

DISTRICT BUDGET COMMITTEE  
MEETING NOTES

Thursday, December 14, 2023 · 1:30 – 3:00 PM

**SJECED District Office**  
40 S. Market St., CR112  
San Jose, CA 95113

[Zoom Link](#)

1.)	<p><b>Call to Order</b> VC Chandrasekar called the meeting to order at 1:37.</p>	E. Chandrasekar	<b>ACTION</b>
2.)	<p><b>Approval of December 14, 2023 Meeting Agenda</b> (Johnson/AbdelHalim) to approve the meeting agenda.</p>	E. Chandrasekar	<b>ACTION</b>
3.)	<p><b>Approval of October 26, 2023 Meeting Minutes</b> (Johnson/Chesmore) to approve the October 26, 2023 Meeting Minutes.</p>	E. Chandrasekar	<b>ACTION</b>
4.)	<p><b>Fiscal Updates:</b></p> <p><b>a) EVC</b> VP Alexander shared an update on their progress of paying down the \$19M in bad debt. To date they have paid off \$2.1M and are clearing those who owe \$100 or less. She is looking at February before it is all cleared.</p> <p>EVC is continuing free tuition through spring '24 until HEERF dollars are exhausted. They are offering Fifteen4Free to eligible students who take 15 or more units in spring '24. These students would receive up to \$1,500 credit for the campus bookstore.</p> <p>They are working on the college budget allocation and budget development with the College Budget Committee. Categoricals will be updated during intercession.</p> <p><b>b) SJCC – no updates at this time</b></p> <p>Mr. Johnson asked if the VPAS could email in an update when they are unable to attend the DBC meeting. The College Budget Committee has a deadline of 12/15 and needs the update to proceed as a constituency group.</p> <p>Ms. Ramirez followed up by asking if the VPAS could send their updates in a week or so prior to the DBC meeting in the event they are unable to attend.</p> <p>VC Chandrasekar will follow up with the VPAS to ask for written comments that can be included in the minutes.</p> <p><b>c) DS/DW –</b> ED Chesmore shared background on the Chancellor's salary, which is considered academic, but not instructional. It falls in the denominator, not the numerator of the 50% Law.</p> <p>Fiscal Services is working on 1098Ts and W2s. They have completed the audit. There were no audit findings. ED Chesmore thanked the college Business Services teams for their work.</p> <p>The Board of Trustees is looking into the 50% Law relating to the district, and the Board Audit Committee plans to create a study session around</p>	<p>A. Alexander</p> <p>C. Hawken</p> <p>J. Chesmore</p>	INFORMATION

	<p>this. The current percentage is 50.09%. The state has identified 10 community colleges that did not meet the 50% threshold and they are being audited by the state. Colleges could possibly be denied grant funding as grantors look at audit findings. The 50% Law does not impact credit rating, but may impact accreditation.</p> <p><b>PUBLIC COMMENTS</b></p> <p>Mr. Johnson shared a trend of a decrease in NIAs (non-instructional assignments) at EVC over the last three years. The College Budget Committee chair has resigned, and the PD chair is planning to submit a resignation. He has asked them to wait until he brings his request to leadership. He is asking for help to restore the NIAs back to 40%. He paid \$7,000 out of the Academic Senate budget to the PD chair for intercession and summer after asking the Office of Academic Affairs to cover this cost.</p> <p>Mr. Johnson commented there have been recent moves of academic programs under non-academic managers and an increase in budgets for non-instructional work with little transparency.</p> <p>He noted the Office of Academic Affairs instructed that classes be cut, while there is concern about going below the 50% Law. He suggested fixing the problem in the academic area and that the college should return to its primary purpose, which is education, not basic needs work.</p> <p>Mr. Mentor commented that there were 57 sections for Intercession last year at EVC compared to 26 this year. They are down 31 sections and 16 Associate Faculty. He commented the budget is to offer classes and would like to know what the district is doing to solve this.</p> <p>Ms. Kozlowski commented students are going elsewhere because there are not enough sections offered. She emphasized the Board Budget Principle: <i>Manage all resource allocations or funding reductions systematically to maximize student equity and success.</i></p> <p>VC Chandrasekar will follow up to assist with discussion this with the executive cabinet, however, these may need to be handled at the college-level.</p>		
5.)	<p><b>Foundation Consolidated Financials</b></p> <p>ED Ledesma shared the Foundation’s purpose is fundraising to provide scholarships directly to students. The Foundation serves as the district’s legal entity to receive donations. Both colleges declined to have individual foundations on their campuses.</p> <p>The Foundation recently created a theater production system for EVC to sell tickets on a free platform. To visit the Foundation’s new web page, click here: <a href="https://sjeccd.edu/san-jose-evergreen-community-college-district-foundation">https://sjeccd.edu/san-jose-evergreen-community-college-district-foundation</a></p> <p>ED Ledesma would like to receive ideas of how to raise funds for the campuses. They kick off their 2024 Brown Bag Series in January where they will focus on advancing fundraising efforts.</p> <p>The Foundation’s consolidated financials were reviewed. Some donations are not reflected in Q1, but will be updated.</p>	Foundation and District Staff	INFORMATION

	<p>The Foundation charges a low administrative processing fee, but will not raise it to ensure the most money possible goes to students. Fees are assessed at the end of the year.</p> <p>Some donors would like to remain anonymous. Currently there are not recurring donors. Foundation is focusing on planned giving and grants. Alumni generally tend to give to a four-year they graduated from.</p> <p>The Foundation is putting together a fact sheet for their board members to use within their networks.</p> <p>They are creating an investment committee to identify options to move the funds to gain interest on over \$3M. Future budgets will see a higher interest number.</p> <p>Ms. Ramirez thanked ED Ledesma for sharing this information.</p> <p>Ms. Ramirez asked for clarification regarding the Foundation's agreement with the district. ED Ledesma explained the amount noted of \$1M for five years from the district was a projection. She clarified there is not a dollar amount specified, but the amount is for salary and benefits. Four positions with salaries and benefits would equal about \$900,000 - \$1M.</p> <p>The Foundation will be invited to present quarterly at the DBC.</p>		
6.)	<p><b>Future Agenda Items</b> a) 2024-25 budget development</p>	All	INFORMATION
7.)	<p><b>Adjournment</b> The meeting adjourned at 3:04pm.</p>	E. Chandrasekar	<b>ACTION</b>

**DISTRICT BUDGET COMMITTEE MEMBERS**

**ADMINISTRATORS**

**CHAIR**

Edwin Chandrasekar

**BUSINESS OFFICERS (4)**

Andrea Alexander, EVC  
Christopher Hawken, SJCC  
Joseph Chesmore, DO  
Deanna Herrera, DO

**MSC (2)**

Ebonnie Berry, EVC  
J. Edward Stevenson, SJCC

**STUDENTS (2)**

Mark Ilano, EVC  
Jocelynn Solorio, SJCC

**FACULTY**

**ACADEMIC SENATE – EVC (2)**

Lisa Hays  
Garry Johnson

**ACADEMIC SENATE – SJCC (2)**

Elena Dutra  
Fabio Gonzalez

**ACADEMIC SENATE – DISTRICT (1)**

Heidi Kozlowski

**AFT 6157 (2)**

Steven Mentor  
Philip Hu

**CLASSIFIED**

**CSEA 363 (4)**

Abeer AbdelHalim  
Andrea Lopez  
Dan Hawkins  
Joell Serrano

**CLASSIFIED SENATE - SJCC (2)**

Yesenia Ramirez  
Angela Gullerud

**CLASSIFIED SENATE – EVC (2)**

Vicki Brewster  
Bianca Lopez

(Recorder: Shana Carter)

**Guests:** Jonathan Camacho, Saloshni Chand, Abdul Idris, Rosalie Ledesma, Priscilla Louangrath

**District Budget Committee meeting schedule FY 2023-24**

<b>DBC Meeting</b>	<b>Budget Report</b>	<b>BOT Meeting</b>
8/31/23	Adopted, FY 2023-24	9/12/23
9/28/23		
10/26/23	Q1	11/14/23
11/16/23		
12/14/23		
2/1/24	Q2	2/13/24
2/29/24	Spring Budget Study preview	3/26/24
3/21/24	Spring Budget Study Session PPT	3/26/24
4/25/24	Q3	5/14/24
5/16/24	FY 2024-25 Tentative Budget report	6/11/24

### ***Educational Administrators***

Expenditures for the salaries of educational administrators. *EC* §87002 and *CCR* §53402 define “educational administrator” as an administrator who is employed in an academic position designated by the governing board of the district as having direct responsibility for supervising the operation of or formulating policy regarding the instructional or student services program of the college or district. Educational administrators include, but are not limited to, chancellors, presidents, and other supervisory or management employees designated by the governing board as educational administrators.

### ***Other***

Expenditures for the salaries of academic employees, other than educational administrators, in contract or regular noninstructional academic positions. This includes librarians, counselors, community college health professionals, disabled students programs, and services professionals, extended opportunity programs and services professionals, and faculty on noninstructional assignments. Sabbatical Leave for these employees is also included.

Any release time or additional stipends paid for coordinators, supervisors, and departmental chairs are noninstructional and recorded in Object 1200.

### **1300 Instructional Salaries, Other**

Expenditures for the full or prorated portions of salaries of instructors who have **not** been designated as contract or regular employees. Included are the salaries of instructors designated as temporary employees pursuant to *EC* §87477 and overload and stipend pay for instructors designated as contract employees or as regular employees.

### **1400 Noninstructional Salaries, Other**

Expenditures for the full and prorated portions of salaries of noninstructional academic employees who have **not** been designated as contract or regular employees. Districts shall record such noninstructional salaries within the applicable subobject:

#### ***Educational Administrators***

Expenditures for the salaries of educational administrators. *EC* §87002 and *CCR* §53402 define “educational administrator” as an administrator who is employed in an academic position designated by the governing board of the District as having direct responsibility for supervising the operation of or formulating policy regarding the instructional or student services program of the college or district. Educational administrators include, but are not limited to, chancellors, presidents, and other supervisory or management employees

designated by the governing board as educational administrators.

***Other***

Expenditures for the salaries of academic employees, other than educational administrators, in positions **not** designated as contract or regular noninstructional academic positions. This includes librarians, counselors, disabled students programs and services professionals, extended opportunity programs and services professionals, and faculty on noninstructional assignments.

**2000 Classified and Other Nonacademic Salaries**

- 2100 Noninstructional Salaries, Regular Status
- 2200 Instructional Aides, Regular Status
- 2300 Noninstructional Salaries, Other
- 2400 Instructional Aides, Other

This object is used to record all expenditures for salaries of employees in positions that **do not** require minimum qualifications established by the Board of Governors pursuant to *EC* §87356. This includes the salaries of employees in the classified service as defined in *EC* §87001.5 and those positions and employees specifically exempted by *EC* §§88003 and 88076 from the classified service. These exempted positions include, but are not limited to, full-time and part-time students employed part-time in any college work-study program or in a work experience education program conducted by a district and which is financed by State or Federal funds, professional experts employed on a temporary basis for a specific project, and apprentice positions.

Object 2000, Classified and Other Nonacademic Salaries, is the controlling account that summarizes expenditures recorded in the following subsidiary object categories:

**2100 Noninstructional Salaries, Regular Status**

Expenditures for the full and prorated portions of salaries of employees in regular classified and other regular nonacademic positions. *EC* §88001 defines “regular” as a classified employee who has probationary or permanent status.

This object may include, but is not limited to, the salaries of administrators not designated as academic administrators by the district governing board, professionals, supervisors, purchasing agents, clerical, maintenance workers, custodians, gardeners, telephone operators, security personnel, and data processing staff.

***Administrators and Supervisors***

Expenditures for salaries of administrators and supervisors as defined in *EC* §84362.

2023-2024 1st Quarter Foundation Financials Consolidated

	1st Quarter						2023-2024 Budget						As a % of Budget
	(A)	(B)	C= (A)+(B)	(D)	(E)	F= (C)+(D)+(E)	(A)	(B)	C= (A)+(B)	(D)	(E)	F= (C)+(D)+(E)	
	Foundation Unrestricted	Foundation Restricted	Foundation Total	Fund 10	Fund 13	Consolidated	Foundation Unrestricted	Foundation Restricted	Foundation Total	Fund 10	Fund 13	Consolidated	
<b>INCOME</b>													
Contributions	31,148	55,185	86,333			86,333	130,749	954,357	1,085,106			1,085,106	8.0%
Other Income/Admin Fees	53,825		53,825			53,825	58,832		58,832			58,832	91.5%
Interest Income	538	251	789			789	2,093	975	3,068			3,068	25.7%
District Support			-	81,729	75,416	157,145			-		924,395	924,395	17.0%
<b>Source of Income</b>	<b>85,511</b>	<b>55,436</b>	<b>140,947</b>	<b>81,729</b>	<b>75,416</b>	<b>298,092</b>	<b>191,674</b>	<b>955,332</b>	<b>1,147,006</b>	<b>-</b>	<b>924,395</b>	<b>2,071,401</b>	<b>14.4%</b>
<b>EXPENSES</b>													
Academic Salaries (Chancellor)			-	9,413	-	9,413			-			-	
Management Salaries			-	16,471	44,747	61,218			-		372,316	372,316	16.4%
Classified Salaries			-	28,850	4,530	33,380			-		177,137	177,137	18.8%
Employee Benefits			-	26,995	26,139	53,134			-		374,942	374,942	14.2%
<b>Total Salaries + Benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81,729</b>	<b>75,416</b>	<b>157,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>924,395</b>	<b>924,395</b>	<b>17.0%</b>
Misc Op Supplies	94		94			94	5,000		5,000			5,000	1.9%
Supplies	264		264			264	3,000		3,000			3,000	8.8%
<b>Supplies &amp; Materials</b>	<b>358</b>	<b>-</b>	<b>358</b>	<b>-</b>	<b>-</b>	<b>358</b>	<b>8,000</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>-</b>	<b>8,000</b>	<b>4.5%</b>
Scholarships		11,469	11,469			11,469		230,521	230,521			230,521	5.0%
Professional Development	-	-	-			-	14,000		14,000			14,000	0.0%
College dept trust expenses		64,313	64,313			64,313		720,530	720,530			720,530	8.9%
Professional Services	(577)		(577)			(577)	55,875		55,875			55,875	-1.0%
Events	-		-			-	30,500		30,500			30,500	0.0%
Marketing & Outreach	148		148			148	18,500		18,500			18,500	0.8%
<b>Other Operating Expenses</b>	<b>(430)</b>	<b>75,782</b>	<b>75,352</b>	<b>-</b>	<b>-</b>	<b>75,352</b>	<b>118,875</b>	<b>951,051</b>	<b>1,069,926</b>	<b>-</b>	<b>-</b>	<b>1,069,926</b>	<b>7.0%</b>
<b>Total Expenses</b>	<b>(72)</b>	<b>75,782</b>	<b>75,710</b>	<b>81,729</b>	<b>75,416</b>	<b>232,855</b>	<b>126,875</b>	<b>951,051</b>	<b>1,077,926</b>	<b>-</b>	<b>924,395</b>	<b>2,002,321</b>	<b>11.6%</b>
<b>Surplus (Deficit)</b>	<b>85,583</b>	<b>(20,346)</b>	<b>65,237</b>	<b>-</b>	<b>-</b>	<b>65,237</b>	<b>64,799</b>	<b>4,281</b>	<b>69,080</b>	<b>-</b>	<b>-</b>	<b>69,080</b>	