

## **Yosemite Community College District**

### **District Fiscal Advisory Council (DFAC)**

Thursday, March 21, 2019

1:00 p.m.

District Office Building, Conference Room A & Manzanita Building, President's Conference Room

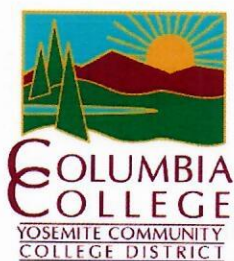
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### **Agenda**

1:00 p.m. to 1:15 p.m.	Approval of minutes from the January 31, 2019 meeting
1:15 p.m. to 1:45 p.m.	Council Charge / Membership allocation
1:45 p.m. to 2:00 p.m.	\$75K Institutional Effectiveness Partnership Initiative Grant
2:00 p.m. to 2:20 p.m.	2018-19 Budget Update
2:20 p.m. to 2:40 p.m.	2019-20 Budget Development Updates
2:40 p.m. to 2:50 p.m.	Resource Allocation Model activities
2:50 p.m. to 3:00 p.m.	Close / Next Meeting

**Next Meeting:** TBD





## **District Fiscal Advisory Council (DFAC)**

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The District Fiscal Advisory Council provides a participatory governance venue specifically for the consideration of Fiscal Services issues, such as budget development, facilities, total cost of ownership, revenue generation, resource prioritization and allocation and other fiscal issues. This effort is aligned with the goal of continued building of the dissemination of information between Central Services and the Colleges. The DFAC is a governance body that provides recommendations to the Chancellor and works collaboratively with other participatory governance bodies. In the event consensus is not met, the Chancellor will be advised of differing viewpoints and will make the final determination.

The District Fiscal Advisory Council is comprised of:

### **Roster**

Vice Chancellor, Fiscal Services  
Yosemite Faculty Association President  
Academic Senate Representative, Modesto Junior College  
Academic Senate Representative, Columbia College  
Leadership Team Advisory Committee Representative (2)  
California School Employee Association, Chapter 420 (2)  
Classified Representative, Columbia College  
VP College and Administrative Services, Columbia College  
VP College and Administrative Services, Modesto Junior College  
Controller  
Associated Students – Modesto Junior College  
Associate Students – Columbia College

### **Resource Persons**

District Director Public Affairs  
VP Instruction, Columbia College  
VP Student Services, Columbia College  
VP Student Services, Modesto Junior College  
VP Instruction, Modesto Junior College  
Director Facilities Planning and Operations



## Director Information Technology

### **Assistant**

Executive Assistant, Fiscal Services

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- Ensure that YCCD resources are tied to the District-wide Strategic Plan
- Monitor YCCD's fiscal solvency
- Review and discuss implementation of policies related to fiscal resources
- Coordinate practices as needed, related to fiscal services
- Serve as a forum or dialogue for ongoing fiscal activities and reporting
- Review and share information on the state budget including capital outlay funds involving the formulation of budget assumptions that contribute to the creation of a tentative and final budget, submitted to the Board of Trustees
- Review and discuss budget priorities
- Monitor student centered funding formula (SCFF) data elements
- Analyze Enrollment management priorities and provide information on Fiscal impacts
- Review and model apportionments of Resource Allocation Model
- Develop and periodically review the District's Resource Allocation Model
- Make recommendations to the Chancellor regarding the work of this Council

**UNAPPROVED MINUTES**  
**Yosemite Community College District**  
**District Fiscal Advisory Council**  
**January 31, 2019**

**Present:** Jenni Abbot, Kevin Alavezos, Al Alt, Coni Chavez, Doralyn Foletti, Josh Hash, Judy Lanchester, Amy Lovett, Judith Martinez, Crista Noakes, Melissa Raby, Nathan Rien, Jim Sahlman, Brian Sanders, Sarah Schrader, Trevor Stewart, Susan Yeager, Henry Yong

**Council Members Absent:** Ashley Griffith, Curtis Martin, Sherri Suarez, Jennifer Zellet, ASMJC Student Designee, ASCC Student Designee

**1. Welcome and Introductions**

Vice Chancellor of Fiscal Services, Dr. Susan Yeager welcomed the Council members and briefly explained that the District Fiscal Advisory Council (DFAC) will be held year-round. Meetings will be scheduled once a month in two-hour increments and may be held at the District Office Building, Gene Bianchi Center in Oakdale or via Zoom.

To address concerns brought up during the accreditation visit, Dr. Yeager explained the DFAC meeting will help lessen the gap of communication concerns between the District and Colleges. The meeting will provide an opportunity for the campuses to discuss fiscal topics with council representatives and provide input.

Dr. Yeager said the DFAC packet provided to the council is in draft form and is provided as a way to start the discussion on the structure and charge of the Council. The council will focus on fiscal services issues and will not interfere with college operations. The council will review fiscal items at a District level.

Council members provided introductions.

**2. Membership**

Dr. Yeager explained the council membership was discussed and established during the Partnership Resource Team (PRT) visit.

The Council reviewed and discussed the membership list provided in the DFAC packet to ensure that the list included representatives from each colleges' primary governance and constituent groups. Council members may designate a replacement for future meetings if necessary. It was recommended that the Columbia College Classified Senate and Information Technology representatives be included in the council meetings. The membership list will be revised for the February meeting.



**3. Roles and Responsibilities**

Council members will provide input on Fiscal Services issues and information to the District as well as back to their constituents at the colleges. Dr. Yeager indicated that council members sharing information from DFAC meetings with the colleges and represented groups will help strengthen communication across the District. Determining how information will flow through the various committees will be discussed further in future meetings.

**4. Partnership Resource Team (PRT) – Menu of Options (MOO)**

The MOO recommended the establishment of a workgroup to draft a formal charge document that establishes the purpose and need of the Fiscal Council as well as the relationship of the Council to other Central Services Councils and Committees. The MOO states the Council should consider a mid-year assessment of the Strategic Plan. The Strategic Plan is not within the scope of this Council; it is within the scope of the Chancellor's office.

Dr. Yeager reported that the original idea for the PRT \$75,000 funding was to hire a facilitator for meetings and/or a consultant to assist with the development of the new Resource Allocation Model. Prior to hiring a consultant, it was suggested that the council will review the District's current RAM and other models to determine the pros and cons of each model and how it can be changed to better fit the District.

**5. Council Map**

Dr. Yeager explained the District Council and District Administrative Council are organized through the Chancellor's office. She proposed that the DFAC be ran through the Vice Chancellor of Fiscal Services' office and will make recommendations to the Chancellor. The DFAC will also report out to District Council and, when appropriate, the Board Finance Committee and the Board of Trustees. The Council reached consensus on the flowchart presented of the proposed relationship between the DFAC and other Central Services' councils and committees.

The DFAC agenda and minutes will be placed on the Fiscal Services website. By suggestion of the Council, a separate BoardDocs subscription may be considered to organize agendas and minutes for the DFAC meetings. Dr. Yeager will look into the BoardDocs subscription.

**6. Charter**

A draft Charter was presented to the Council to provide a starting point for discussion. The Council discussed the wording and organization of the bullet points in the draft charter extensively and determined some of the bullet points should be reworded to provide clear intent of the DFAC. The draft charter will be revised by Dr. Yeager's office and will be agendized for the February DFAC meeting for Council review.



The charge includes Enrollment Management for the DFAC. The Enrollment Management work in regards to DFAC may change depending on any future representative changes. When Enrollment Management discussions are scheduled to take place to discuss metrics data, the appropriate subject matter experts will be invited to the DFAC meetings.

Dr. Henry Yong, Chancellor, explained the DFAC is an opportunity for the colleges to inform the District and help the District understand the specific needs of the colleges to help allocate resources. He hopes the new Resource Allocation Model will be more responsive to the needs of the colleges. Dr. Yong affirmed that the DFAC will not direct colleges as to how to offer instruction, that remains the responsibility of the colleges.

Dr. Yeager stated we need to work to understand the new Student Centered Funding Formula (SCFF). The colleges should be making decisions based on the student needs and outcomes. Fiscal Services will work in collaboration with the colleges to obtain better solutions in regards to Enrollment Management.

The DFAC is not a voting Council. Recommendations will be based on the consensus of the Council. In the event consensus is not met, the Chancellor will make the final decision. The membership information will be added to the charter. The DFAC will compare the charter to that of the District Council charter as reference for determining if quorum is required in this environment.

## **7. 2018-2019 Council Priorities**

The main priorities for the Council for the remainder of the year will be the development of the 2019-20 Budget and the Resource Allocation model.

The Facilities and IT Total Cost of Ownership plans (TCOs) will also need to be considered within the totality of all available resources and needs. The TCOs are two examples of unfunded liabilities for the District. Some ways of funding the plans include savings from current operations and projects and possibly a future bond measure.

### **7.1 Information Technology Total Cost of Ownership**

Josh Hash, Director of Enterprise Services for Information Technology reported out on the draft Information Technology Total Cost of Ownership plan. The draft plan followed the governance process. The draft plan has assisted Information Technology in reviewing cost effective strategies and the development of metrics pertaining to current and future projects.

### **7.2 Facilities Total Cost of Ownership**

Dr. Yeager reported out on the Facilities Total of Ownership plan. The plan followed the governance process. The plan does not prioritize projects but



will be utilized as a tool for decision-making based on available resources and needs in relationship to all other needs.

The Facilities Assessment, conducted every four years by the State Foundation is being conducted at this time. The assessment team reviews square footage and conditions of the facilities. The information is provided in a report through FUSION and will augment the information found in the Facilities TCO for decision-making purposes.

### **7.3 Facilities Planning & Operations Work Order Procedure and Special Funding Project Guidelines**

Judy Lanchester, Director of Facilities Planning & Operations, provided a brief summary of the draft Work Order Procedure and the draft Special Funding Project Guidelines document. The Special Funding Project Guidelines document came from discussions with the colleges concerning special funding for projects and the need to define what is funded by the District. The Special Funding Guideline has been beta tested on Strong Work Force projects.

Dr. Yeager requested the council review the draft documents. A discussion to address possible revisions to the documents as well as District responsibilities verses College responsibilities in regards to facilities maintenance will be held at the February meeting.

## **8. 2019-2020 State and District Budget**

### **8.1 2019-2020 State Budget**

Dr. Susan Yeager reported the SCFF would stay at 70/20/10 per the Governor's budget proposal. The second year of College Promise has been funded. There is \$1.1 billion included in the budget to buy down the CalSTRS unfunded liability. The CAL Grant programs have been expanded. There is a 3.46% COLA proposed for the base rates and some categorical programs. Enrollment growth will be funded. There is a proposed 10% cap on year-to-year growth for the student success allocation proposed. The COLA will be determined in before May revise.

### **8.2 2019-2020 District Budget**

Dr. Sarah Schrader, Controller provided an outline of the 2019-2020 Budget Planning Timeline document. Future bullet points will include discussions relating to budget assumptions, revenue assumptions and expenditure targets. The Controller's office is currently working on permanent positions and salary fringes. Human Resources is currently working to update permanent positions in regards to the Faculty agreement. In the meantime, the Controller's office will be sending out spreadsheets with last year's information. Once Human Resources has completed the permanent positions information, the Controller's office will send out an updated spreadsheet. Once this process is completed, the Controller's office will begin working on revenue assumptions, running models and looking at the enrollment.



March 8, 2019, the budget targets will be distributed and by April 15, 2019, the budget managers will submit operational budgets. The tentative budget is due to the Board of Trustees in June 2019. The Controller's office will be working to expand information in the Budget Booklet by location and provide additional fund information.

**9. Future Meeting Dates**

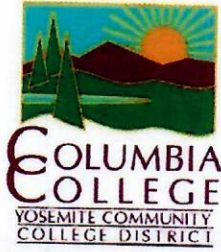
The Council agreed the third Thursday of each month from 1:00 p.m. to 3:00 p.m. will work for the majority of the group. The Fiscal Services office will send the invitations. The Columbia College staff will have the ability to participate in the meeting via Zoom. A conference room will be delegated at Columbia College at a later date. Dr. Yeager would like Modesto Junior College and Central Services staff to attend in person if possible. There will be times a meeting will require physical attendance by all participants.

**10. Adjournment**

The next District Fiscal Advisory Council Meeting will be held on Thursday, February 21, 2019, at 1:00 p.m. in the YCCD District Office, Meeting Room A, located at 2201 Blue Gum Avenue, Modesto, California and CC Manzanita President's Conference Room, located at 11600 Columbia College Drive, Sonora, California







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BUDGET ASSUMPTIONS  
2019-2020 TENTATIVE BUDGET  
UNRESTRICTED GENERAL FUND

*Revenue Assumptions*

- Assumes FTES target of 16,315 which results in a FTES 3 year average of 16,372.
- Assumes no FTES growth. State budget allows for 0.55% growth; YCCD portion would be approximately \$143k based ( $\$26m * 0.55\%$ ).
- Assumes student success metrics are flat compared to 2018-2019.
- Assumes COLA of 3.00%
- Base apportionment does not include a deficit factor as the State has not applied one for several years. If the District were to apply the deficit factor of 0.0096348, the base apportionment revenue would be reduced by \$1,042,047.
- Mandated Cost Block Grant – Assumes \$28.44 per prior year P2 credit FTES. 2017-2018 P2 Credit FTES were 16,227 \* \$28.44 would generate \$461,496.
- State Apportionment Part-Time Faculty – Tentative budget based on 2018-2019 P1 Apportionment Principal Report.
- Lottery – Assume lottery compensation will remain consistent at \$146 per prior year credit FTES. Estimated 2018-2019 credit FTES approximately 16,227 \* \$146 would generate \$2,369,142.

*Expenditure Assumptions*

- Augmentation for PERS & STRS rate increase
- Augmentation for fringe benefits (Workers Comp/STD/OPEB)
- Augmentation for 3 new faculty positions at MJC
- Transfer of Parking and Security from the Colleges to Central Services
- Earmarking of all non-resident tuition revenue for the Colleges
- Augmentation for Longevity and Step and Column increases (This will not be an annual augmentation.)





Yosemite Community College District

General Fund Unrestricted Budget

TENTATIVE BUDGET 2019-2020

2019-2020 TENTATIVE BUDGET  
SEP 03, 2019

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
	2018-2019 BUDGET	2018-2019 REVERSE Prior Year Encumbrances	2018-2019 REVERSE Prior Year Augmentation	2018-2019 ADJUSTED Beginning Allocation	2018-2019 PERKS & STRS Rate Increase	2018-2019 Fringe Benefit Augmentation	2018-2019 CalSTRS On- Retiree Augmentation	2018-2019 New Faculty Hiring	2018-2019 Parking and Security	2018-2019 Baccalaureate Augmentation	2018-2019 Non-Resident Augmentation	2018-2019 Initiative Funding	2018-2019 Long-Term Movement	2018-2019 REMAINING BUDGET
<b>MOORESTOWN</b>														
Permanent Positions:														
Classified	-	-	-	22,047,395	-	-	-	330,000	-	-	-	-	232,492	22,670,977
LTAC	-	-	-	6,330,274	-	-	-	-	-	-	-	-	108,631	6,447,905
Fringe Benefits	-	-	-	1,850,787	-	-	-	-	-	-	-	-	55,109	1,905,896
Operating Budget:	-	-	-	4,692,127	456,369	44,591	-	-	-	-	-	-	110,589	15,303,656
Certified (i.e. OT, Student Workers)	-	-	-	10,922,733	-	-	-	-	(72,217)	40,000	650,000	-	-	11,540,516
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	52,133,643	(4,355)	(4,504,421)	57,622,625	456,369	44,591	-	330,000	(72,217)	40,000	650,000	-	587,851	59,640,370
														51.3%
<b>COLUMBIA</b>														
Permanent Positions:														
Classified	-	-	-	4,451,871	-	-	-	-	-	-	-	-	60,054	4,511,925
LTAC	-	-	-	1,850,787	-	-	-	-	-	-	-	-	24,407	1,875,194
Fringe Benefits	-	-	-	1,850,787	-	-	-	-	-	-	-	-	33,786	1,884,573
Operating Budget:	-	-	-	3,530,019	120,269	12,995	-	-	-	-	125,000	-	25,946	3,684,224
Certified (i.e. OT, Student Workers)	-	-	-	2,461,748	-	-	-	-	(23,169)	-	-	-	-	2,484,887
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	14,494,539	(4,751)	(927,609)	13,662,182	120,269	12,995	-	-	(23,169)	-	125,000	-	145,985	14,045,335
														12.1%
<b>CENTRAL SERVICES</b>														
Permanent Positions:														
Classified	-	-	-	403,556	-	-	-	-	-	-	-	-	3,304	406,860
LTAC	-	-	-	10,642,114	-	-	-	-	-	-	-	-	177,650	10,819,764
Fringe Benefits	-	-	-	3,983,248	-	-	-	-	-	-	-	-	51,073	3,934,321
Operating Budget:	-	-	-	7,472,806	399,464	81,762	-	-	96,403	-	-	-	70,650	9,105,117
Certified (i.e. OT, Student Workers)	-	-	-	-	-	-	-	-	-	-	-	-	-	7,586,289
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	32,231,591	(273,546)	(1,000,000)	30,958,045	399,464	81,762	-	-	96,403	-	-	-	302,577	31,637,351
														27.4%
<b>District-Wide Contingencies/Transfers</b>														
Contingencies - Total Comp Proposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingencies - One-Time Initiatives	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unfunded Retiree Liability Transfer	975,000	-	(1,000,000)	975,000	-	-	-	-	-	-	-	4,354,944	-	4,354,944
Facilities TCO (Capital Outlay Transfer)	1,000,000	-	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000
IT TCO	6,500	-	-	-	-	-	-	-	-	-	-	600,000	-	606,500
Unfunded Transfer	2,500,000	-	-	2,500,000	-	-	-	875,000	-	-	-	-	-	3,375,000
CalSTRS On-Behalf Contribution	4,481,600	-	(1,000,000)	3,481,600	-	-	-	875,000	-	-	-	6,464,944	-	10,811,444
	113,341,273	(282,693)	(7,333,927)	105,725,653	978,102	138,748	-	875,000	-	40,000	775,000	6,464,944	1,016,873	116,334,526
Total														116,334,526

- Notes:
- (1) Augmentation for PERSSTRS to be funded with base increase from new funding formula.
  - (2) Augmentation for fringe benefits (Workers Comp/STDOPEB)
  - (3) Augmentation for CalSTRS On-Behalf contribution. Augmentation has net effect of zero for the District as revenue and expenditures for this activity are zero.
  - (4) Augmentation for 3 new faculty at MAC (\$110K/faculty)
  - (5) Transfer of operational budget for parking and security from the colleges to central services.
  - (6) Augmentation for 2019-2020 estimated baccalaureate revenue and expenditures of \$40,000 for the current year.
  - (7) Expenditure budget for Non-Resident Program to match budgeted Non-Resident Tuition revenue.
  - (8) Augmentation for one-time funding of initiatives identified by the colleges and central services.
  - (9) Augmentation for longevity and step movement along with associated fringe benefits.

