



**Draft**

**PLANNING AND BUDGETING COUNCIL MEETING MINUTES**

**Wednesday, December 4, 2024**

**In-Person and Via Zoom**

**Regular Meeting: 2:10 – 4:00 p.m.**

**Members present:** Alex Claxton, Gampi Shankar, Alicia Aguirre, Mayra Arellano, Nick Carr, Karen Engel, Denise Erickson, John Fraire, Chialin Hsieh, Jacky Ip, Alex Kramer, Ray Lapuz, Kim Lopez, Rose Marie Mendoza Morrison, Ludmila Prisecar, Megan Rodriguez Antone, Graham Sheardown, Chantal Sosa, Diana Tedone-Goldstone, Christopher Wardell.

**Members absent:** Kassie Alexander, Alexander Hernandez, Gina Hooper, Sarita Santos, Julian Taylor, Junpei Yamaguchi, Jose Zelaya.

**Guests and others present:** Wissem Bennani, Leonor Cabrera, David Gainey, Mary Ho, Alyssa Lucchini, Autumn McMahon, Paul Roscelli, Elena Wu.

AGENDA ITEM	CONTENT
<p><b>Welcome, Introductions and Approval of Consent Agenda</b></p>	<p>ACTION: A motion to approve the Consent Agenda, including minutes from the November 6 meeting, November 20 and board-approved staffing updates from November 20 was approved.</p> <p>Motion passed.</p>
<p><b>Institution Set Standards Update (Alex Claxton, PRIE Analyst; Karen Engel, PRIE Dean)</b></p>	<p>Each year, PBC reviews the College’s institution-set standards to understand how the College is doing over time. The standards are metrics like enrollment and course success rates. This year, the PRIE Office is proposing some updates to these standards and metrics based on changes in metric definitions and State Chancellor’s new Vision 2030 system-wide goals and initiatives.</p> <p>Dean Karen Engel said the standards are the minimum that the College would tolerate. PRIE presents five years of data for each metric to determine what the trend is and then, based on the trend, PRIE is suggesting revised minimums and stretch goals that the College is trying to achieve. Both the minimum institution-set standards as well as the College’s stretch goals are reported to the ACCJC each year for some of the metrics (in blue). Some of our metrics did not do well over the past five years because of the pandemic, so PRIE is proposing that the PBC consider adjusting those standards accordingly.</p> <p><b>Enrollment Metrics</b></p> <ul style="list-style-type: none"> <li>• <b>Headcount:</b> PRIE reported that the total number of students enrolling per year (headcount) is higher than it has been in seven years: 10,797.</li> <li>• <b>FTES:</b> The College’s number of Full-Time Equivalent Students (FTES) is lower than ever. FTES as a percentage of total headcount is trending downward from 34% in 2017-18 to 30% in 2023-24. FTES students take 30 units per year. Cañada home campus students took an average of 9.6 units per year in 2023-2024. In 2017-18, Cañada home campus students took 10.9 units per year, so this is trending downward. <i>PBC discussion re FTES trends:</i> The President’s</li> </ul>

Cabinet discussed possible reasons for this trend and PRIE will do further inquiry. Gampi Shankar asked if high school students taking Dual Enrollment courses should be excluded from our FTES calculations in the future. PRIE will look into that. Dean Karen Engel suggested other possible factors contributing to the declining number of units per year: Cañada students work more hours than students at Skyline or CSM; some Cañada students enrolling so they can get access to the gym; an impact from SB 893; and course modality choices, since working students may take an online course and only be able to take one course per semester. Special programs like College for Working Adults can help students take and succeed in more units per year. ESL students do not lower the average number of units students are taking. In fact, the average number of units taken by ESL and Adult Education students has risen over the last few years.

- Home Campus Students: The number of home campus students (students trying to earn a degree or certificate from Cañada) is slowly recovering. The percentage of Cañada students who are home campus students was 61% in Fall 2024. It was 66% in Fall 2019.
- High School Graduates Enrolling: The number of Sequoia High School grads, who come to Cañada within one year of graduation, is stable, but lower.
- High School Students Enrolling: Middle College has been steady (slight growth this year) and Dual Enrollment is higher than last year.

#### **Student Momentum**

- Persistence: The College has met its fall to spring persistence goal of 66%. PRIE suggests increasing the new goal to 69% for all students.
- Course Success: The college-wide goal is 77%, which the campus has not met but the College has been trending positively post-pandemic.
- Disproportionally-Impacted Students by Instructional Modality: This looks at a particular student population's success rate by course modality relative to all other students. PRIE presented a chart highlighting those populations which represent true disproportionate impacts where a statistically significant gap exists. Low-income students in every modality are showing negative disproportionate impacts. Hispanic, Pacific Islander, and Black/non-Hispanic students are the most negatively impacted in all modalities. Low income and Hispanic students are showing a disproportionate impact over two years and these persistent gaps will need to be studied further.
- Student Completion: Degrees/Certificates. There has been a decline in awards over the last several years, likely due to the pandemic.
- Average # of Units Earned by Associate Degree Earners: The number of units earned by students earning their first associates degree continues to be very high (99) in 2023-24. PRIE suggests adjusting the stretch goal to 83 from 76.
- Students Completing 100% of their Degrees Online: PRIE does not recommend setting a goal for this, but is including this metric for annual review. In 2023-24, 245 students earned their degrees 100% online, possibly due to the pandemic.

#### **Transfer Students with 12+ Units**

- The number of students transferring to 4-year institutions after taking at least 12 units has increased since 2019-20 from 223 to 318 in 2023-24. Given historic

	<p>trends, however, PRIE suggests adjusting the college goal to 364 per year. It was 468 per year.</p> <ul style="list-style-type: none"> <li>• PRIE is suggesting a new metric that tracks the percentage of transfers who did not earn a degree in the year prior to transferring. This shows a declining trend, which is positive in that more students are earning a degree before transferring.</li> </ul> <p><b>Living Wage Attainment for CTE Students</b></p> <ul style="list-style-type: none"> <li>• A new metric for Vision 2030 focuses on the percentage of Career Technical Education (CTE) students attaining a living wage (\$30/hour). There is significant variation in the data, with a goal set for Cañada by the State of 43%. The state-supported CTEOS survey provides reliable data, though the college’s sample size is small.</li> </ul> <p><b>Institution Set Standards and Dashboards</b></p> <ul style="list-style-type: none"> <li>• The institution's set standards document is available on the PRIE website, as we other dashboards including a First-Time Student cohort dashboard and a Guided Pathways dashboard to track home campus student progress across a variety of metrics.</li> </ul> <p>This item will return to the PBC Agenda early in 2025. Approval of this document is planned for next year, though it is not urgent.</p>
<p><b>Three-Year Projected Budget Update (Ludmila Prisecar, Vice President of Administrative Services)</b></p>	<p><b>State Forecast:</b> The Legislative Analyst’s Office is reporting that there is stable funding growth and this year and next year will be fine. The state is using reserves. The income tax for high income earners went up and the stock market is doing better. Overall, the economy is not growing as fast as we would like. The state is facing growing multiyear deficits, with potentially \$20-\$30 billion in deficit. Even though the SMCCCD is a basic aid district, there will be some impact so we need to plan for it. Revenues and expenditures, expenditures are growing at a higher rate than our revenues.</p> <p><b>Reserve Contributions:</b> Increase Proposition 98 Reserve balance provide a buffer against economic downturn, offering stability for education funding.</p> <p><b>Cost Pressures:</b> rising operational costs (COLA) will require thoughtful allocation to maintain service level without overspending.</p> <p>Fiscal Advice: Avoid new ongoing spending to ensure budget sustainability.</p> <p><b>District Resource Allocation:</b> The resource allocation model is prepared by the CFO. and Ludmila Prisecar presented what the district shows could be our tentative budget is 2025-26, tentative, estimated total revenue of \$280 million.</p> <p><b>Site Allocation:</b> Ludmila Prisecar said we are projected to receive \$37.7 million. If we don’t make any changes to how we function and what we do, COLA is \$2.2 million. She wants to make sure we can get COLA and not tap into other reserves. The districtwide allocations were reviewed, anything shared districtwide, \$76 million.</p> <p><b>College Multiyear Projections</b></p>

Ludmila Prisecar uses the site allocation from the resource allocation model, plus other revenue and office hours.

- The total revenue we expect for 24-25 is around \$39.8 million.
- Expenses, using everything we know right now. There can be anticipated position control savings. Because of the 50% law, some of our programs are in Fund 3.
- Projected Expenses is \$40 million and the projected ending balance is negative \$269,681.
- Projections were made for 2026-27 with projected negative balances of 2.3 million and 3.9 million for 2027-28.
- For 2023-24, we projected a negative balance of \$1.3 million because some of the contracts were still in negotiation with the district. It was \$1 million at the closing.

### **Challenges**

Limited funding increase

- State funding increases are limited, while projected deficits create significant financial pressures.
- District funding increases are limited, while the Districtwide shared expenses are increasing
- Infrastructure Funding Shortfalls
- Limited funds for scheduled maintenance and capital improvement projects demand a focus on prioritizing critical needs.

### **Opportunities**

Align spending with revenue

- Streamline expenses to match available funds and ensure fiscal responsibility
- Leverage financial reviews to eliminate inefficiencies and optimize resource use

Plan for Financial Challenges

- Prepare contingency plans to manage state-projected deficits, projecting critical programs and services

Advocate for Sustainability

- Collaborate with the District to advocate for increase support and resource allocation model adjustments for long-term financial stability

Ludmila Prisecar mentioned that President Kim Lopez is currently advocating for the district, ensuring that funding is available to support all ongoing initiatives.

### **Recommendation**

Ludmila Prisecar provided a recommendation for Kim Lopez - when approving new positions, exercise caution and prioritize using funds from prior vacant positions.

Alex Claxton asked for a clarification regarding SB 893 and its continuation, as the funding was initially limited. He also mentioned that there was a concern raised about it being a major expense in the budget. Ludmila Prisecar replied that it appears to be here to stay, but the district is still evaluating its future. Additionally, Ludmila Prisecar mentioned that a presentation on Free College will be given next Wednesday, outlining future plans add

Gampi Shankar raised a question about setting aside funds for emergency or reserve funds at the college level.

Ludmila Prisecar replied that the district sets aside reserves at the district level, not at the college level, for emergencies and disasters.

### All Funds: Fiscal Year\* Expenditure Breakdown

2023-24 Expenditures (all funds\*\*) \$58.7M

Fund #	202-23	2023-24	2023-24 %	2023-24 % Operational Funds
Fund 1: General Fund –Unrestricted	\$35,663,304	\$37,715,367	64%	74%
Fund 2: Self-Insurance Fund -Restricted	\$37,190	\$37,190	0%	
Fund 3: General Fund -Restricted	\$10,260,720	\$13,494,125	23%	26%
Fund 4: Capital Projects Fund	\$1,143,275	\$750,162	1%	
Fund 5: Enterprise (Bookstore, Food Services, etc.)	\$0	\$0	0%	
Fund 6: Special Revenue	\$0	\$0	0%	
Fund 7: Expendable Trust (Direct Student Aid)	\$6,353,165	\$6,728,962	11%	
Fund 8: Expendable Trust (Post-Retirement Benefits/Housing Loan Program)	\$0	\$0		
<b>Total</b>	<b>\$53,457,653</b>	<b>\$58,725,805</b>	<b>100%</b>	<b>100%</b>

### 2023-24 Fund 3 Actual Revenue and Expenditures

Ludmila Prisecar focused on Fund 1 and Fund 3, as these are the key areas for position controls and expenditures.

#### Fund 3 breakdown

- 26% of the budget is from Fund 3, which is restricted.
- Federal funds: 12% with specific guidelines.
- State funds: 67%.
- Local funds: 3% (restricted, from Fund 1 for specific programs).
- Miscellaneous restricted funds: Includes funds from Fund 1, such as Promise and financial aid, which support the 50% law.

Ludmila Prisecar added that the District is not in compliance with the 50% law, which requires 50% of expenditures to be instructional and 50% non-instructional. Currently, non-instructional expenditures exceed instructional ones.

**Fund 3 Expenditures**

- 28% of Fund 3 goes to operational expenses.
- 72% is allocated to positions and salaries (classified and faculty).

**Budget Exposure**

The reliance on positions funded by Fund 3 increases exposure, especially with potential state funding reductions. A summary of different fund types and their numbers was shared for further reference.

Ludmila Prisecar mentioned the concerns that were raised about potential impacts from state funding changes, with approximately 25-26% of the budget at risk.

**Fund 3: Expenditure by Fund Type**

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2023-24 Expenditures Fund 3 \$13.5M

Fund 3 Type	2022-23	2023-24	2023-24 %
30000's - Federal Funds	\$1,962,482	\$1,576,115	12%
31000's - State Funds	\$6,126,337	\$9,002,273	67%
32000's - Local Funds	\$415,858	\$420,536	3%
35000's & 38000's - Miscellaneous Restricted Funds	\$1,442,738	\$2,129,291	16%
39000's - Restricted Fees	\$313,304	\$365,911	3%
<b>Total</b>	<b>\$10,260,720</b>	<b>\$13,494,125</b>	

Ludmila Prisecar shared Appendix 2

*Fund 3: General Funds- Restricted  
2021-22 to 2024-25 Expenditures*

Description	2021-22 YTD	2022-23 YTD	2023-24 YTD	2024-25 as of 12/02/2024
<b>30000's - Federal Funds</b>				
30005 - Federal Workstudy Prog.	\$ 51,706.10	\$ 69,766.50	\$ 69,237.87	\$ 40,717.01
30007 - Strengthening CTE - Perkins V	\$ 114,299.00	\$ 126,076.00	\$ 121,186.00	\$ 48,512.85
30038 - Child Dev Consrtrm Fed/St Yosemite	\$ 13,800.00	\$ 13,800.00	\$ 13,800.00	
30134 - HSI-ESO Adelante 10/01/16-09/30/21	\$ 404,028.32	\$ 122,842.05	\$ -	
30135 - HSI STEM GANAS 10/01/16-09/30/21	\$ 778,461.24	\$ 162,576.88	\$ 256,169.98	
30143 - TRIO Upward Bound-9/1/17 to 8/31/22	\$ 274,714.59	\$ 93,904.18	\$ -	
30147 - NSF ASCENT 10/1/18-9/30/24	\$ 64,121.70	\$ 116,691.61	\$ 87,876.17	\$ -
30151 - NSF - INCLUDES SJCCCD CCCEM	\$ 8,238.15	\$ -	\$ -	
30153 - NSF IUSE HSI 04/15/20-03/31/25	\$ 240,236.02	\$ 225,597.19	\$ 195,067.50	\$ 27,349.46
30159 - TRIO SSS Canada	\$ 319,177.74	\$ 308,448.33	\$ 244,430.16	\$ 119,422.90
30162 - CRRSAA - HEERF II Institutional	\$ 368,806.79	\$ 67,211.86		
30163 - CRRSAA - HEERF II - MSI	\$ 90,947.00			
30165 - ARPA - HEERF III Institutional	\$ 799,255.39	\$ 593,553.67	\$ -	
30166 - ARPA - HEERF III - MSI	\$ 58,315.74	\$ -		
30169 - DHSI - Title V 2022-2027 Canada P2C		\$ 60,203.49	\$ 481,227.96	\$ 212,358.71
30170 - SFSU AANAPISI Title III Coop		\$ 1,810.50	\$ 107,119.08	\$ 39,949.79
<b>30000's - Federal Funds Total</b>	<b>\$ 3,586,107.78</b>	<b>\$ 1,962,482.26</b>	<b>\$ 1,576,114.72</b>	<b>\$ 488,310.72</b>

- This is the restricted fund of state, district funding.
- This is an update for 2023-24 last fiscal year Fund 3 actual revenue and expenditures. The list of funds was reviewed with a comparison between 2022-23 and 2023-24. Fund 4 is CIP to fund our buildings.
- Fund 3 types were reviewed, federal/state/local restricted funds and restricted fees. Fund 3 2023-24 expenditures \$13.5million
- 2023-24 fund 3 expenditures by spending categories, classified salaries and benefits, faculty salaries and benefits and operational expenses.
- Fund 3 Federal Grant funds. Some of the grants have expired. At the federal fund level, it went down from 21-22 because we had the HEERF funds which helped us during COVID and those were all spent.
- If there is not information showing, the funding source expired. Some funds received for 24-25 don't show expenditures because we have not yet started spending the funds.
- Menlo Park redevelopment project will expire in 2030.
- Miscellaneous restricted funds: financial aid admin cost, promise scholarship program.

Alex Claxton asked if the faculty release time counts against the 50% rule, does that have to come out of Fund 1?

Ludmila Prisecar replied that we could only create a Fund 3 if there is a categorical program funding coming from. For this year, we received one for common course number and it is outside of Fund 1. If the programs are separate, we can do it for reassigned time.

<b>STANDING ITEMS</b>	
<b>Associated Students of Cañada College</b>	No update was reported.
<b>Classified Senate of Cañada College</b>	The Classified Senate Holiday gift basket raffle is ongoing. The cost is \$1 for a ticket and there is a dollar discount if people purchase more tickets. Baskets are on display in

	the bookstore. Funds raised from the raffle go directly to student scholarships. The drawing will be held on December 18.
<b>Academic Senate of Cañada College</b>	The Academic Senate will hold its last meeting of the semester on December 12. They will prioritize faculty position requests and forward their recommendations to President Lopez.
<b>Planning Council Reports</b>	<p><b>IPC: Diana Tedone-Goldstone</b> IPC will hold its last meeting of the semester on Friday, December 6. They will make recommendations on reassigned time applications (all that are not grant funded).</p> <p><b>SSPC: Mayra Arellano</b> There are no updates to report, however they are finalizing the SSPC peer review process on Friday, December 6.</p> <p><b>EAPC: Karen Engel</b> The EAPC is looking at the Student Equity and Achievement Plan and the budget. A small group will report out on the current SEAP and the new three-year plan. They are also doing a training with campus Public Safety. They are also reviewing the PBC position presentations and will make their recommendation to President Lopez.</p>
<b>President's Update</b>	President Lopez announced that the campus Holiday Gathering will be held on Friday, December 13 in the Building 18 Lobby from 12-1:30 p.m.
<b>Matters of Public Interest and Upcoming Events</b>	<p>Nick Carr announced that the men's soccer team is headed to the state championships, which will be held at American River College. There are two final games on Sunday, December 8. This is the first time since 1999 that the men's soccer team is in the state championship. The women's soccer team is also at American River College. There are three players on the women's team who will be playing in the sophomore showcase. They are the best sophomores in the state, playing north against south.</p> <p>Maria Lara-Blanco asked if something go out to the community to promote the game, such as sending out a team photo or putting up a banner. Dean Kat Sullivan-Torrez said this is the number one men's soccer team of the 39 colleges in the north. They leave at noon or 12:30 tomorrow after practice. The bus will be parked outside of their field house by the baseball field. The game will be live-streamed at Home of the Colts website.</p> <p>Christopher Wardell said the 2025-26 FAFSA is now available and asked that people please encourage students to apply.</p>
<b>ADJOURNMENT</b>	The meeting was adjourned at 3:39 PM
<b>Next Meeting</b>	The next meeting will be held on February 5, 2025