

DISTRICT BUDGET COMMITTEE
MEETING MINUTES

Thursday, February 2, 2023 · 1:30 – 3:00 PM

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

[Zoom Link](#)

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|---------------|---|----------------------------|-------------------------------|
| 1.) 1:30PM | <p>Call to Order
VC Jorge Escobar called the meeting to order at 1:35pm.</p> | Jorge Escobar | ACTION |
| 2.) 1:30-1:35 | <p>Approval of February 2, 2023 Meeting Agenda
M/S/C (Chesmore/Abdel Halim) to adopt the amended
February 2, 2023 meeting agenda.</p> <p>Add item: Facility Rental Rates – VP Hawken</p> <p>Amend item 10a: Remove <i>Mr. Gonzalez made</i> and replace
with <i>The District Budget Committee approved</i>.</p> | Jorge Escobar | ACTION |
| 3.) 1:35-1:40 | <p>Approval of November 17, 2022 Meeting Minutes
M/S/C (Stevenson/Ramirez) to approve the November 17,
2022 meeting minutes.</p> <p>Abstention by Jorge Escobar.</p> | Jorge Escobar | ACTION |
| 4.) 1:40-2:00 | <p>Recommend to District Council to continue free tuition
with the existing parameters for the 2023-24 academic
year.</p> <p>Dean Stevenson reminded the group of this discussion in
November. This item was taken to each campus and their
respective constituencies and is brought back as an action
item today.</p> <p>ED Chesmore commented that funding would be the
question. Free tuition would be paid out of categorical
funding, and the decision would be up to the campuses. Fund
10 money cannot be used.</p> <p>Yesenia Ramirez asked about student debt pre-COVID. VP
Hawken clarified; this item is not referring to debt relief. Dean
Stevenson clarified this agenda item is whether or not this
committee should recommend free tuition be continued for
academic year 2023-24. VC Escobar pointed out this item
needs to come through this committee as the guide, and then
the recommendation is shared with the District Council.</p> <p>VP Alexander emphasized the money has to come from
somewhere. If categorical is used, there will be less money
available for other priorities. This could equal \$1.5 million
between both campuses.</p> | J Edward Stevenson,
All | DISCUSSION/
ACTION |

VP Hawken shared they are discussing this at their Executive Cabinet level on campus and are in favor of moving it forward. They are requesting surveys to see what leads to student success.

VP Alexander shared free tuition is not closing the gap the way it is currently constructed. They are finding that free tuition for six credits or more is not helping students matriculate. They are still in discussion on this at EVC.

VC Escobar highlighted the campus initiatives in place to boost enrollment.

Dean Stevenson pointed out free tuition is the draw to get students to complete the federal financial aid application, which links them to all services. Enrollment is at pre-pandemic levels, which is driven by a variety of services.

Judith Bell asked for more information from VP Alexander on the demographics EVC is targeting, the numbers and approaches. VP Alexander responded they are looking at their equity report and seeing a low rate of persistence and graduating. There are multiple barriers, such as textbooks. Students do not know about the free programs. EVC is looking at what formula will help them persist and matriculate (the end goal), as opposed to just giving free tuition.

M/S/C (Stevenson/Hawken) The District Budget Committee recommends to District Council to continue free tuition with the existing parameters for the 2023-24 academic year.

Yes: 14

No: 1

Motion passes

5.) 2:00-2:10

FY 2021-22 Final Audit Reports

ED Chesmore expressed congratulations for no audit findings for the third year in a row.

Joseph
Chesmore

INFORMATION

He highlighted the concern of the auditors regarding the 50% Law. VP Hawken pointed out that legislation might change regarding the 50% Law for community-funded districts. VP Alexander pointed out technology is not included in the 50% Law.

ED Chesmore asked campuses to ensure expenses are coded correctly and instructional/non-instructional object codes are used. VP Alexander emphasized assignments change and it is not always straightforward. ED Chesmore clarified 80% of journal entries are a reclassification of payroll. VP Alexander mentioned this is a system glitch, and ED Chesmore agreed.

Steven Mentor shared he feels this is going in the wrong direction and asked if the hiring numbers could be predicted

for 2023. ED Chesmore suggested that predictions could be made.

From Mr. Mentor in the chat: Behind my question is we made decisions about new hires this year, and I wonder if the 50% law was taken into account when making those decisions. Ideally, if we were close to the line, then we would factor that into the number of new hires.

VC Escobar will offer materials* for awareness on this topic. He pointed out that past legislation conflicts with modern times. Other expenses are growing at a faster pace. It is important to understand legislation, manual processes, and how to code. We will continue to monitor compliance with the 50% law, the GANN limit, etc.

VP Hawken recommended VC Escobar and ED Chesmore share at campus managers' meetings. VC Escobar is happy to attend any campus meetings.

(*See attached materials on 50% Law.)

6.) 2:10-2:15	SJECCD Governance Handbook update/ Administrative Services Survey results	Amber Machamer	INFORMATION
	Amber Machamer shared an update on the SJECCD Governance Handbook. It is currently in the editing process, and she plans to finalize and send it out by the end of February. Email her with any edits or updates.		
7.) 2:15-2:20	Calendar Year 2023: payroll, closing Q2, tax season, next data point, Budget Study and Tentative budget timeline, link to the latest categorical compendium: 2022-23 California Community Colleges Compendium of Allocations and Resources	Joseph Chesmore	INFORMATION
	ED Chesmore reviewed the 2022-23 Year End Calendar . (Each campus would refer to their own internal deadlines.)		
	Director Kathy Tran pointed out the District Office has to complete their side booking receivables so campuses can complete their process.		
	(Each campus would refer to their own internal deadlines.)		
8.) 2:20-2:30	Carryover and fund balances summary: key program balances, strong workforce, facility rentals, lottery; college's HEERF and COVID relief spend plans	Joseph Chesmore	INFORMATION
	ED Chesmore reviewed the carryover fund balances and HEERF balances. He pointed out the importance of spending the lottery funds. HEERF funds need to be spent by June 30.		
	VP Alexander asked for clarification on the point of this discussion.		

Dean Stevenson asked for clarity on allowable expenses. ED Chesmore responded every grant has their list of allowable expenses. HEERF funds are for anything affected by the pandemic.

VP Hawken shared SJCC has plans for all HEERF funds to be spent or encumbered by the end of this month.

VP Alexander noted they are giving the campus until April to complete requisitions. She asked what the District Office plans to spend their portion on.

ED Chesmore responded the District Office would spend these funds by the end of the week. He will share the summary of this list at the next District Budget Committee meeting, compiled with the campuses' lists. VP Alexander shared their lists are posted on their websites.

Dean Stevenson suggested giving notice ahead of time for presentation requests. VC Escobar pointed out the resources that have been made available, including the Compendium.

Andrea Lopez expressed concern at attempting to quickly review these numbers. She asked for a report prior to the meeting for time to review and prepare questions.

VP Alexander offered they are available to present at the constituency group meetings. She does not think it is a good exercise to discuss other department's budgets. There are people putting their names on the line for these budgets (over 500 accounts). ED Chesmore confirmed the understanding there are plans behind budgets. VP Alexander expressed concern these items are being discussed to divert attention away from some of the issues the committee was talking about over the last two to three months, including the topic of the Foundation.

VC Escobar emphasized we need to get organized and decide what the priority of this group is to highlight relevant items. This committee is charged to review, propose, and suggest.

VC Escobar emphasized that no one is hiding the Foundation. That is being discussed at an executive level. The Foundation reports to the Chancellor who would be the right person to answer Foundation budget questions.

9.) 2:30-2:55

FY 2022-23 Q2 Budget Report

ED Chesmore reviewed Fund 10 (page 5). The numbers are comparable to Q2 of last year. Revenue and expenses went up slightly.

PERS is at 25.37% and STRS is at .10% (page 79).

Joseph
Chesmore

INFORMATION

ED Chesmore pointed out the Power BI report on page 7, which matches the summary (page 5). This report will be shared with the Board of Trustees at the next meeting on February 14.

There is a Power BI training coming up now that the campuses have access.

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|----------------|---|---------------|-------------|
| 10.) | <p>Facility Rental Fees
VP Hawken shared this discussion was started about a year ago. They would like to take a proposal to the Board to update SJCC's facility rental rates to recover costs.</p> <p>Ms. Ramirez took a survey of colleges in the area when they began this process. These fees have not been updated in several years.</p> <p>VC Escobar shared that before this is taken to the Board for discussion, the rates presented should cover the true District expenses. There are many resources to consider, including overtime, utilities, grounds, custodial, etc. The first step is to true up the numbers.</p> <p>VP Alexander recommended the District Budget Committee review the final proposal prior to it going to the Board.</p> <p>M/S/C (Stevenson/Hawken) The District Budget Committee reviews and approves the EVC and SJCC facility rental rates proposal and recommends to the District Council for Board approval.</p> | VP Hawken | DISCUSSION |
| 11.) 2:55-2:59 | <p>Future Agenda Items</p> <p>a) Foundation, Fund 83: Mr. Gonzalez made The District Budget Committee approved a motion that no money is allocated to the new Foundation account, Fund 83 approved at the Board of Trustees meeting on 11/15/22, until there is clarification on the role of the Foundation and funding.</p> <p>b) Foundation presentation is scheduled for March 2.</p> <p>There is a lot activity taking place and the Chancellor is currently conducting research. He will be invited to the next meeting.</p> | All | INFORMATION |
| 12.) 3:00PM | <p>Adjournment
The meeting adjourned at 3:11pm.</p> | Jorge Escobar | ACTION |

DISTRICT BUDGET COMMITTEE MEMBERS

ADMINISTRATORS

CHAIR
Jorge Escobar

BUSINESS OFFICERS (4)
Andrea Alexander, EVC

FACULTY

ACADEMIC SENATE – EVC (2)
Lisa Hays
Garry Johnson

ACADEMIC SENATE – SJCC (2)

CLASSIFIED

CSEA 363 (4)
Andrea Lopez
Dan Hawkins
Vacant
Vacant

Christopher Hawken, SJCC
Joseph Chesmore, DO
Vacant, DO

MSC (2)

J. Edward Stevenson, SJCC
Victoria Menzies, SJCC

STUDENTS (2)

Ayan Dalmar, EVC
Leif Benson, SJCC

Fabio Gonzalez
Judith Bell

ACADEMIC SENATE – DISTRICT (1)

Emily (Phuong) Banh

AFT 6157 (2)

Steven Mentor
Philip Hu

Guests:

Jennifer Le Diep
Kathy Tran
Hong Yang
Tu Nguyen
Mark Hua
Amber Machamer
Priscilla L
Corrine Gonzales

CLASSIFIED SENATE - SJCC (2)

Yesenia Ramirez
Angela Gullerud

CLASSIFIED SENATE – EVC (2)

Sarai Minjares
Abeer Abdel Halim

Recorder: Shana Carter