



SJECCD DISTRICT BUDGET COMMITTEE MEETING MINUTES

February 27, 2020
2:00-3:30 p.m.
SJCC Technology Center T-112

Committee Members Present:

Jonathan Camacho
Eugenio Canoy
Jesus Covarrubias
Jorge Escobar
Paul Fong
Chris Frazier
Dan Hawkins
Philip Hu
Alejandro Lopez
Andrea Lopez
Joe Lugo, Jr.
Carlos Marques
Marilyn Morikang
Randy Pratt
Brandon Yanari

Committee Members Absent:

Andrea Alexander
Bianca Lopez
Breyana Parker
Lena Tran

Other Attendees:

Anthony Oum
Deanna Herrera
Jennifer Le

Recorder:

Joy Pace

Call to Order

Mr. Jorge Escobar, Vice Chancellor, Administrative Services, Interim, called the meeting to order at 2:06 p.m. when a quorum of members was reached.

Approval of the February 27, 2020, Meeting Agenda

M/S/C (Jonathan Camacho/Dan Hawkins) to approve the agenda as submitted.

Approval of the January 30, 2020, Meeting Minutes

M/S/C (Randy Pratt/Paul Fong) to approve the meeting minutes as amended: Dan Hawkins and Brandon Yanari were not present at the meeting. Chris Frazier, Dan Hawkins, and Andrea Lopez abstained.

Staffing Updates

Mr. Escobar stated that the Board agenda has reflected changes to the Fiscal Services area. People are moving to different areas and are also increasing their roles and responsibilities. All this activity is an opportunity to explore new ways of doing things. We seek to transform the organization and improve its control processes. He's been asking other districts about their fiscal operations. San Mateo has a Chief Financial Officer. West Valley has an Associate Vice Chancellor position at a higher pay rate. Southern districts are concerned about the cost of living, and this is a negative for people who may be interested in the job. There is no way for us to continue with these services unless we address these issues. The other way to address this need is to add more work to individuals already working in these areas, but this would have a negative impact on health.

The business officers at the colleges met with him recently to discuss how to handle fiscal services at the district and colleges so that we could better align the institution. Nothing has been agreed to yet. He thanked Marilyn Morikang for participating in that meeting to determine what could be done.

Mr. Escobar announced work was added to Jonathan Camacho, who has been with our district for over four years in different capacities at the colleges and now as the Business Services Supervisor for the Center for Economic Mobility (CEM). He has agreed to help us with District Services functions while continuing with his duties at the CEM. Mr. Escobar thanked Mr. Camacho for stepping up helping Fiscal Services with the paperwork, such as ICAs, conference request forms, purchasing requisitions and budget transfers. Mr. Anthony Oum, Assistant Director of Fiscal Services, has transitioned since Linda Wilczweski left the district to responsibility for the budget related functions as well as risk management areas. Ms. Manuela Kolpin, Acting Controller, is helping us with reporting and audit work. It is crunch time for everyone. It's also time to recognize the work of the Classified Professional staff. They are excited about the changes that are happening and are coming up with ideas. He also thanked Jennifer Le, who provided a training session with our department and showed us how to review the OCR report. Ms. Jodi Marvet left this week, and we are exploring an outside contractor to assist in providing the legal review, especially for those contracts that will be submitted to the Board for approval.

We also have bond areas that will require a lot of focus. With the new issue of Series B, \$425 million of work is coming up in the next five years. We could have some delays, but this is a good time to receive recommendations of things that are not working and where we can make improvements to allow this work to move forward effectively.

Mr. Chris Frazier, SJCC Academic Senate member, thanked Mr. Oum for being on campus at SC-204 for people to ask questions and receive information. He also stated he is challenged by the statement made regarding hiring. There are plenty of colleges who are struggling, and there may be talented people in those colleges who would want to come to ours. A lot of people are clearly happy working here. Mr. Escobar answered that there are two issues. The first is titles. The second is pay. The Executive Director of Fiscal Services level is one level below the Vice President at the colleges. We have requested Dr. Beatrix Chaidez, Associate Vice Chancellor, Human Resources, to look at job descriptions because there is something stopping talented people from coming to our organization. Mr.

Escobar stated that when he posted internally for the Executive Director position, there were only three candidates. For Classified employees, there is no progression for advancement; and for these types of roles, experience is very valuable. Mr. Frazier inquired how far off are we in pay. Mr. Escobar answered 15%, and people are looking at benefits second. He stated these issues are complex but expect some changes moving forward. Mr. Frazier stated that what people are really looking for is authority, and the title is about power and decision making. This is what attracts many people, but what we need are those individuals who understand that the decision making is the role of the colleges. How can we attract people who aren't interested in titles?

Ms. Marilyn Morikang, SJCC Acting VP of Administrative Services, commended Mr. Oum and Ms. Kolpin for all the extra work they have been doing. If these functions aren't completed, it's our students who suffer. The apprenticeship program filing was due in January. How does this get done as an organization in the short term? It will most likely take six months to a year to get personnel on board. She asked everyone to be sensitive about the level of support they are getting at the District Office.

Mr. Brandon Yanari, EVC CSEA member, thanked Ms. Kolpin, Yumei Chen, Anthony Oum and Jonathan Camacho from the District Office for helping him submit a five-year grant for \$1.5 million. They were amazing in helping him meet the deadline. Mr. Escobar agreed that everyone is trying their best. He stated that this was one example where we don't have in place an automated process for grants. Mr. Jesus Covarrubias, District Academic Senate President, expressed concern that there are situations where a grant application is being submitted for the Senate's approval at the last minute. They have been asked to sign a grant that has not gone through the Senate's approval process, and we have processes we just can't step over. It really puts us in a bind when we have to go through the governance process. Mr. Escobar stated that, once again, we have to start breaking the silos. We are in this together. We have to respect processes and levels of approvals. Our first step is to create a clear process.

Q-2 Report Updates

Mr. Escobar stated the publication of the Q-2 report is a little off and will now be presented to the Board along with the Board Budget Study Session at the March 10 meeting. We plan to review the Q-3 report at the end of March.

We already received information on the February data point. He emailed this information out to district members. The basic aid districts meeting took place on February 14, and the communication is positive. There is an increase in the percentage point compared to last year. All indicators seemed good, although the coronavirus was not as bad at that time. In two weeks things have shifted significantly, and we don't know yet what the impact will be. Mr. Covarrubias inquired if this situation is where the piggyback funds come in. Mr. Escobar answered no, but we are in different time. He wants to use funding to execute growth and improvement processes. He has removed many limitations for doing things. The Promise Program and outcomes is an example. We are also looking at what the Bookstore is doing. We have released innovation funding to the colleges. We have discussed augmentation for sabbaticals. We are being very proactive.

Mr. Frazier expressed concern about the new budget report format, especially the \$35 million expenditures reflected in the new report. Mr. Escobar answered that additional clarification will be provided in the Q-3 report, which will be presented to the Board at the April meeting. Messrs. Oum and Camacho expressed concern about that schedule being too quick. Mr. Escobar recommended having further discussion on the timeline at the next DBC meeting.

Innovation Funds "seed funding" Update

Mr. Escobar stated the initial funding was released to the colleges. He stated that this year each college is getting \$125K; but next year, the RAM will determine the amount.

Ms. Morikang announced that at SJCC there's a task force of the faculty and Classified staff senates who are meeting in March to review how to spend the funds.

RAM (Resource Allocation Model)

Mr. Escobar stated the goal is to do the RAM in the next fiscal year. It's time to just do it. We can play with the real numbers and see how the calculations change. We need to determine how we are going to make it work. In the last year we have re-cultivated relationships and created those bridges. If 10 faculty are going on sabbatical, why is that a fight since that is allowed per the CBA? The implementation of the RAM will force us to have process discussions. The RAM will be automated, and we should be able to close the books faster. We should be in a better place so that we can do an analysis. Mr. Escobar showed a publication he is reading entitled, The Recession Proof College. He will be reviewing this with the RAM team and the Board of Trustees.

Ms. Morikang inquired about how we would be able to see using the RAM much funding would be available and how would we make assumptions based on how much carry-over we would have from the previous year. This information would be critical for discussions in the finance committees. Mr. Escobar answered that this is the question. We have to discuss it. We know that EVC will be getting more funds, and how would we hold SJCC harmless. Mr. Alex Lopez, SJCC Academic Senate President, inquired about when the RAM would be meeting. Mr. Escobar stated he would be asking the District Council for help in recruiting people. We need actual names before we begin scheduling meetings.

Mr. Randy Pratt, EVC Academic Senate President, inquired if there were any findings in the performance audit about staffing in Human Resources. That may be important in making the District more efficient. Mr. Escobar answered that it's difficult to connect that report based on our information of the reality. It states in the report that Fiscal Services and Human Resources at the District Office are overstaffed and Campus Police is understaffed. However, when we get into the work; we want to find out how those assumptions were made in terms of tracking workload. It would be nice to see if West Valley, for example, is doing what we're doing at the DO level. It may be because we are operating under old processes, and we don't have systems in place. We are going through all the exercises, trying to be effective and doing some soul searching. For example, we are reviewing collections right now. The problem is we have these spreadsheets and, eventually, we will need to clean this up.

Since Chris Frazier did not receive the performance audit report that was distributed to the District Council, he requested Joy Pace send him the report.

Adjournment

The meeting adjourned at 3:20 p.m.