarantees districts the same funding as the previous fiscal year. This hold harmless clause replaces the stability protection under the old funding formula.

Jose advised that he would present this material to the entire board during the August 30, 2018 Final Budget study session.

## **V. Updates (as necessary)**

### **A. KVCR Financials**

Jose advised that the KVCR and KVCR Educational Foundation Financials in a comparative year format were not yet available but will be presented at the next meeting.

### **B. PARS Trust**

Committee members reviewed the PARS trust report. Jose advised that the latest deposits were not included because the report shows figures through May and the money was transferred in June. Jose confirmed for Gloria that earnings were being reinvested, however, it is expected that approximately \$1.2 million in earnings will be drawn to offset the general fund retiree benefit obligation. The Board of Trustees will authorize any such transactions.

### **C. Enrollment**

The enrollment report was distributed. Scott advised that this is the first indication of the 2018-19 FTES targets. For SBVC the total 10,577 represents a 1.5% increase from 2017-18 target. The growth goal for both campuses is 1.5%.

Donna commented that the productivity measure is archaic. The new funding formula underscores this with its student success component which requires high-touch and smaller groups.

### **D. 2018-19 Board of Trustees Budget**

The BOT budget report was reviewed.

### **E. KVCR Transition Scope**

The KVCR transition and modernization report was reviewed. Gloria requested that Jose get an update for the BBC on the Media Academy from a budget perspective. She would like to know who the principals are.

## **VI. Future Topics**

### **Trustee Suggestions**

Gloria advised that the BCC should review at its next meeting what was learned at the August State Budget workshop. In preparation for the workshop, Jose will email BBC members the spreadsheet discussed today, as well as Exhibit C and the SBCCD summary page. He will also provide printed materials on August 15.

## **VII. Adjournment**

The meeting adjourned at 11:19 am. The next meeting is scheduled for September 13, 2018 at 10:00 am.