

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT (RSCCD)
Board of Trustees (Regular meeting) Hybrid
Rancho Santiago Community College District
2323 North Broadway
Santa Ana, California**

Monday, June 10, 2024

MINUTES

1.0 PROCEDURAL MATTERS

1.1 Call to Order

The hybrid meeting was called to order at 5:32 p.m. by Mr. Sal Tinajero. Other members present were, Dr. Tina Arias Miller, Mr. David Crockett, Mr. John Hanna, Mr. Hernandez, Ms. Daisy Tong and Mr. Phillip Yarbrough.

Administrators present during the regular meeting were Ms. Iris Ingram, Dr. Jeannie Kim, Mr. Marvin Martinez, Dr. Annebelle Nery, Mr. Enrique Perez and Mr. Alistair Winter. Ms. Maria Vicencio was present as record keeper.

1.2 Public Comment – Closed Session Only

There were no public comments.

RECESS TO CLOSED SESSION

The board convened into closed session at 5:34 p.m. to consider the following items:

2.1 Public Employment (pursuant to Government Code Section 54957[b][1])

- a. Full-time Faculty
- b. Part-time Faculty
- c. Management Staff
- d. Classified Staff
- e. Student Workers

2.2 Appeal of Student Expulsion (pursuant to Education Code 76030)

3.0 RECONVENE FROM CLOSED SESSION

The board reconvened at 6:06 p.m.

3.1 Closed Session Report

Mr. Yarbrough reported that during closed session the board discussed public employment and the board took no action.

The board also discussed appeal of student expulsion (pursuant to Education Code 76030) and the board voted unanimously to reject the appeal for student with Student ID 2206184.

4.0 **PUBLIC SESSION**

4.1 Pledge of Allegiance to the United States Flag

The Pledge of Allegiance was led by Mr. David Crockett, RSCCD Trustee.

4.2 Approval of Additions or Corrections to Agenda

It was moved by Mr. Tinajero and seconded by Ms. Tong to approve to remove Item 7.9 (Accept and Award of RFP #1455 – Legal Counsel for Districtwide Services.) from the agenda. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

4.3 Public Comment

Dr. Irene Malmgren, Ms. Jennifer Acuna, and Dr. Audrey Yamagata-Noji, spoke regarding Item 6.9 (Approval of Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center). Mr. Morrie Barembaum spoke regarding the new FARSCCD president. Mr. Hugh Nguyen, Mr. Jason Sims, Ms. Patrice Terrell, Mr. Nathaniel Clay, and Mr. Albert Huynh spoke regarding SAC's Cyber Patriots program. Mr. Ross Romero spoke regarding Item 7.11 (Adoption of Resolution No. 24-15 Resolution of the Board of Trustees of the Rancho Santiago Community College District Ordering an Election and Establishing Specifications of the Election Order).

4.4 Approval of Minutes

It was moved by Mr. Yarbrough and seconded by Ms. Tong to approve the minutes of the regular meeting held on May 28, 2024. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

4.5 Approval of Consent Calendar

It was moved by Mr. Yarbrough and seconded by Mr. Tinajero to approve the recommended action on the following items on the Consent Calendar with the exception of Item 6.9 (Approval of Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center), pulled by Mr. Hernandez. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

6.1 Approval of Addendum of Exhibit E - Bridge Classes Program Agreement to the Master Collaboration Agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District

The board approved the addendum of Exhibit E - Bridge Classes program agreement to the master collaboration agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District, located in Santa Ana, California, as presented.

6.2 Approval of Addendum of Exhibit G - Clinical Affiliation Agreement to the Master Collaboration Agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District

The board approved the addendum of Exhibit G - Clinical Affiliation agreement to the master collaboration agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District, located in Santa Ana, California, as presented.

6.3 Approval of Addendum of Exhibit F – Santa Ana Unified School District Wellness Centers-Adult Education to the Master Collaboration Agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District

The board approved the addendum of Exhibit F – Santa Ana Unified School District Wellness Centers-Adult Education to the master collaboration agreement between RSCCD on behalf of Santa Ana College and Santa Ana Unified School District, located in Santa Ana, California, as presented.

6.4 Approval of Clinical Affiliation Agreement between RSCCD on behalf of Santa Ana College and Goldenstar Healthcare, Inc. dba Palm Terrace Care Center

The board approved the clinical affiliation agreement between RSCCD on behalf of Santa Ana College and Goldenstar Healthcare, Inc. dba Palm Terrace Care Center, located in Riverside, California, as presented.

6.5 Approval of Educational Affiliation Agreement between RSCCD on behalf of Santa Ana College and Irvine Unified School District

The board approved the educational affiliation agreement between RSCCD on behalf of Santa Ana College and Irvine Unified School District, located in Irvine, California, as presented.

4.5 Approval of Consent Calendar (cont.)

6.6 Approval of Purchase Agreement between RSCCD on behalf of Santa Ana College and All American Sports Corporation/Riddell

The board approved the purchase agreement between RSCCD on behalf of Santa Ana College and All American Sports Corporation/ Riddell, located in North Ridgeville, Ohio, as presented.

6.7 Approval of Purchase Agreement between RSCCD on behalf of Santa Ana College and OUTFRONT Media, Inc.

The board approved the purchase agreement between RSCCD on behalf of Santa Ana College and OUTFRONT Media, Inc., located in Newark, New Jersey, as presented.

6.8 Approval of Amendment Two to Subscription Agreement between RSCCD on behalf of Santa Ana College and Teamworks Innovations, Inc.

The board approved amendment two to the subscription agreement between RSCCD on behalf of Santa Ana College and Teamworks Innovations, Inc., located in Durham, North Carolina, as presented.

6.10 Approval of New or Revised Curricula for the 2024-2025 Santiago Canyon College Catalog Addendum

The board approved the new or revised curricula for the 2024-2025 Santiago Canyon College catalog addendum, as presented.

6.11 Approval of the International Student Recruitment between RSCCD on behalf of Santiago Canyon College Canyon and Turning Point Studies Consultants

The board approved the international student recruitment between RSCCD on behalf of Santiago Canyon College and Turning Point Studies Consultants located in India, as presented.

6.12 Approval of the International Student Recruitment between RSCCD on behalf of Santiago Canyon College Canyon and Sonya International Education Centre Pty Ltd (SIEC Education)

The board approved the international student recruitment between RSCCD on behalf of Santiago Canyon College and Sonya International Education Centre Pty Ltd (SIEC Education) located in Melbourne, Australia, as presented.

6.13 Approval of the International Student Recruitment between RSCCD on behalf of Santiago Canyon College Canyon and Beijing Youxuan Technology Co., Ltd.

The board approved the international student recruitment between RSCCD on behalf of Santiago Canyon College and Beijing Youxuan Technology Co., Ltd. located in China, as presented.

4.5 Approval of Consent Calendar (cont.)

- 6.14 Approval of Equipment Maintenance, Service and Repair Agreement between RSCCD on behalf of Santiago Canyon College and STERIS Corporation
The board approved the equipment maintenance, service and repair agreement between RSCCD on behalf of Santiago Canyon College and STERIS Corporation located in Mentor, Ohio, as presented.
- 6.15 Approval of Data Sharing Agreement between RSCCD on behalf of Santiago Canon College and United Domestic Workers/AFSCME Local 3930
The board approved the data sharing agreement between RSCCD, on behalf of Santiago Canyon College, and United Domestic Workers/AFSCME Local 3930.
- 6.16 Approval of Application Services Agreement Amendment No. 2 between RSCCD on behalf of Santiago Canyon College and Cidi Labs for the 2024-2025 fiscal year
The board approved amendment no. 2 of the application services agreement between RSCCD on behalf of Santiago Canyon College and Cidi Labs for the 2024-2025 fiscal year, located in Draper, Utah, as presented.
- 6.17 Approval of a Two-Year Instructional Services Agreement between RSCCD on behalf of Santiago Canyon College Continuing Education and Uplift Family Services DBA Pacific Clinics
The board approved the two-year instructional services agreement between RSCCD on behalf of Santiago Canyon College Continuing Education and Uplift Family Services DBA Pacific Clinics, located in Arcadia, as presented.
- 7.1 Approval of Payment of Bills
The board approved the payment of bills as submitted.
- 7.2 Approval of Budget Transfers, Budget Increases and Decreases
The board approved the budget transfers, budget increases and decreases as presented.
- 7.3 Acceptance of Vendor Name Changes
The board approved to accept the vendors' name change requests as presented.
- 7.4 Approval of Disposal of Surplus Vehicles
The board approved to declare the listed vehicles as surplus property and to utilize Ken Porter Auctions to conduct an auction as presented.
- 7.5 Approval of the 2024-2025 Contract Listing
The board approved the 2024-2025 contract listing as presented.

4.5 Approval of Consent Calendar (cont.)

7.6 Approval of Utilization of the Foundation for California Community Colleges (FCCC) Master Services Agreement No. 00009202 awarded to Transportation Charter Services, Inc.

The board approved the District’s utilization of the Foundation for California Community Colleges (FCCC) master services agreement no. 00009202, awarded to Transportation Charter Services, Inc., including renewals, future addendums, supplements, and extensions as presented.

7.7 Approval of Utilization of the Foundation for California Community Colleges (FCCC) Master Services Agreement #00007397 Awarded to Forsyte IT Solutions, LLC

The board approved the District’s utilization of the Foundation for California Community Colleges (FCCC) master services agreement #00007397 awarded to Forsyte IT Solutions LLC, including any future renewals, addendums, supplements, modifications, and extensions as presented.

7.8 Accept and Award of RFP #1448 – Classification and Compensation Study

The board accepted and awarded RFP #1448 – Classification and Compensation Study to Gallagher and authorize the Vice Chancellor, Business Services and/or her designee to sign and enter into related agreements, future amendments, and any extensions on behalf of the District as presented.

7.9 ITEM REMOVED FROM AGENDA - Accept and Award of RFP #1455 – Legal Counsel for Districtwide Services

The board approved to remove this item from the agenda under Item 4.2 (Approval of Additions or Corrections to Agenda).

8.1 Approval of Resource Development Items

The board approved budgets, accepted grants, and authorization was given to the Vice Chancellor, Business Services or her designee to sign and enter into related contractual agreements on behalf of the district for the following:

- California Adult Education Program	\$	3,820,985.00
- California Apprenticeship Initiative Implementation Grant – Teacher Assistant	\$	1,500,000.00
- California Apprenticeship Initiative Planning Grant – Accounting	\$	120,000.00
- California Apprenticeship Initiative Planning Grant Automotive Service and Technician and Mechanic	\$	120,000.00
- California Apprenticeship Initiative Planning Grant Biological Technician	\$	120,000.00
- California Apprenticeship Initiative Planning Grant Forensic Science Technician	\$	120,000.00
- California Apprenticeship Initiative Planning Grant Legal Interpreter and Translator	\$	120,000.00

4.5 Approval of Consent Calendar (cont.)

- California Apprenticeship Initiative Planning Grant \$ 120,000.00
Licensed Vocational Nursing Apprenticeship Program
- California Apprenticeship Initiative Planning Grant \$ 120,000.00
Medical Assistant Pre-Apprenticeship Program

8.2 Approval of Purchase of Distance Education Technology Subscription Licenses through the CollegeBuys STAC and STARTE program

The board approved the purchase of distance education technology subscription licenses through the CollegeBuys STAC and STARTE program.

8.3 Approval of Purchase Agreement with Evocative Data Centers LLC, DBA VPLS

The board approved the purchase agreement with Evocative Data Centers LLC, DBA VPLS.

8.4 Approval of Foundation for California Community Colleges CollegeBuys Purchase for Student Adobe Creative Cloud Licenses for the 2024-2025 Academic Year

The board approved the Foundation for California Community Colleges CollegeBuys purchase for student Adobe Creative Cloud licenses for the 2024-2025 academic year.

8.5 Approval of Agreement for General Counsel Services - Frost Brown Todd LLP

The board approved the agreement with Frost Brown Todd LLP for general counsel services from July 1, 2024 to June 30, 2027 as presented.

9.1 Human Resources Management/Academic Docket

The board approved the Human Resources management/academic docket as presented.

9.2 Human Resources Classified Docket

The board approved the Human Resources classified docket as presented.

It was moved by Mr. Yarbrough and seconded by Mr. Hernandez to suspend the rules and consider Item 6.9 (Approval of Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center). The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

6.9 Approval of Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center

It was moved by Mr. Hernandez and seconded by Mr. Yarbrough to approve the Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center, as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

4.6 Presentation on the 2024-2025 Tentative Budget

Ms. Iris Ingram, Vice Chancellor, Business Services provided the board with a presentation on the tentative budget. Board members received clarification on data related to the presentation from Ms. Ingram.

4.7 Public Hearing -2024-2025 Tentative Budget

There were no public comments.

5.0 INFORMATIONAL ITEMS AND ORAL REPORTS

5.1 Reports from Student Presidents

Ms. Flo Cudal, Student President, Santiago Canyon College, provided a report to the board.

5.2 Reports from Academic Senate Presidents

The following academic senate representatives provided reports to the board:

Ms. Claire Coyne, Academic Senate President, Santa Ana College
Mr. Craig Rutan, Academic Senate President, Santiago Canyon College

5.3 Report from Board President

Mr. Tinajero congratulated the faculty and staff from each college for the success of each commencement.

5.4 Board Member Comments

Mr. Crockett shared that he enjoyed attending both college commencement ceremonies.

Mr. Crockett attended the SAC Foundation Scholarship reception event on June 4, 2024.

Mr. Crockett shared that he recently attended a lunch meeting with Dr. Annebelle Nery.

Mr. Crockett shared a story about a recent conversation he had with a community member who shared his positive feedback regarding the SAC Automotive program.

Mr. Yarbrough shared that he attended SAC's commencement ceremony on June 6, 2024.

Mr. Yarbrough shared his satisfaction of the District's finances.

Mr. Hernandez attended the Don Mariachi Concert at SAC on May 29, 2024.

Mr. Hernandez attended the SAC Student/Faculty Spring Piano Showcase on May 31, 2024.

Mr. Hernandez attended the SAC Foundation Scholarship reception event on June 4, 2024.

Mr. Hernandez shared that he attended both college commencement ceremonies.

Mr. Hernandez attended the SAC Nursing Class of Spring 2024 Pinning ceremony on June 8, 2024.

Mr. Hernandez recently attended a luncheon for the Santa Ana Ebell Club.

Mr. Hernandez thanked all faculty and staff who assisted in the organization of both college commencements.

Dr. Arias Miller attended the SAC Foundation Scholarship reception event on June 4, 2024.

Dr. Arias Miller shared that she attended both college commencement ceremonies.

Dr. Arias Miller shared that she enjoyed the Eddie West Field venue and complimented SCC's art cover on the commencement programs.

Dr. Arias Miller attended the SAC 185th Basic Fire Academy graduation on June 8, 2024.

5.4 Board Member Comments (cont.)

Dr. Arias Miller shared her thoughts about forming a foundation specifically for First Responder programs.

Dr. Arias Miller mentioned that she will be attending the June 17, 2024 Board Institutional Effectiveness committee meeting.

5.5 Reports from Chancellor

Mr. Marvin Martinez, Chancellor, provided a report to the board.

5.6 Reports from College Presidents

The following college representatives provided reports to the board:

Dr. Annebelle Nery, President, Santa Ana College
Dr. Jeannie Kim, President, Santiago Canyon College

5.7 Report from Board Fiscal & Audit Committee Chairperson

Mr. Yarbrough provided a report on the May 30, 2024 Board Fiscal & Audit Committee meeting.

6.0 INSTRUCTION

Items 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7, 6.8, 6.10, 6.11, 6.12, 6.13, 6.14, 6.15, 6.16, 6.17 were approved as part of Item 4.5 (Approval of Consent Calendar)

6.9 Approval of Recommendation to Rename the Santa Ana College Veterans Resource Center as The John Acuña Veterans Resource Center

This item was considered after Item 4.5 (Approval of Consent Calendar).

7.0 BUSINESS SERVICES

Items 7.1, 7.2, 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, were approved as part of Item 4.5 (Approval of Consent Calendar)

7.10 Approval of the 2024-25 Proposed Tentative Budget

It was moved by Mr. Yarbrough and seconded by Mr. Crockett to approve the 2024-25 proposed tentative budget as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

7.11 Adoption of Resolution No. 24-15 Resolution of the Board of Trustees of the Rancho Santiago Community College District Ordering an Election, and Establishing Specifications of the Election Order

It was moved by Mr. Yarbrough and seconded by Mr. Tinajero to adopt Resolution No. 24-15 Resolution of the Board of Trustees of the Rancho Santiago Community College District Ordering an Election and Establishing Specifications of the Election Order. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.0 GENERAL

Items 8.1, 8.2, 8.3, 8.4, 8.5 were approved as part of Item 4.5 (Approval of Consent Calendar)

8.6 Approval of Revisions to Board Policy (BP) 1200 District Mission

It was moved by Mr. Yarbrough and seconded by Mr. Crockett to approve revised Board Policy (BP) 1200 District Mission as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.7 Approval of New Board Policy (BP) 3502 Networked Video Cameras

It was moved by Mr. Yarbrough and seconded by Ms. Tong to approve new Board Policy (BP) 3502 Networked Video Cameras as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.8 Approval of Revisions to Board Policy (BP) 3515 Reporting of Crimes

It was moved by Ms. Tong and seconded by Mr. Yarbrough to approve revised Board Policy (BP) 3515 Reporting of Crimes as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.9 Approval of Revisions to Board Policy (BP) 5010 Admissions and Concurrent Enrollment

It was moved by Mr. Yarbrough and seconded by Mr. Crockett to approve revised Board Policy (BP) 5010 Admissions and Concurrent Enrollment as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.10 Approval of Revisions to Board Policy (BP) 5015 Residence Determination

It was moved by Mr. Yarbrough and seconded by Mr. Crockett to approve revised Board Policy (BP) 5015 Residence Determination as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

8.11 Approval of Revisions to Board Policy (BP) 5030 Fees

It was moved by Mr. Yarbrough and seconded by Mr. Hanna to approve revised Board Policy (BP) 5030 Fees as presented. Discussion ensued. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, and Ms. Tong. Nay – Mr. Yarbrough.

8.12 Approval of Revisions to Board Policy (BP) 5500 Standards of Student Conduct

It was moved by Mr. Yarbrough and seconded by Mr. Yarbrough to approve revised Board Policy (BP) 5500 Standards of Student Conduct as presented. The motion carried with the following vote: Aye – Dr. Arias Miller, Mr. Crockett, Mr. Hanna, Mr. Hernandez, Mr. Tinajero, Ms. Tong and Mr. Yarbrough.

9.0 HUMAN RESOURCES

All items were approved as part of Item 4.5 (Approval of Consent Calendar)

10.0 ADJOURNMENT

The next regular meeting of the Board of Trustees will be held on June 24, 2024, at the RSCCD boardroom. There being no further business, Mr. Tinajero adjourned the meeting at 8:32 p.m.

Respectfully submitted,

Marvin Martinez, Chancellor

Approved: _____
Clerk of the Board

Minutes approved: June 24, 2024

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
Office of Santiago Canyon College President

Date: June 10, 2024

To: Marvin Martinez, Chancellor

From: Dr. Jeannie Kim, President, Santiago Canyon College

Subject: Board of Trustee Inquiry – June 10, 2024, Board of Trustees Meeting

Inquiry from Trustee Phil Yarbrough

Item 6.15 - Approval of Data Sharing Agreement between RSCCD on behalf of Santiago Canyon College and United Domestic Workers/AFSCME Local 3930

Request:

What data is going to be divulged? How sensitive is this information? What obligation do we bear to secure the private information of our students and how does this agreement uphold that obligation?

Response to Inquiry on Items #6.15 from Trustee Yarbrough

Santiago Canyon College has established a partnership with the United Domestic Workers (UDW). This collaboration, part of the broader effort led by the California Community Colleges (CCC)'s Vision 2030, aims to bring workforce training and instructional opportunities to underserved populations across our state. The primary goal of the data-sharing agreement is to facilitate the effective exchange of information between Santiago Canyon College and UDW. This collaboration will enable us to track progress, measure outcomes, and continuously improve the program to better serve our target populations. By sharing data, we can ensure that our workforce training and instructional services are tailored to meet the specific needs of underserved communities and employees of UDW.

Key Elements of the Agreement

1. **Data Protection and Privacy:** Both Santiago Canyon College and UDW are committed to maintaining the highest standards of data protection and privacy.
2. **Data Types and Use:** UDW has encouraged their employees to enroll in skill building classes at SCC/OEC. UDW provides us with a roster of enrolled employees. We provide them with attendance data such as dates and hours of class attendance.
3. **Mutual Benefits:** This data-sharing agreement is designed to benefit all stakeholders involved. Employees who are enrolled in classes have the opportunity to be paid while attending classes. UDW also provides laptops, internet access, and support services to their enrolled employees through their UDW Resource Center. Santiago Canyon College will have access to rosters of interested employees and will track cohorts of UDW students to measure effectiveness of the program.

Below is a link to an article about the partnership between UDW and the California Community College System.

[UDW Partnership](#)

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

Office of the Vice Chancellor - Business Services

2323 N. Broadway
Santa Ana, CA 92706
(714) 480-7340 – Office

Date: June 10, 2024
To: Marvin Martinez, Chancellor
From: Iris I. Ingram, Vice Chancellor, Business Services
Subject: Response to Inquiry from Trustee Yarbrough Regarding June 10, 2024, Board Agenda items: 7.10 Approval of the 2024-25 Proposed Tentative Budget

From Trustee Yarbrough:

Item 7.10 - Approval of the 2024-25 Proposed Tentative Budget

Questions:

Pg 6. 8612 Cola - A 13.5m loss should be explained

The state provided an 8.22% COLA in FY 2023/24. In FY 2024/25 the proposed COLA is only 1.07%. That explains the difference.

8612 State Apportionment- Deficit - A negative income is a cut. Please explain what a State Apportionment Deficit is and why it is doubled.

To be conservative, the District has historically included a 2% apportionment deficit in the tentative and adopted budgets. This is in case the State does not have enough funds to pay districts at 100% of the amount owed. So, a 2% deficit means we are budgeting to be paid only at ninety-eight cents on the dollar. At 2023/24 P1, the State indicated a higher deficit of 3.55% and due to the declining State budget, we believe it is prudent to conservatively budget for this higher deficit.

8612 General Apportionment - a \$34.5m increase. Please explain this and how it is involved with the Apportionment Deficit and COLA changes.

All the line items in the budget that are components of apportionment are designated with an asterisk. At the tentative budget all the other components, like property taxes and the Education Protection Account, are budgeted at the same amounts as the current year as the changes are not known this early in the budget cycle. The line item 8612 State General Apportionment is therefore used to reconcile the difference based on the total estimated apportionment. These components will be updated at Adopted Budget based on the latest estimates.

Pg 7. 8890 Health Services Use Fees - is this the rebate on our Health Insurance that we were promised by ASCIP? If not, where in the budget is the ASCIP \$1m+ rebate that we were told that we could expect?

No, 8890 Health Services Use Fees represents fees collected from students in the campus Health Centers. Due to the large AB 218 assessments we have been receiving, we have not budgeted these rebates on our books. Instead, we have left the funds in a Risk Management

Deposit Fund at ASCIP to offset these costs. For additional information regarding AB 218, please visit this site: <https://www.ascip.org/what-you-should-know-about-ab-218/>.

Pg 8. 1100 Instructional Salaries, Other - is this decrease of \$10m for categorical programs? If not, then what is it?

This line item is for adjunct salaries and overload. The colleges budget this account as needed to teach classes that are not part of the regular loads of full-time faculty.

2100 Non-Instructional Salaries, Regular Full Time - the Revised, Estimated and Tentative have a wide disparity, why?

All regular positions are budgeted, including vacancies. Therefore, the revised budget is higher than the estimated expenses in 2023/24. In addition, we have built in the settlement of a 4% salary increase in 2024/25 as well as several new positions.

Pg 9. 6200 Buildings- Shouldn't we have a better estimate and what we are expecting to spend. How could estimate go from \$2.8m to \$0 on Tentative?

We do not typically budget line item 6200 in the general fund. The detailed capital outlay for buildings and site improvements are budgeted in Fund 41 (see pages 37-42). Depending on the project, some transfers of cost are made back to the general fund throughout the year.

Pg 11. 8699 Other State Revenue - Since this is \$7.5m+, we should have something more descriptive in what this income is from, other than "other".

This line item accounts for the STRS on-behalf revenue entry that we are required to book for our "fair share" of the State payment to STRS for our participating employees. This is not actual revenue, but a required accounting entry. It is offset by a similar expense entry in line item 3100. We follow the State Budget and Accounting Manual, and 8699 is the required account to use for this entry and is titled Other State Revenue.

Pg 13. 5900 Special Project - What is the \$2m special project?

5900 is the line item the colleges use to balance their carryover budgets based on the total carryover distributed less known budgeted one-time expenses. Throughout the year, funds are moved out of 5900 to other line items when additional one-time expenses are known.

Pg 14. 7900 Where does \$65m put us in our reserves goal?

Based upon the total budgeted expenses as of this Tentative Budget in Funds 11, 12 and 13 of \$392.7 million, the Board Policy Contingency of \$63.2 million represents 16.1%, remarkably close to the two months goal (16.67%).

7950 Board Policy Contingency - Where did the \$9m come from?

We had over \$8 million in accounts payable we were holding for years from State apportionment we believed we were not owed and the State would eventually take back. We confirmed with the Chancellor's Office that they did not have any intention of taking the funds back, so we were able to move these one-time funds into the Board Policy Contingency.

Pg 23. 5900 Other- Explain the variance in these figures.

Similar to the response above related to the 5900 Special Project line item used as a holding account, this line item is used to balance categorical programs and grant budgets. Throughout the year, funds are moved out of 5900 to other line items when project directors have determined their intended expenses.

Pg 34. 8699 Other State Revenue - Why are we so consistently off on budget and actual?

As we receive certain Child Development grant revenue at the beginning of a fiscal year but can only recognize the revenue once the funds are spent, at year end we must do accounting entries to defer the revenue until the following year for any unspent funds.

Pg 36. 6400 Equipment - What is being purchased for \$1.5m and is the income coming from a categorical funding source?

These funds are from one-time State-funded preschool funding that was originally budgeted for equipment when building the Tentative Budget but will be moved to salaries and benefits to cover costs of additional apprenticeship hires at the Adopted Budget.