

## MINUTES

### **Institutional Strategic Planning Council (ISPC)**

March 2, 2016

1:00 – 3:00 (ST 107)

### Attendees

**Ruth Leal (Staff-Instructional Production Specialist \*ISPC Chair\*)**

**Melissa Bader (Faculty Rep to District EMTF \*ISPC Chair\*)**

**Diane Dieckmeyer (VP Academic Affairs \*ISPC Chair\*)**

Siobhan Freitas (At-Large)

Celia Brockenbrough (Library Faculty)

Chris Poole (Staff)

Beth Gomez (VP Business Services)

Mark DeAsis (Dean, Admissions and Records)

Elise Rodriguez (Staff)

Barbara Moore (Transfer Faculty)

David Mills (Basic Skills Faculty)

Jason Parks (Chair of Chairs – APC)

Robbie Bishara (ASNC)

Jim Thomas (CTE Faculty)

Peggy Campo (Academic Senate President)

Monica Green (VP Student Services)

Debra Creswell (Recorder)

**Guests:** Mark Hartley, Gustavo Ocegueda

Staff members Chris Poole and Elise Rodriguez were introduced.

The order of agenda was adjusted to move the Equity Plan Update as the first Information Item.

### Approval of Minutes

Approval of Minutes for November 18, 2015

**Motion by Jason Parks, second by Peggy Campo to approve the minutes from the November 18, 2015 meeting. Motion approved with 4 abstentions.**

Approval of Minutes for December 2, 2015 Retreat

**Motion by Jason Parks, second by Jim Thomas to approve the minutes from the December 2, 2015 retreat. Motion approved with two abstentions.**

## I. Action Items

### A. Technology Committee Recommendations

#### **Motion by Jason Parks, second by Mark DeAsis to approve the Technology Committee Recommendations.**

Ruth Leal gave an overview of the process by which the Technology Committee reviews the technology requests compiled from program reviews. They review the lists, do research, give comments, and get feedback. They then give a recommendation on the priority—high, medium or low, and forward to the President.

- The BFPC List/from Administrative Program Review: Discussion
  - A question was raised about the large request of \$139,850 for a refresh plan.
    - The Technology Committee does not just look at the amount of the request but takes into consideration many factors, including the fact that a replacement plan is part of the Technology Strategic Plan.
    - It should also be noted that this is not just one big ticket item, but a request for many computers, monitors, and printers; will meet a lot of needs.
    - Funding can come from many sources.
- SSPC List: Discussion
  - On the DRC line the computers in the DRC are older than noted on the list; greater than 4 years. Sometimes asset tag numbers don't line up with purchase dates.
  - Every request is considered, even if it is a small amount. A threshold amount would need to be determined by the Program Review Committee
  - None of the recommendations are based on funding. The President determines the funding with consultation of the Vice Presidents.
  - ISPC has already accepted the work that has been done by the Technology Committee.
  - Ideally, the 25% refresh should be incorporated in the general budget.
- APC List: Discussion
  - List minute items came in and did not get justifications.
  - An updated list will be brought to the next meeting.
  - To correct the information on the list; send to Damon or Ruth to be revised.

**Motion approved.**

## II. Information Items

### A. Student Equity Plan Update (Gustavo Ocegüera)

- Gustavo and several faculty, staff, and administrators attended the USC Center for Urban Education Institute in February.
- They gained a lot from the institute on developing implementation plans for the SEP.
- The next steps are to move the plan forward and get buy-in from the college on the activities. He is looking to develop an Equity Work Group and have an initial dialogue about developing this steering committee/strategic planning group and asks the ISCP for ideas and concerns.
  - Discussion/recommendations:
    - Call it an 'Implementation' team or group. Develop a "how to get it done" plan or "what's next" like Summer Advantage.
    - Could it be placed under an existing committee? It's technically under the Student Success Committee. This would be a permanent committee, not ad hoc. Equity initiatives will take years to implement.
    - Recommendation to not call it a "committee" but something more like a strike force. Not plan to plan, but actually accomplish something.
    - Possibility is to bring in a professional development group.
    - The state provides funding through the Student Equity Program. Funds for activities will not be a problem.
    - The Professional Development chair needs to be on the group.
    - Clarification on activities:
      - The main one is implementation of semi-structured learning groups.
      - Provide imbedded tutoring and books for those students.
      - Look to improve success rates in general.
    - Gustavo has been tasked with championing the SEP and keeping us on task. We need to move from intention to action.
    - Another recommendation was made to not use the title "work group".
      - Will be made up of faculty, administrators, and staff.
  - Equity has been housed under Student Success Committee and should be added to the ISCP reporting.
  - Equity is a part of the institution and shouldn't be thought of as a single item.
  - Should look at the activities of the SEP to see which can be counted for FLEX; can be a way to enlist faculty participation.

- The College core commitments and strategic plan take a holistic approach to equity; we need to institutionalize it and make it official.

## **B. ASNC Clerk Position**

Mark Hartley, Dean of Student Life, brought forward a request from ASNC to fund a short-term, temporary position of ASNC Assistant (not Clerk). It would be filled by a current student or recent graduate for one year only, with no renewal. It would be a professional position and provide administrative support to ASNC. Puente has a similar position. ASNC has the funding for up to five years. They are not requesting funding, but the approval from shared governance groups.

Discussion:

- There was a classified part-time position of ASNC Clerk that is currently unfilled. It was ranked so low on the prioritization list that there is no hope of having it filled in the near future.
- This is a paid internship position and would be monitored by the Dean. They would need access to the Colleague screens.
- The Assistant would not be needed the entire year, but during the semesters, with some planning time during summer and winter intersessions.
- HR and CSEA will need to be consulted. HR has very specific rules for short-term employees, and CSEA will be concerned if the position will be doing classified work.
- There is a concern about the precedent this will set. Will ASNC ask for additional positions?
- With the high rate of student leadership turnover, would the next government approve of the use of ASNC funds in this way?
- Mark will research other community colleges to see if any have a similar practice.

## **C. Budget Update (attachment)**

Beth Gomez gave an overview of the Governor's 2016-2017 budget proposal and its impact on the District and Norco College. This is the first steps of the budget development process.

- Prop 98 funding is climbing which is good for us.
- "Access" funds is the new description of what used to be called "growth." Norco's BAM allocation is almost \$800K.
- There is an increase in Unrestricted One-Time Revenues.
- With Prop 39 funds, exterior and interior lighting is being changed to energy efficient.

- There may be a state bond on the ballot in November for additional buildings/facilities.
- A Trailer Bill restructures how the workforce and basic skills funds are distributed, similar to the Adult Education funding.

**D. Proposed Reserve Calculations Changes (attachment)**

Beth Gomez reviewed the Proposed Reserve Calculations and Budget Stability Plan proposed by the District.

- We're not in a cash deficit position, but a budget deficit position.
- The state mandated reserve of 5% is currently calculated with the beginning balance and revenue. The District Vice Chancellor and College Vice Presidents agree that the beginning balance should be not used in calculating the 5% for reserve, but revenue only. This will take a change in Board policy.
- A three year implementation plan includes freezing \$300K each year. Whatever we save, we get to keep.
- Increases in the budget include funding for COLA, additional part-time faculty, 20 new FT faculty, health insurance, and retirements.

**E. OPEB Update**

The District received a recommendation from ACCJC for not having an OPEB (Other Postemployment Benefits) account to cover health benefits for retirees. Beth serves on a District investment oversight committee to address this issue and they have worked with CalPERS to fund an irrevocable trust. Currently \$250K has been committed to the trust, with medium risk.

**III. Open Hearing**

None

The background of the slide is a golden-yellow color with a dense, repeating pattern of various currency symbols (dollar, euro, yen, pound) in a 3D, embossed style. The symbols are arranged in a way that they appear to be floating or overlapping, creating a textured, metallic effect.

# **FY 2016-2017 Governor's Budget Proposal**

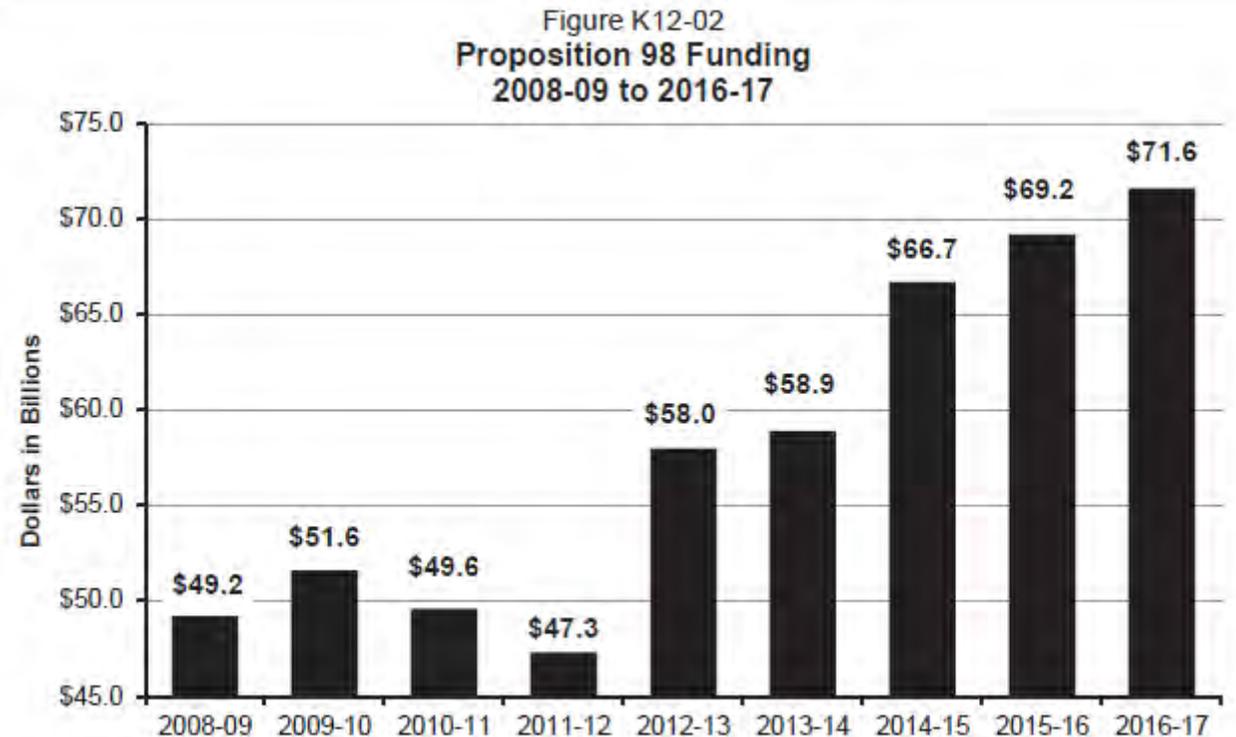
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Institutional Strategic Planning  
Council- March 2, 2016

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- **Release of the Governor's FY 2016-17 Budget Proposal is just the beginning of the State budget process...**

# Strong Growth in the Proposition 98 Minimum Guarantee

- FY 2015-16 approved budget set the K-14 minimum guarantee at \$68.4 billion...Now revised to \$69.2 billion. <sup>3</sup>
- □ FY 2016-17 Governor estimates
- the guarantee at \$71.6 billion.
- –A year over year increase of about 3.47%



# FY 2016-2017 Governor's Budget Proposal

## Base Changes (In Millions)

### Unrestricted Ongoing Revenues

Access (2%/2.4 % - Equals 674 Credit FTES)

COLA (.47%)

**Base Allocation Increas**

**Full-Time Faculty Hiring**

Total Unrestricted Ongoing Revenues

### Unrestricted One-Time Revenues

State Mandate Block Grant

Total Unrestricted Revenues

	State	RCCD	Est. 23% Norco
\$	114.7	\$ 3.4	\$ 0.79
\$	29.3	\$ 0.7	\$ 0.16
\$	-	\$ -	\$ -
\$	-	\$ -	\$ -
\$	144.0	\$ 4.1	\$ 0.95
\$	76.3	\$ 1.8	\$ 0.4
\$	220.3	\$ 5.9	\$ 1.4

# FY 2016-2017 Governor's Budget Proposal

## Base Changes (In Millions)

### Restricted Revenues

Proposition 39 - Energy Revenues (Total - \$45 Million)  
 Deferred Maintenance & Instructional Equipment  
 (Total - \$289 Million)\*  
 Student Success and Student Equity (No Increase)  
 Total Restricted Revenues

	State	RCCD	Est. 23% Norco
Proposition 39 - Energy Revenues (Total - \$45 Million)	\$ 6.4	\$ 0.1	\$ 0.02
Deferred Maintenance & Instructional Equipment (Total - \$289 Million)*	\$ 141.0	\$ 3.3	\$ 0.76
Student Success and Student Equity (No Increase)		\$ -	\$ -
<b>Total Restricted Revenues</b>	<b>\$ 147.4</b>	<b>\$ 3.4</b>	<b>\$ 0.78</b>

# FY 2016-2017 Governor's Budget Proposal

	<i>(In Millions)</i>			Est. 23%
<u>Other</u>	State	RCCD	Norco	
Strong Workforce Program	\$ 200.0	?	?	
Career Technical Education Pathways (SB 1070)	\$ 48.0	?	?	
Cal Grant	\$ 39.0	?	?	
Basic Skills Program	\$ 30.0	?	?	
Innovation Awards	\$ 25.0	?	?	
Zero-Textbook-Cost Degrees	\$ 5.0	?	?	
Institutional Effectiveness - Implementing Statewide Performance Strategies	\$ 10.0	?	?	
Data Security - Telecommunications & Technology Infrastructure Program	\$ 3.0	?	?	
Apprenticeship Program	\$ 1.8	?	?	
<b>Total Other</b>	<b>\$ 361.8</b>			

Note – Information about these proposals will be detailed in yet-to-be released Trailer Bill language associated with the Governor's Budget Proposal.

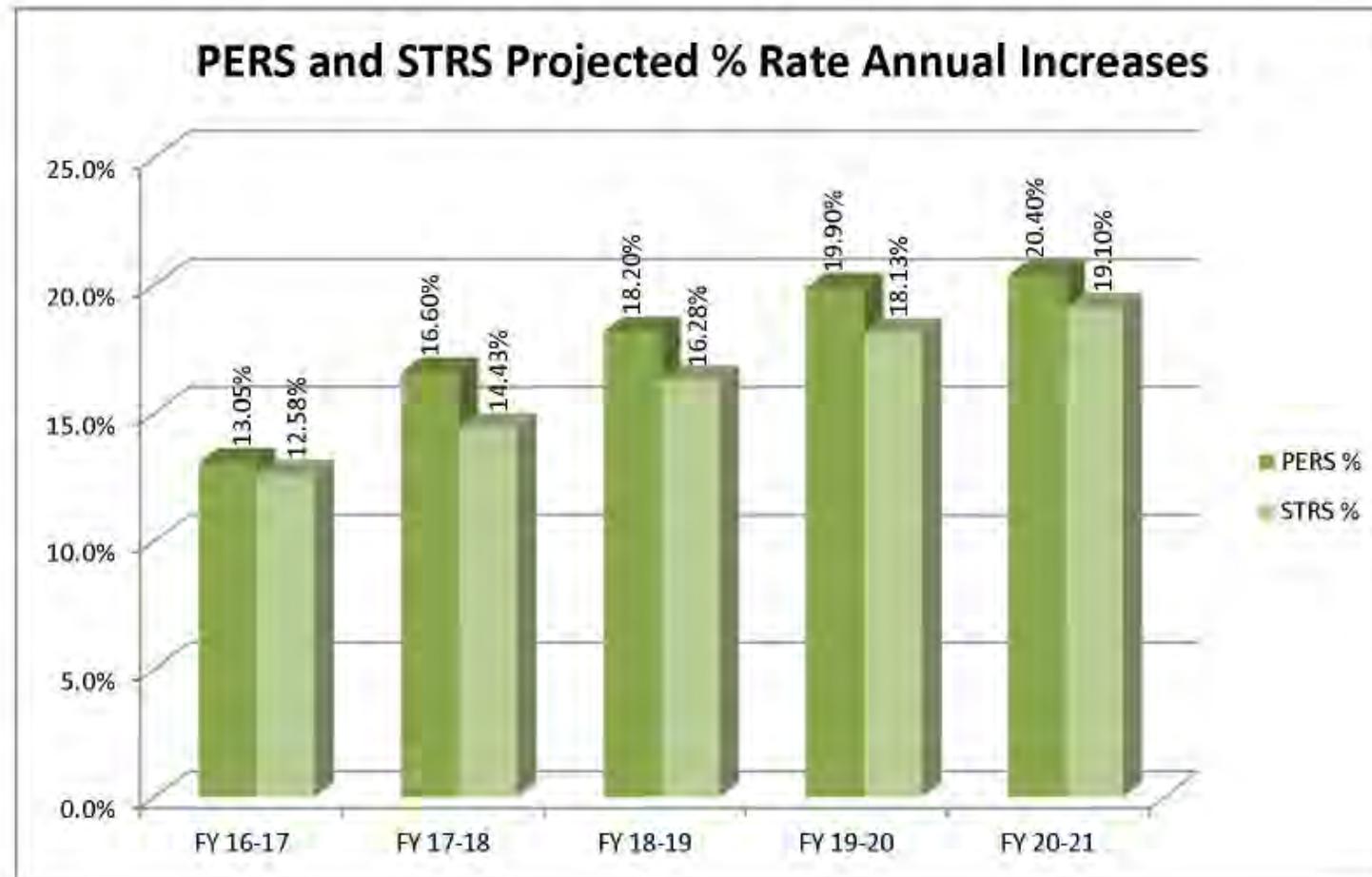
Source: BOT Committee Meeting 2/2/16

# Items to Consider

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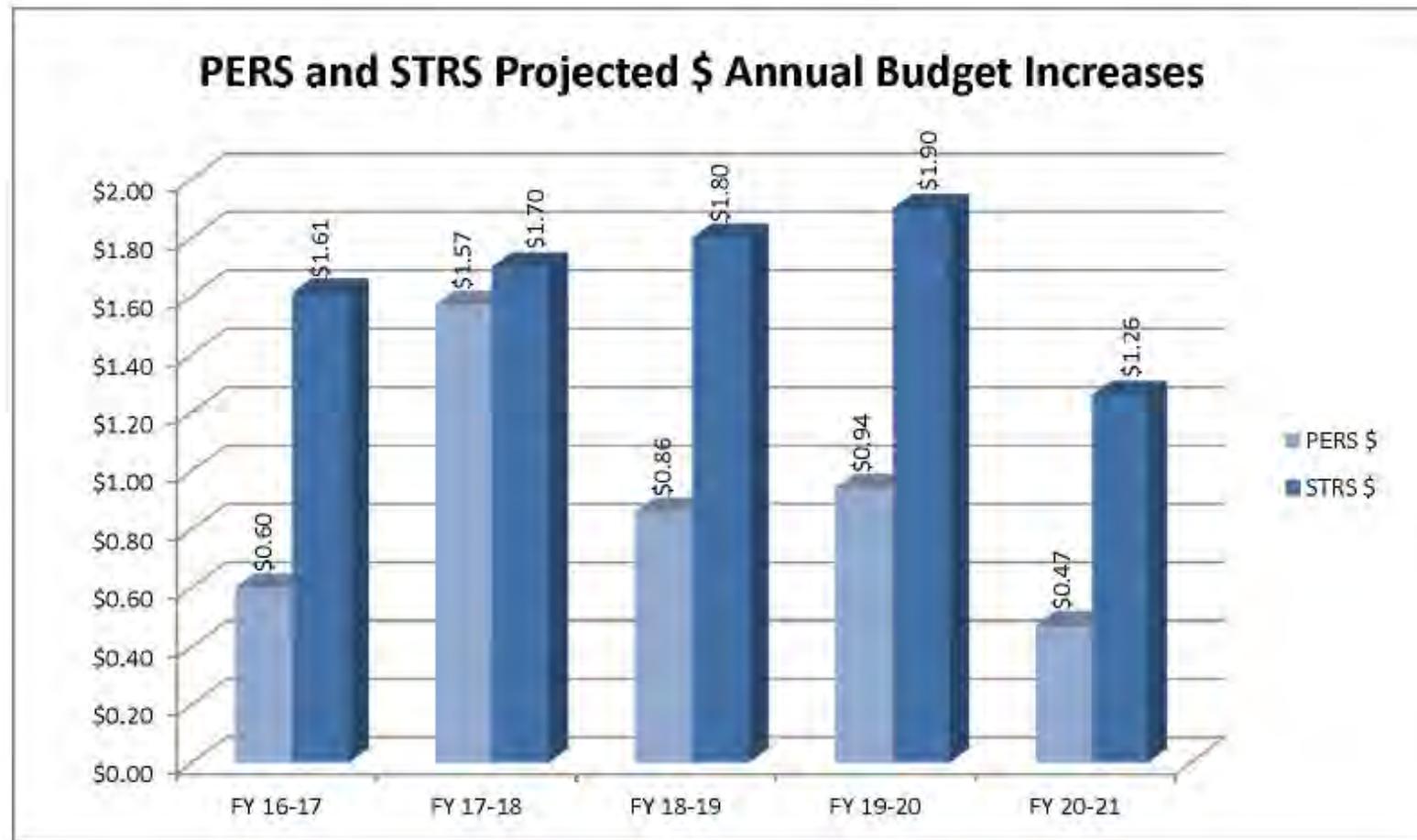
- Sales tax portion of Proposition 30 started to phase out in January 2016
- Ballot Measure to extend personal income tax portion of Proposition 30?
- Stock market volatility/Recession concerns
- State Facilities Bond/Alternatives
- RCCD PERS and STRS increases on average \$2.5 million per year over the next 5 years.

# RIVERSIDE COMMUNITY COLLEGE DISTRICT



Source: BOT Committee Meeting 2/2/16

# RIVERSIDE COMMUNITY COLLEGE DISTRICT



Source: BOT Committee Meeting 2/2/16

# 2016-17 BUDGET TRAILER BILL SUMMARY

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- **The Strong Workforce Program**
  - Restructure to distribute funds similar to Adult Education – \$200 million.
- **The Student Success for Basic Skills Program**
  - Transitions to college level math and English coursework would augment funding for Basic Skills by \$30 million. Conditions will include: 1) resubmit of Basic Skills Plan and 2) implementing multiple measures.

# 2016-17 BUDGET TRAILER BILL SUMMARY

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- **The Zero-Textbook-Cost Associate Degree Grant Program**
  - Chancellor's Office to distribute grants of up to \$500,000 for each zero-textbook-cost degree.
- **The Awards for Innovation in Higher Education**
  - \$25million - Will make awards of at least \$4million through established criteria.
- **The Adult Education Block Grant**
  - Widens consortia to consider input from students, faculty, administrators and staff before a decision is made.



**General Information**

**Information Accessibility**

The CERBT Strategy 2 portfolio consists of assets managed internally by CalPERS and/or external advisors. Since it is not a mutual fund, a prospectus is not available nor is information available from a newspaper source. This summary is designed to provide descriptive information. CalPERS provides a quarterly statement of the employer's account and other information about the CERBT. For total market value, detailed asset allocation, investment policy and current performance information, including performance to the most recent month-end, please visit our website at: [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Portfolio Manager Information**

The CalPERS Investment Committee and Board of Administration directs the investment strategy and investments of the CERBT. Under that direction, CalPERS Investment staff manages fixed income, treasury inflation-protected securities and commodities assets; and State Street Global Advisors (SSgA) manages the global equity and real estate investment trust assets.

**Custodian and Record Keeper**

State Street Bank serves as custodian for the CERBT. Northeast Retirement Services serves as record keeper.

**Expenses**

CERBT is a self-funded trust in which participating employers pay for all administrative and investment expenses. Expenses reduce the gross investment return by the fee amount. The larger the fee, the greater the reduction of investment return. Currently, CERBT expenses are 0.10% which consist of administrative expenses borne by CalPERS to administer and oversee the Trust assets, investment management and administrative fees paid to SSgA to manage the global equity and real estate trust assets, and recordkeeping fees paid to Northeast Retirement Services to administer individual employer accounts. The expenses described herein are reflected in the net asset value per share. CERBT's actual expenses may differ from the amount currently being accrued due to factors such as changes in average fund assets or market conditions. The expense accrual rate may change without notice in order to reflect changes in average portfolio assets or in expense amounts. The CalPERS Board annually reviews the operating expenses and changes may be made as appropriate. Even if the portfolio loses money during a period, the fee is still charged.

**What Employers Own**

Each employer choosing CERBT Strategy 2 owns a percentage of this portfolio, which invests in pooled asset classes managed by CalPERS and/or external advisors. Employers do not have direct ownership of the securities in the portfolio.

**Price**

The value of the portfolio changes daily, based upon the market value of the underlying securities. Just as prices of individual securities fluctuate, the portfolio's value also changes with market conditions.

**Principal Risks of the Portfolio**

The CalPERS CERBT Fund provides California government employers with a trust through which they may prefund retiree medical costs and other post-employment benefits. CERBT is not, however, a defined benefit plan. There is no guarantee that the portfolio will achieve its investment objectives nor provide sufficient funding to meet these employer obligations. Further, CalPERS will not make up the difference between actual health care premiums for payment of future benefits provided to retirees should CERBT assets not be sufficient to cover future obligations.

An investment in the portfolio is not a bank deposit, and it is not insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC), CalPERS, the State of California or any other government agency.

There are risks associated with investing, including possible loss of principal. The portfolio's risk depends in part on the portfolio's asset class allocations and the selection, weighting and risks of the underlying investments. For more information about investment risks, please see the document entitled "CERBT Principal Investment Risks" located at [www.calpers.ca.gov](http://www.calpers.ca.gov).

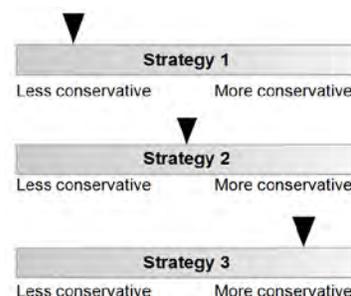
**Fund Performance**

Performance data shown on page 1 represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an employer's units, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than historical performance data shown. For current performance information, please visit [www.calpers.ca.gov](http://www.calpers.ca.gov) and follow the links to California Employer Retirees' Benefit Trust.

**CERBT Strategy Risk Levels**

CalPERS offers employers the choice of one of three investment strategies. Risk levels among strategies vary, depending upon the target asset class allocations. Generally, equities carry more risk than fixed income securities.

Asset Class Target Allocations	Strategy 1	Strategy 2	Strategy 3
Global Equity	57%	40%	24%
Fixed Income	27%	39%	39%
Treasury Inflation-Protected Securities	5%	10%	26%
Real Estate Investment Trusts	8%	8%	8%
Commodities	3%	3%	3%



**Riverside Community College District  
Proposed Reserve Calculation Change  
and  
Budget Stability Plan**

**Handout #13**

	Possible Scenarios			
	Total Available Funds	Reserve Calculation - Ongoing Total Available Funds Only	Reserve Calculation - Ongoing Revenue Only	Reserve Calculation - Ongoing Expenditures Only
Beginning Balance at July 1, 2015	\$ 10.45	\$ 10.45	\$ 10.45	\$ 10.45
Revenue Budget (Deficit)	\$ (0.84)	\$ (0.84)	\$ (0.84)	\$ (0.84)
Expenditure Budget Savings	\$ 20.55	\$ 20.55	\$ 20.55	\$ 20.55
Less, One-Time	\$ -	\$ (15.04)	\$ (15.04)	\$ (15.04)
Beginning Balance at July 1, 2016	\$ 30.16	\$ 15.12	\$ 15.12	\$ 15.12
Revenue Budget	\$ 166.88	\$ 165.09	\$ 165.09	\$ 165.09
Total Available Funds	\$ 197.04	\$ 180.21	\$ 180.21	\$ 180.21
Less, Required Reserve Balance	\$ (10.84)	\$ (9.91)	\$ (9.08)	\$ (9.69)
Amount Available for Expenditures	\$ 186.20	\$ 170.30	\$ 171.13	\$ 170.52
Expenditure Budget	\$ (186.20)	\$ (176.22)	\$ (176.22)	\$ (176.22)
Budget (Shortfall)/Surplus	\$ -	\$ (5.92)	\$ (5.09)	\$ (5.70)
Three Year Implementation		\$ (1.97)	\$ (1.70)	\$ (1.90)
<b><u>Entity Reserve Holding Account</u></b>				
DO/DSS	\$ -	\$ (0.27)	\$ (0.23)	\$ (0.26)
RCC	\$ -	\$ (0.93)	\$ (0.80)	\$ (0.90)
NC	\$ -	\$ (0.36)	\$ (0.31)	\$ (0.35)
MVC	\$ -	\$ (0.40)	\$ (0.35)	\$ (0.39)
Total	\$ -	\$ (1.97)	\$ (1.70)	\$ (1.90)

**FY 15-16 BAM Expenditure Percentages (After Removal of One-Time)**

DO/DSS	\$ 22.82	13.83%
RCC	\$ 77.98	47.26%
NC	\$ 30.46	18.46%
MVC	\$ 33.74	20.45%
Total	\$ 165.00	100.00%

- Calculate 5% reserve requirement using ongoing revenues only (eliminate one-time revenues for the calculation).
- Calculate ongoing budget shortfall after eliminating one-time revenues and expenditures.
- Utilize a multi-year strategy (3 Years) to set-aside the ongoing budget shortfall into "restricted" holding accounts for each entity.
- Use BAM Expenditure Percentages to determine each entity's proportionate share of the budget shortfall, after elimination of one-time budget items that are maintained in holding accounts.
- Physically transfer budget to a "restricted" holding account within each entity, under the college Vice President's of Business Services and Vice Chancellor of Business and Financial Services, respectively. The transferred budgets can't be used for any purpose during the fiscal year.
- Entity generated budget savings will remain at the entity level.

## **Norco College Actionable Improvement Plans 2014**

### **II.A.2. Actionable Improvement Plan**

The College will complete a Substantive Change Proposal and submit it for approval to the Accrediting Commission for Community and Junior Colleges.

### **II.B.2.d. Actionable Improvement Plan**

The College will develop a system for maintaining records of student complaint/grievances.

### **III.B.1.a. Actionable Improvement Plan**

The College will address the recommendations of the District Information Technology Audit and move toward decentralization of other technology support services from the District to the College.

### **III.B.2.a. Actionable Improvement Plan**

The College will refine and develop a procedure for implementation of Total Cost of Ownership.

### **III.D.1.a. Actionable Improvement Plan**

To further enhance communication, the College president will formally communicate annually the impact of resource allocation to support student learning.