



Board of Trustees Finance Committee (BFC)

Meeting Minutes – November 12, 2020, 2:00 pm
Via Zoom: <https://cccconfer.zoom.us/j/549449972>

Members Present: Trustee Harrison, Chair; Trustee Houston (joined 3 pm); Trustee Singer

Members Absent: None

Staff Present: Interim Chancellor Torres; Presidents Horan and Rodriguez; Interim Vice Chancellor of Business & Fiscal Services Buysse, Vice Presidents of Administrative Services Stark & Strong; Director of Fiscal Services Strong, Director of Facilities Farzaneh

I. WELCOME & INTRODUCTIONS

Chair Harrison called the meeting to order at 2:01 pm.

II. PUBLIC COMMENT

There were no public comments.

III. APPROVAL OF SEPTEMBER 10, 2020 MINUTES

Trustee Singer made a motion, which Trustee Harrison seconded, to approve the minutes from September 10. The minutes were approved by the following vote.

| | |
|--------------|------------------|
| Ayes: | Harrison, Singer |
| Noes: | None |
| Abstentions: | None |
| Absent: | Houston |

IV. CURRENT TOPICS

A. PARS PRST Client Review

Interim Chancellor Torres introduced Maureen Toal and her associate, Rachel Sanders, to give the committee a presentation on the District's PARS PRST accounts. It was mentioned that a disbursement of approximately \$9.1 million was made to SBCCD in October which was not reflected in the presentation. Jose reminded the group that the PARS trust allows SBCCD to participate in more flexible investment vehicles than it normally would.

Chair Harrison asked for a breakdown of the property investment, which Ms. Toal advised she would forward at a later time.

B. PARS Transfers/Withdrawals

1. Process

Interim Chancellor Torres advised that staff recently completed a reconciliation of the PARS accounts transactions and developed a document outlining District processes for transfers and withdrawals. He reviewed the document and confirmed that the principle would not be tapped into without Board approval. The process is to promote clarity. There was no further discussion.

2. November Board Item

The BFC reviewed an information only Board item on the November agenda informing of the disbursement of funds to the campuses. The campuses are using the PARS trust as an investment vehicle for monies that the BOT previously allotted to them. For this reason, their requests for transfer do not go through the Fixed Income accounts, nor do they require further Board approval.

C. State Budget Update

Interim Chancellor Torres introduced new Interim Vice Chancellor Jim Buysse and spoke highly of Dr. Buysse's many achievements in higher education. Dr. Buysse proceeded to give a verbal update on the State budget. He remarked that we had news in September that revenues are above what was previously projected. SBCCD staff is cautiously optimistic. There is no further information regarding the hoped-for Federal stimulus.

Chair Harrison mentioned the anticipated deferrals and requested a reminder of the schedule of temporary borrowings identified to help SBCCD weather these "IOUs." Interim Chancellor Torres shared the following schedule. It is hoped that the Federal stimulus will manifest in time to help SBCCD avoid borrowing from the PARS accounts.

Estimated Cash Borrowing from Other Funds

| FUND | | PROJECTED TEMPORARY BORROWING BY MONTH | | | | | |
|---------------|-------------------------|--|------------------|------------------|-------------------|------------------|-------------------|
| # | DESCRIPTION | FEB | MAR | APR | MAY | JUN | TOTAL |
| 410 | Capital Outlay | 4,000,000 | | | | | 4,000,000 |
| 590 | Investment Properties | 714,000 | 2,836,000 | 5,450,000 | | | 9,000,000 |
| 615 | Workers Compensation | | | 3,732,000 | 2,268,000 | | 6,000,000 |
| 690 | Retiree Benefit | | | | 2,500,000 | | 2,500,000 |
| 730 | Student Body Center Fee | | | | | | - |
| 775 | PARS Investment Trust | | | | 5,605,000 | 5,703,000 | 11,308,000 |
| TOTALS | | 4,714,000 | 2,836,000 | 9,182,000 | 10,373,000 | 5,703,000 | 32,808,000 |

D. Measure CC Workforce Report

Staff reported that this report is under development but not quite ready for BFC review. It will be placed on next month's agenda. Interim Chancellor Torres shared that the draft report was very comprehensive and predicted it will start the Board thinking about BP 6610.

E. Construction Management Request for Qualifications/Proposals (RFQP)

The Facilities team, led by Director Farrah Farzaneh, made a comprehensive presentation to the BFC on the construction management RFQP process. Chair Harrison mentioned that although they could not use her publications, she encouraged the team to use some of the smaller publications in the area, as well as social media. Interim Chancellor Torres mentioned the many industry events being conducted by Local Outreach Administrator Canela.

Director Farzaneh introduced Mr. Julio Palacio from Program Manager AECOM to go over the point system. Other Facilities team members reviewed the evaluation selection committees. There will be a proposal for each campus.

Chair Harrison and Trustee Singer both commented on the need to vet any finalist firms. The Facilities team discussed the various processes set up to address this concern. Previous clients will be contacted and there is a rigorous interview process.

Staff was tasked with developing a one-page document to be distributed to SBCCD trustees so that they could respond appropriately to any vendors that might reach out to them. Trustee Singer made a motion, which Trustee Houston seconded, to submit the process to the full Board. There was no further discussion and the motion was approved by the following vote.

Ayes: Harrison, Houston, Singer
Noes: None
Abstentions: None
Absent: None

Chair Harrison asked staff to provide an organization chart of the Bond Construction team.

V. UPDATES (as necessary)

In the interest of time, none of the updates were discussed.

- A. Enrollment**
- B. Measure CC Timeline**
- C. Budget Revenue & Expenditure**
- D. 2019-20 Board of Trustees Budget**

VI. FUTURE TOPICS

These topics were not discussed.

- A. Trustee Suggestions**
- B. Deferred Maintenance**

VII. ADJOURNMENT

A. Thursday, December 10 or Friday, December 11 at 2 pm via Zoom

After a brief discussion, it was decided that although full Board's December business meeting has been moved to Friday, December 11, the Board Finance Committee will meet on its originally scheduled date of Thursday, December 10 at 2 pm via Zoom.

B. Adjournment

The meeting was adjourned at 3:30 p.m.

Not Yet Approved