



October 20, 2023, 9:00 am to 10:30 am
Meeting Location: Zoom Video Conference ID: 769-987-656

PBC COUNCIL MEMBERSHIP	Membership – 14; Quorum – 8
Dr. Nathaniel Jones III, Tri-Chair, Acting Vice Chancellor for Finance & Admin.	Dr. Diana Bajrami, Acting President, COA
Thomas Renbarger, Tri-Chair, Academic Senate Pres.	Jeffrey Sanceri, President, PFT
Kawanna S. Rollins, Tri-Chair, Classified SEIU Representative	Dr. Stacey Shears, Vice President of Student Services, BCC
Dr. Marla Williams-Powell, Interim Associate Vice Chancellor for Finance & Administration	RJ Ishimaru, Student Representative
Matthew Goldstein, DAS President	Dr. Francisco Herrera, Institutional Research Designee
Matthew Freeman, Faculty, BCC	Javier Lopez, Local 39 Representative
Sinead Anderson, SEIU Representative	
David M. Johnson, President, Merritt College	Richard Ferreira, Executive Assistant, District, Notetaker (non-voting)
	*NOTE: Blue identified as absent

Guests

Albert Maniaol, Director of Academic Affairs, District	
Rebecca Opsata, Vice President of Instruction, Laney	
Chris Weidenbach, Faculty Senator/DAS Rep. & Secretary, Laney	
Dave Vigo, Budget Director, Finance & Administration, District	
Karyn Panitch, Faculty, Laney	
Louis Quindlen, Faculty (Retired), Laney	
Lowell Bennett, Faculty, Merritt College	
Mark Johnson, Exec. Dir. Public Info., Comm. & Media, District	
Sean Brooks, Vice President of Administrative Services, BCC	
Dr. Stephanie Droker, Deputy Chancellor & COO, District	

Planning & Budgeting Committee (PBC) Minutes

Agenda Item	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
I. Standing Items					
A. Call to Order			The PBC meeting was called to order at 9:11 am. Quorum was met.		
B. Adoption of the Agenda			Motion and seconded to accept the Agenda with the amendment to add words to item C. Changes to Budget Development Calendar “and Processes”. Motion approved unanimously.	Recommendation of proposed Final Budget to PGC.	
C. Approval of Minutes			Correction to the Minutes notes with the term “Final Budget”. Motion and seconded to accept the Minutes from September 8, 2023. Motion approved.		
D. Report of Action Taken			(This is under Agenda Item A)		
E. Report of College Budget Committee			College of Alameda is continuing to look at ways to address fiscal challenges to maintain full complement of courses and anticipate any budget shortfalls. Berkeley City College no items to report at this time. Going over budget education for the colleges to ensure people understand how the processes work and working closely with executive team.		

Planning & Budgeting Committee (PBC) Minutes

F. Public Comments			We are able to allocate funds at the college level but have not been able to meet. Aware that funds are available. It seems as the It should be a priority to meet the enrollment demands to fill a classroom.		
II. Carried-Over and New Items	Committee Goal	Strategic Plan Goal	Outcome	Action Items	Follow Up on Action Items
A. Adoption of the Final Budget Assumptions for Final Budget FY 2023-24		E.3 — Fiscal Oversight	FY 2023-24 Adopted Budget approved by the Board of Trustees last month. The only change was to add the information update. “The COLA budget line is a placeholder for salary increases but does not dictate the District’s position in negotiations with labor partners. The District’s obligations related to labor negotiations and labor agreements are distinct from budget planning.”		
B. Review Membership & Elect Tri-Chairs			Proposed that this item be postponed for the next meeting. Requested Nominees and it was agreed to differ to a future meeting.		
C. Changes to Budget Development Calendar and Processes			Public concern regarding when the documents are provided. There was a concern regarding the budget development process that there wasn’t enough opportunity for engagement. Also, there was a comment regarding the amount of time given to review documents before the PBC and the Budget itself.		

Planning & Budgeting Committee (PBC) Minutes

			<p>Propose that this item be an ongoing item for future months.</p> <p>There should be discussion on what may be changed and what items are limited due to the State timelines.</p> <p>It is important to note that the Budget Development Calendar did not historically include the process of submitting the Budget after the PBC to the PGC, we have however, done so and recommend following that process.</p> <p>Recommend we agree on timeline and documents needed for review by the constituents for their committees under the shared governance process.</p> <p>The web form was made available for everyone to provide feedback. The link for the form is at: https://www.peralta.edu/finance/budget-focus-group.</p> <p>The summary of comments received to date was shared with the committee.</p> <p>Attached Comments Report to the calendar invite to make it accessible until it may be uploaded onto the website.</p>		
D. Budget amount and category expended for Independent Contractors/ Consultants for the last three years			To be discussed at a future meeting.		

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E. Ideas Around Closing the Structural Deficit			To be discussed at a future meeting. Item skipped.		
F. Review FTEF Allocation Proposal			<p>Dr. Droker provided a FTEF Allocation Proposal Presentation and discussed a proposal to adjust the FTES funding allocation.</p> <p>None of the colleges were able to meet the FTEF targets.</p> <p>FTEF Allocation Proposal main move is from a 3 year average to funded. It is possible that a college may go over their FTEF allocation but find self-funding for it themselves. There is a concern that all the colleges are overspending.</p>		
G. Agenda Items for next meeting			To be discussed at a future meeting.		
III. Next Meetings			<p>November 17, 2023, 9:00am – 11:00am</p> <p>December 8, 2023, 9:00am – 11:00am</p>		
IV. Adjournment			The PBC meeting was adjourned at 11:06 am.		

**AY 2024-2025
FTEF Allocation Proposal
Presentation**
Education Committee

Dr. Stephanie Droker, Interim Deputy
Chancellor

Dr. Nathaniel Jones III, Acting Vice
Chancellor of Finance and Administration
Dr. Diana Bajrami, Acting President COA
Dr. Tina Vasconcellos, Associate Vice
Chancellor of Educational Services

October 10 2023





Overview AY 22-23 and AY 23-24 Data (incl. projected Spring 24)

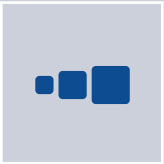
Academic Year 2024 – 2025 FTEF Proposal



AY 23-24 Overview & Projection



There is an anticipated increase in FTES from AY 22-23



This current and anticipated increase is still short of the residential FTES target



FTEF Actuals have consistently exceeded the FTEF Allocation





FTES Trends

Academic Year	Colleges/D	Total FTES	% Change
23-24*	Alameda	2487.93	4%
	Berkeley	3262.67	10%
	Laney	5171.88	5%
	Merritt	3207.48	2%
	District	14129.95	5%
22-23	Alameda	2394.23	6%
	Berkeley	2954.35	11%
	Laney	4942.86	8%
	Merritt	3155.00	-1%
	District	13446.44	6%
21-22	Alameda	2251.50	
	Berkeley	2667.48	
	Laney	4558.00	
	Merritt	3176.84	
	District	12653.82	

*Note: FY 23-24 uses Fall 2023 FTES to project for Spring 2024

Academic Year▼	Colleges/District▼	Total FTEF Alloc.(DualEn. Incl)▼	Actual FTEF▼	Difference▼
AY 23-24*	Alameda	174.58	171.4333	-3.15
	Berkeley	210.13	214.1421	4.01
	Laney	343.96	356.5751	12.62
	Merritt	231.98	224.4893	-7.49
District Total		960.65	966.6398	5.99
AY 22-23	Alameda	174.7	174.2697	-0.43
	Berkeley	211.57	212.8924	1.32
	Laney	347.14	366.5392	19.40
	Merritt	227.23	234.2902	7.06
District Total		960.64	987.9915	27.35
AY 21-22	Alameda	192.51	187.2576	-5.25
	Berkeley	225.94	220.7613	-5.18
	Laney	384.44	398.8434	14.40
	Merritt	237.83	238.1198	0.29
District Total		1040.72	1044.9821	4.26
*AY 23-24 uses Fall 2023 data to project for Spring 2024				

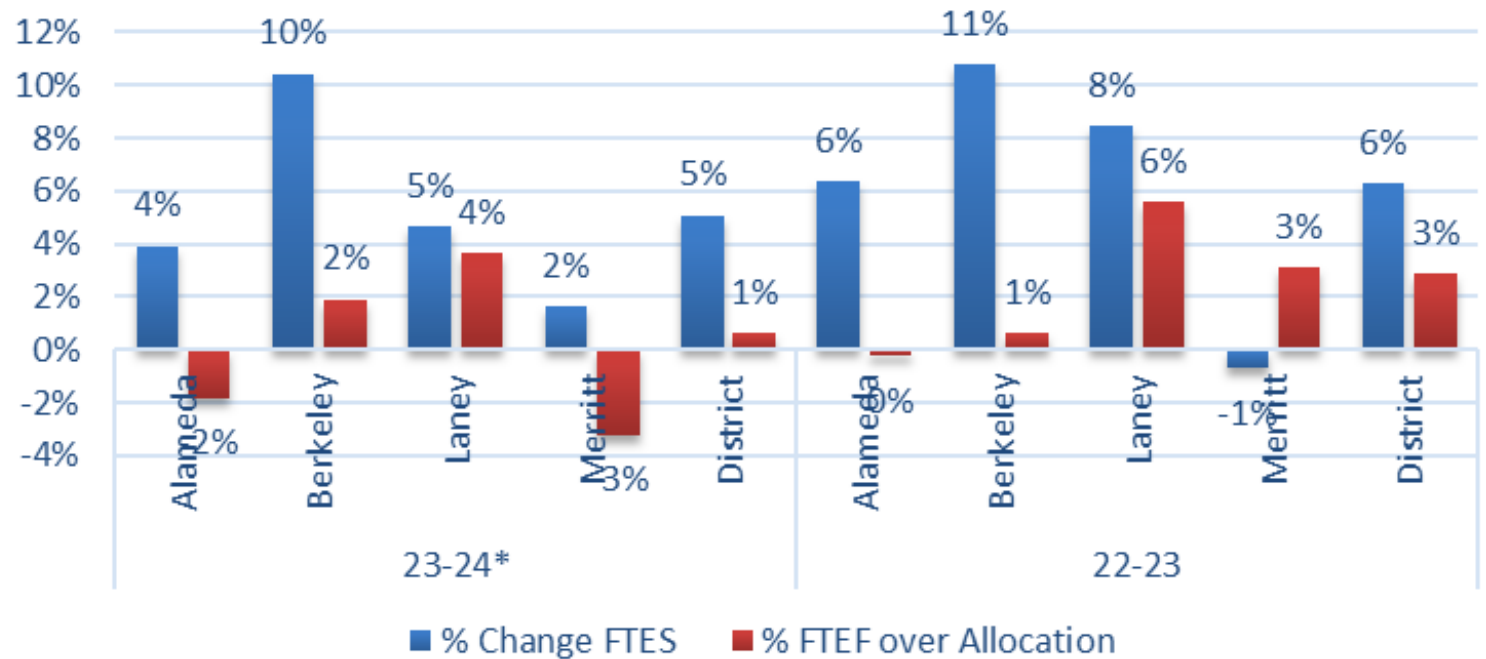


FTEF Actual and FTEF Allocation



% FTES Growth & FTEF Utilization by College/District

Comparative Analysis: FTES Growth vs. FTEF Utilization





Proposal

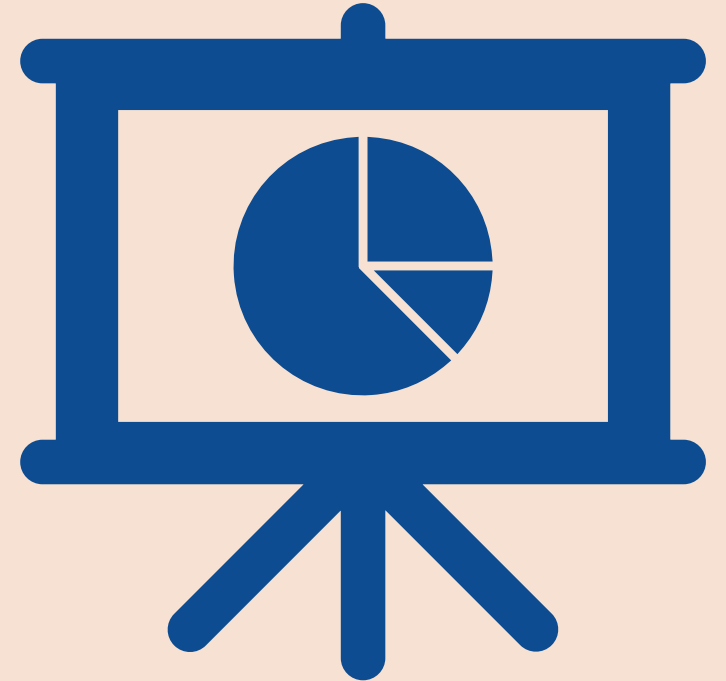
- Increasing the FTEF Allocation for AY 24-25 from 920 to 925 FTEF.
- Increasing the Dual Enrollment Allocation from 40 FTEF to 50 FTEF
- These increases in FTEF would cost ~**\$665K** that would need to be made up elsewhere in the budget

Methodology

Project	Project Spring 24 data based on Fall 2023 for both FTEF and FTES
Subtract	Subtract FTES generated from dual enrollment from total FTES
Analyze	Analyze the trends from (Total FTES – Dual Enrollment) and Dual Enrollment FTES

Proposal

- Calculate the Funded Total FTES per each academic year (excluding dual enrollment)
- Calculate the 3 year average % of Funded Total FTES per Each College (exclude dual enrollment FTEF from Total FTEF)
- Allocate 925 FTEF based on the 3 year average % of Total Funded FTES per college
- Calculate the 3 year average % of Dual Enrollment FTES
- Allocate per college based on average 3 Year Percentage of Dual Enrollment FTES





FY 24- 25 FTEF Allocation Proposal

FY 24-25 FTEF Allocation Proposal	Alameda	Berkeley	Laney	Merritt	District
3 YR AveFunded FTES excl. Dual Enrollment	2339.93	2784.26	4463.74	2881.88	12469.81
3 yr Ave % Funded FTES excl. Dual Enr.	18.76%	22.33%	35.80%	23.11%	100.00%
Proposed AY 24-25 FTEF exc Dual Enrollment	173.57	206.53	331.12	213.78	925.00
AY 23-24 FTEF Allocation excl. Dual Enrollment	167.70	201.10	329.78	222.06	920.64
Difference Between AY 24/25 and 23/24	5.87	5.43	1.34	-8.28	4.36
3 YR ave dual enrollment FTES	161.01	474.58	727.22	471.07	1833.89
% 3 year average dual enrollment FTES	8.78%	25.88%	39.65%	25.69%	100.00%
Proposed AY 24-25 Dual Enrollment FTEF	3.51	10.35	15.86	10.27	40.00
Additional Proposed Dual Enrollment FTEF	0.88	2.59	3.97	2.57	10.00
Total Proposed Dual Enrollment FTEF	4.39	12.94	19.83	12.84	50.00
AY 23 -24 Dual Enrollment FTEF Allocation	7.29	8.74	14.33	9.65	40.01
Difference Between AY 24/25 and 23/24	-2.90	4.20	5.50	3.19	9.99
Total Proposed 24-25 FTEF	177.96	219.47	350.94	226.62	975.00
Total FTEF 23-24	174.99	209.84	344.10	231.70	960.63
Difference Between AY 24/25 and 23/24	2.97	9.63	6.84	-5.08	14.37
% Change	1.70%	4.59%	1.99%	-2.19%	1.50%

Process and Next Steps



The Proposal was shared with Presidents, VPs and District Team on October 9 in two separate meetings.



Present the Proposal and Data to the Education Committee



Present the Proposal to the PGC



Forward a Recommendation to the Chancellor for consideration and final decision

Questions & Discussion



Peralta Community College District
Budget Development Calendar
Fiscal Year 2023-24

Tentative Budget		
Date	Responsible	Action Item
January 09, 2023	Vice Chancellor for Finance and Administration	Governor Proposed Budget releases.
January 16, 2023	Vice Chancellor for Finance & Administration and Chancellor	Review Budget Development Calendar with Chancellor.
January 20, 2023*	Vice Chancellor for Finance & Administration and Budget Director	District Office Presentation at the Colleges Level Budget Committees meeting to present the Governor's Proposed Budget.
January 23, 2023	Vice Chancellor for Finance and Administration	Projected Funds for 2023-24 fiscal year based upon Governor's budget proposal reviewed with the Planning and Budgeting Council and Chancellor's Cabinet. Draft budget assumptions for the Tentative Budget.
January 24, 2023	Vice Chancellor for Finance and Administration	Budget calendar to Board of Trustees for adoption (AP 6250).
January 27, 2023	Vice Chancellor for Finance & Administration and Chancellor	Review Budget Development Calendar with Chancellor.
February 02, 2023	Budget Director	Round 1 positions control for 2023-24 fiscal year distribution to colleges.
February 03, 2023	Chancellor Vice Chancellors College Presidents Business Directors Budget Director	Prior and current year line item budgets, instruction packets, and due dates are distributed to Campus Presidents, Business Directors, and Vice Chancellors for distribution to managers with budget responsibility. Campus and DAC budget processes determine priorities, reallocation of funds (within college), and responsibility managers prepare budget forms for submittal to Budget Director.
February 17, 2023	Planning and Budgeting Council	Review Governor's 2023-24 Proposed Budget. Review Tentative Budget Assumptions. Review the Budget Allocation Model (Student Centered Funding Formula).
February 24, 2023	Vice Chancellor for Finance & Administration and Chancellor	Review Tentative Budget Assumptions and Allocation.
March 03, 2023	College Presidents Vice Chancellors Business Directors	Submit discretionary budget worksheets to Budget Director. Submit round 1 positions control worksheets with any changes to the Budget Director.
March 17, 2023*	Vice Chancellor for Finance and Administration Budget Director	2023-24 preliminary budgets submissions are presented to the Planning and Budgeting Council.

		Round 2 position control worksheets are sent to the College Presidents, Business Directors, and Vice Chancellors.
March 24, 2023	Vice Chancellor for Finance and Administration Budget Director Planning & Budgeting Council	Discussion and review of the FTES allocation and enrollment numbers to make a recommendation for the Chancellor's Cabinet in the upcoming year. (Note: to be completed earlier in the future.)
March 31, 2023	College Presidents Vice Chancellors Business Directors	Submit round 2 positions control worksheets revisions to Budget Director.
April 03, 2023	Budget Director	Load positions control and discretionary budgets into Peoplesoft.
April 17, 2023	Vice Chancellor for Finance and Administration	Chancellor's Cabinet updated on status of Preliminary Budget. Review, discussion, and recommended adjustments brought forward.
May 05, 2023*	Vice Chancellor for Finance and Administration	Governor May Revision releases.
May 26, 2023	Vice Chancellor for Finance and Administration	Finalizes budget assumptions for the Tentative Budget. Preliminary budget is presented to the Planning and Budgeting Council.
June 02, 2023*	Vice Chancellor for Finance & Administration and Budget Director	District Office Presentation at the Colleges Level Budget Committees meeting to present the Governor's May Revised Budget.
June 13, 2023	Vice Chancellor for Finance and Administration	Tentative Budget is presented to the Board of Trustees for the first read.
June 27, 2023	Vice Chancellor for Finance and Administration	Tentative Budget is presented to the Board of Trustees for approval.
Adopted Budget		
August 21, 2023	Vice Chancellor for Finance & Administration and Chancellor	Review Adopted Budget Assumptions and Allocation.
August 25, 2023*	Vice Chancellor for Finance & Administration and Budget Director	District Office Presentation at the Colleges Level Budget Committees meeting to present the Adopted Budget/changes from the May Revise.
September 1, 2023	Planning and Budgeting Council	Review draft of the Adopted Budget.
September 12, 2023	Vice Chancellor for Finance and Administration	Present the Adopted Budget to the Board for approval.

*Estimated date(s).

SCCF Funding Rate including the COLA:

Proposed 2023-24 Student Centered Funding Formula Rates (rounded)

Category	2022-23 Rates (rounded)	2023-24 Rates (rounded) (2022-23 Rates plus 8.22% COLA)
Credit	4,840	5,238
Incarcerated Credit	6,788	7,346
Special Admit Credit	6,788	7,346
CDCP	6,788	7,346
Noncredit	4,082	4,417
Supplemental Point Value	1,145	1,239
Student Success Main Point Value	675	730
Student Success Equity Point Value	170	184

Pension and Other Rates:

Planning Factors for Proposed 2023-24 Budget

Factor	2021-22	2022-23	2023-24
Cost-of-living adjustment (COLA)	5.07%	6.56%	8.22%
State Lottery funding per FTES ^a	\$228	\$237	TBD
Mandated Costs Block Grant funding per FTES	\$30.16	\$32.68	\$35.37
RSI reimbursement per hour	\$6.44	\$8.82	\$9.98
Financial aid administration per College Promise Grant	\$0.91	\$0.91	\$0.91
Public Employees' Retirement System (CalPERS) employer contribution rates	22.91%	25.37%	26.68%
State Teachers' Retirement System (CalSTRS) employer contribution rates	16.92%	19.10%	19.10%



Expenditure Assumptions

1. Step and column salary increases are included: estimated at \$0.8 million,
2. Salaries increased by COLA* of 2% (based on position control data),
3. Include reductions in salaries for frozen positions to achieve a balanced budget,
4. PT Faculty costs increased because of 40 FTEF for Dual enrollment @ \$41K/FTEF added.
5. Benefits costs based on estimates using new SISC rates,
6. Maintain Fund Balance at 2-months operating expenses level,
7. Bad debt payment - \$2.0 million,
8. Contingency Reserve - \$500,000,
9. Other Outgoes - \$1.85 million,
 - a. Property Insurance - \$400,000
 - b. DSPS - \$1.2 million
 - c. Post Retiree contribution - \$250,000
10. Contribute \$120,000 for Faculty Professional Development,
11. OPEB payroll charge 7.50%, approximately \$6.7 million,
12. The total budgeted amount for bond debt service, fees, and interest rate swaps is \$16.5 million (\$6.7 million, fund reserve 69 and \$9.8 million, fund 94),
13. Any restricted funding cuts or cost increases must be borne by the respective program.

*The COLA budget line is a placeholder for salary increases but does not dictate the District's position in negotiations with labor partners. The District's obligations related to labor negotiations and labor agreements are distinct from budget planning.



Table 14

Adopted Budget 2024 Unrestricted General Fund Multi-Year Projection						
	Adopted Budget F/Y 2022/23 Column2	Unaudited Actuals F/Y 2022/23 Column3	Adopted Budget F/Y 2023/24 Column4	Projections F/Y 2024/25 Column5	Projections F/Y 2025/26 Column6	Projections F/Y 2026/27 Column7
	With Hold Harmless	With Hold Harmless	With Hold Harmless	With Hold Harmless	With Out Hold Harmless	With Out Hold Harmless
Revenues:						
Federal Revenue	3,999,859	3,999,859	-	-	-	-
State Revenue ¹	87,160,712	79,404,587	85,693,998	93,774,293	93,774,293	93,774,293
Local Revenue ²	68,141,776	76,877,134	79,027,962	79,346,769	79,462,939	79,581,433
Total Revenues:	159,302,347	160,281,580	164,721,960	173,121,062	173,237,232	173,355,726
Expenditures:						
Full Time Academic ³	27,285,502	24,817,309	30,929,981	31,857,880	32,176,459	32,498,224
Academic Administration ³	6,433,022	6,350,800	6,674,771	6,891,494	6,960,409	7,030,013
Other Faculty ³	6,829,241	7,000,333	6,844,227	7,049,554	7,120,049	7,191,250
Part Time Academic ^{3,1}	6,640,743	15,200,290	9,457,129	9,773,804	9,871,542	9,970,257
Classified Salary ³	27,395,956	26,221,634	28,867,345	29,819,688	30,117,885	30,419,064
Classified Administration ³	6,619,517	5,960,041	6,377,234	6,568,551	6,634,237	6,700,579
Fringe Benefits	46,244,187	41,872,380	49,384,320	51,876,706	52,395,473	52,919,428
Bad Debts ⁸	2,000,000	1,997,327	2,000,000	2,500,000	2,000,000	1,500,000
Books Supplies, Svcs ⁹	23,364,742	21,457,072	21,320,959	22,437,580	22,437,580	22,437,580
Equipment Outlay	367,483	452,910	499,071	797,246	297,246	297,246
Debt Services-Bonds	3,000,000	681,708	-	-	1,000,000	1,000,000
Other Outgo (General Fund Contribution) ⁵	3,000,000	8,228,719	1,850,000	2,850,000	1,600,000	1,200,000
Contingency Reserve ⁸	51,000	-	500,000	650,000	600,000	150,000
Total Expenses:	159,231,393	160,240,522	164,705,037	173,072,504	173,210,881	173,313,641
Beginning Fund Balance:⁷	25,536,583	25,536,583	25,577,641	25,594,564	25,643,122	25,669,474
Net Increase (Decrease)	70,954	41,058	16,923	48,558	26,352	42,084
Audit Adjustment	-	-	-	-	-	-
Ending Fund Balance:	25,607,536	25,577,641	25,594,564	25,643,122	25,669,474	25,711,558
Fund Balance %	16.08%	15.96%	15.54%	14.82%	14.82%	14.84%

Revenue Assumptions

State revenue for FY 2023-24 includes an 8.22% COLA. State Revenue for FY 2024-25 includes a 3.54% COLA. Hold Harmless is through 2025.

State revenue for FY 2023-24 includes a deficit factor of 2.0969%. There's no deficit factor from FY 2024-25 and beyond.

Note: Local Revenues for FY 2023-24 is based on 2023-24 Advance Apportionment (Property Tax & Enrollment).

Expenditure Assumptions

Salaries include 2% COLA* and 1% other increases (PERS, STRS, and Step and Column FY 2024-25).

Salaries include 1% increases (PERS, STRS, and Step and Column but no COLA FY 2025-26 and 2026-27).

Salaries include reductions per location for frozen positions in FY 2023-24 amounting to \$4.5 million.

Note: FY 2023-24 Salaries includes the costs for all Filled Positions in the position control for a full 12 months.

Adopted Budget for FY 2023-24 included only 10 months for certain Vacant Positions and the total savings is \$1.2 million.

Part Time Faculty Salaries - Budgeted 40 FTEF for Dual Enrollment not previously Budgeted, FTEF Allocation - 961 (761 GF and 200 from Parcel Tax).

Other Outgo - Total \$1,850,000 (Property Insurance \$400,000, General Fund contribution to DSPS \$1,200,000, and Post Retiree contribution \$250,000).

Other Outgo for FY 22-23 includes \$5,000,000 interfund contribution to OPEB. Contribution was taken from fringe benefits with the same amount.

The beginning Fund Balance for FY 2023-24 is the Unaudited Actuals Ending Fund Balance for FY 2022-23 (Maintaining two months of Operating

Expenses Reserve). Totals for Student Debt Allowance for FY 2023-24 is \$2,000,000.

Contingency reserve for unforeseen expenses is \$500,000.

Discretionary (Books, Supplies, Svcs.) include reductions per location to balance the budget.

Note: OPEB - Debt payment required \$16.5M, FY 2023-24, \$6.7M to come from Fund 69 (7.5% of Active Employees) proposed no additional funds from Fund 01(GF), Remainder from Fund 94(OPEB Trust) for \$9.8M.

*The COLA budget line is a placeholder for salary increases but does not dictate the District's position in negotiations with labor partners. The District's obligations related to labor negotiations and labor agreements are distinct from budget planning.

Graph 6

