RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting
Friday, March 21, 2025
[Zoom Conference Link](#)
Phone: 1 (669) 444-9171   Meeting ID: 843 8773 4650
9:00 a.m. – 11:00 a.m.

AGENDA

I. Welcome and Call to Order

II. Approval of Meeting Minutes

- February 28, 2025

III. Business/Accounting Services Strategic Initiatives Update

- Time and Attendance (John Geraghty)
- E-Contract/Workflow/Archiving (John Geraghty)
- Reporting (John Geraghty)
- Budget Development Software (Misty Griffin)
- Budget Allocation Model
   - Phase IV (Misty Griffin)
   - Student Outstanding Debt (Aaron Brown)
   - Fraudulent FTES (Aaron Brown)
   - Apportionment Reconciliation (Aaron Brown)
- College Budget Allocation Models (VPs of Business)

IV. State Budget Update

V. Other

- Workgroup on Grant Post-Award Policies, Processes, and Procedures Update (Laurie McQuay-Penninger)
- College Food Pantries – Leverage District Buying Power

VI. Future Meetings

- Friday, April 25, 2025
- Friday, May 16, 2025
- Wednesday, June 18, 2025

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, February 28, 2025
9:00 a.m. – 11:00 a.m.

<u>MEETING MINUTES</u>

<u>Members Present</u>

Aaron S. Brown	(District)
Misty Griffin	(District)
Amanda Vázquez	(District)
Laurie McQuay-Peninger	(District)
Charles Wilhite	(Moreno Valley College)
Majd Askar	(Moreno Valley College)
Rhonda Patterson	(Moreno Valley College)
Nader Ghopreal	(Moreno Valley College)
Esteban Navas	(Moreno Valley College)
Paula Barrera	(Norco College)
Esmeralda Abejar	(Norco College)
Virgil Lee	(Norco College)
Michael Collins	(Norco College)
Araceli Covarrubias	(Norco College)
Elia Blount	(Riverside City College)
Joe Scott-Coe	(Riverside City College)
Jennifer Bielman	(Riverside City College)
Kristine DiMemmo	(Riverside City College)
Gloria Aguilar	(Recorder)

<u>Members Not Present</u>

Asatar Bair	(Riverside City College)
Kimberly Bell	(Norco College)

<u>Guests</u>

Omkar Panse	(UCR Student)
Rebeccah Goldware	(District)

I. <u>CALLED TO ORDER</u>
   A. By Aaron Brown

II. <u>APPROVAL OF MINUTES</u>
   A. Vázquez moved, and DiMemmo seconded approval of the minutes for January 17, 2025. DiMemmo abstains.

III. BUSINESS/ACCOUNTING SERVICES STRATEGIC INITIATIVES UPDATE
    A. Time and Attendance
        1. Brown stated Geraghty is not present. The implementation of the software is still on trackf the end of the year.
    B. E-Contract/Workflow/Archiving
        1. Brown stated the project is moving along and on track.
        2. Vázquez said the consultant shared the electronic contract transmittal form with the workgroup. The workgroup provided input for further refining of the form and workflow.
        3. The workgroup was asked to provide further feedback by email. A sandbox for hands-on testing will be available soon.
        4. IT and the consultant inquired on the quantity of contracts processed, looking for an average. Vázquez shared that researching data from requisitions, concur information, no cost agreements, etc. to provide an estimated average.
        5. Askar inquired if this will replace the current contract transmittal form and adobe signing. Vázquez shared this will replace the A/C contract transmittal form, allow for users to use Adobe for signing and/or another electronic signature tool, and users can track the forms attached and packet.
        6. Brown provided further background for the electronic workflow of the contract transmittal form and other forms for electronic signature, workflow and storage and archiving.
    C. Budget Development Software
        1. Griffin shared that the weekly meetings are continuing with the IT and TruEd, and the implementation team.
        2. Meetings with RCOE and IT are continuing. Obtaining extensive five-year historical data. Evaluating and validating the data, and continuing with uploading data nightly from Galaxy to Anaplan.
        3. Tentative budget begins tonight and will provide further testing of the uploaded data into Anaplan.
        4. The core group is working on various templates for data dump capabilities.
        5. The timeline for implementation, running reports and access for end users will be the end of April.
        6. Abejar inquired if the BAM will be used in Anaplan or continue using in Excel spreadsheets. Griffin replied the spreadsheets will not be available this round and will be upload by TruEd. The focus will be on cost per FTEs, the workbook and uniques.
        7. Askar inquired if budget transfers will be handled in Anaplan. Griffin explained the end user will submit the budget transfer in Anaplan, and the college budget offices will handle the Galaxy processing steps.
    D. Budget Allocation Model Update
        1. Griffin shared there are no new updates.
    E. College Budget Allocation Model (VPs of Business)
        1. RCC: DiMemmo shared the BAM has been taken to Academic Senate through leadership councils, EPOC, and ASC meetings. The document is formally finalized.

2. Business Services has met with constituents quarterly, and will be meeting with them for the budget development cycle. Inquired when the budget development calendar will be available. Griffin shared the information will be available next week.
3. MVC: Askar shared MVC is providing monthly trainings. In addition, preparing for year-end. Assessing positions and holding conversations for replacing positions.
4. Created office hours for users to seek budget assistance.
5. Documenting the process and implementation for program review on the review and resource request.
6. Brown inquired if the group will be provided with copies of the college budget allocation model. The documents were sent earlier this year, the documents will be resent for the committee to review and will be agenized.
7. Brown inquired if these documents went through Academic Senate for review. DiMemmo and Askar shared these went to their college Academic Senate.
8. Scott-Coe inquired if the college budget allocation model will go through District Academic Senate. Scott-Coe will connect with the others for clarification and guidance and will be in touch with DiMemmo and Askar.

IV. BUDGET DEVELOPMENT
   A. Brown went over the documents shared (apportionment memo and document). Discussed and explained the statewide growth need and statewide growth budget.
   B. Explained the revenue deficit, Education Protection Act, student centered formula, and the potential statewide 2% deficit applied to revenue and the impact.
   C. Went over the 24/25 P1 of districts: 30 districts are in the student centered formula, 26 districts are in stability, and 16 districts are in hold harmless. When compared to FY 23/24 there are five less districts funded under the student centered formula and five more in hold harmless.
   D. Brown went over the worksheet and covered the student metrics, P1 apportionment, FTS numbers for dual enrollment, incarcerated, special admin, and enhanced non-credit. Wilhite inquired if the numbers for special admin were an accurate deficit number. DiMemmo shared the numbers reflected is a timing situation and the correct numbers will be reflected in P2.
   E. Reviewed the remaining portions of the worksheet in depth, explained the FTES for statewide and local level. Solid numbers will be reported later.
   F. Brown went over the recalculation worksheet and explained the numbers. Covarrubias inquired if the fraudulent numbers play a part in these numbers. Brown shared the vice chancellors have held several conversations related to this topic and are working with IT to investigate the summer, fall, winter and spring numbers. There is time to pursue corrective measures in this academic/fiscal year.
   G. The group shared and discussed the different tools, and roles from state to local level efforts to detect and identify potential fraudulent students. The future audit procedures and further internal controls procedures to work towards preventing such activity. Further discussion of the impact these fraudulent numbers have on multiple reporting, statewide numbers, and potential reallocation of funding.

H. Askar inquired about growing FTES and funding growth FTES, fraudulent FTES and its impact, setting targets under these circumstances and their impact. Brown provided reassurance of the P1 numbers and the continuation of growth, and shared at the state wide level exploration for funding growth is occurring. Added our colleges need to set attainable targets and proceed with the charge and hold these conversations at DEMC.

I. Covarrubias inquired for understanding and clarification on the FTES numbers, fraudulent numbers, declining numbers and setting targets from the worksheet. Brown provided further information regarding the worksheet, discussed how the SCFF metrics work, the importance of using the IT tools to assess the current and recent FTES to identify fraudulent numbers and this will assist in setting FTES targets for next year.

J. Brown went over the cash receipts document and stated year to date we are over by 2% than last year. The May revise will have more information.

K. Cash receipts discussed works and metrics, of growing, and the funding of Growth allocation, Brown reviewed the FY 2025-26 Governor's Budget Proposal presentation.

L. Collins inquired how the LA fires will impact the budget proposal for community colleges. Brown shared there will be an impact, it may not be until the FY 2025/2026 and more information will be known at the May revise, or sooner.

M. Wilhite inquired if the colleges are funded by targets or actual FTES from the college budget allocation model. Griffin explained how the calculation works, for common and unique program costs. Brown added these targets are set at DEMC and there are regulating factors if you don't achieve the targets set, there is a one-year to make up or face a permanent reduction.

V. OTHER

A. WORKGROUP ON GRANT POST-AWARD POLICIES, PROCESSES, AND PROCEDURES – McQuay-Penninger shared documents compiled by the group for review and feedback. The cost transfer document was explained and documents what is being practiced with grant expenses as it relates to cost transfers. Provides guidelines to follow, and lists what are allowable and non-allowable cost transfers.

B. McQuay-Penninger shared and reviewed the Cost Transfer Request form in detail.

C. Griffin inquired the 'Classified personnel approving expenses' from the cost transfer document. The colleges indicated this is not occurring, and McQuay-Penninger indicated this sentence can be modified to reflect these roles responsibilities, the Project Director or Principal Investigator.

D. Covarrubias shared that a department chair was uncertain in approving an expense in Galaxy (unsure if this was tied to a grant or not). How are the expenses set up for approvers (department chairs)? Griffin shared the requisitions are tied to an approval tree based on criteria's tied to the budget string. Griffin offered for Covarrubias to share the information from the situation to research and assist.

E. Brown inquired if the group has assessed the reasons for cost transfers and identified the root causes and are there ways to fix them from the front end, rather than the backend through cost transfers. McQuay-Penninger shared the quantity of cost transfers are a low number, and the reasons for cost transfers could be from minor errors such as coding error, or unallowable

expense from no knowledge. This item came to light because of the expending of money at the end of the grant, and the funding needs to be used ongoing.

F. McQuay-Penninger shared other strategies in place and begun assisting project directors with their grants, planning, encouraging more engagement and spending.

G. Brown inquired if the last sentence should be included in the document, even if it is part of the process if it should be removed. 2nd page, Conformity with Sponsor Guidelines.

H. Brown inquired if the Cost Transfers that May be Allowable, the first bullet on the second set contradict the 3rd page top bullet. Asked for clarification. McQuay-Penninger explained the two bullets, and shared the sentence may need to be refined. Brown shared maybe adding permissibility in the last bullet.

I. Brown, 2nd page, the terminology of overdraft is not a common terminology. It was agreed to replace with budget shortfall. Replacing risk status with out of compliance.

J. Brown inquired if there were any policies on the time and effort, the document and forms. Brown shared these items could be tied to an administrative procedure vs. a guideline.

K. Goldware will work to move forward with exploring the administrative policies and work with Brown.

L. McQuay-Penninger shared the Indirect Cost Recovery and Distribution document for review and feedback. Also, mentioned the document outlines the process that has been in place, but it was not documented.

M. McQuay-Penninger shared the background information on indirect costs, the outside agencies involved and seeking feedback on the current rates, whether to remain the same or set a new rate.

N. The committee held discussion regarding the rates, and timeline. This topic requires further conversation. Brown suggested a taskforce to be formed to provide a recommendation on the rate (stay the same or set a new rate) with justification. Then suggested to bring this back to DBAC for feedback, and when ready to move forward to the Vice Chancellor's for feedback.

VI. <u>NEXT MEETING</u>

A. The next meeting scheduled for Friday, March 21, 2025.

VII. <u>MEETING ADJOURNED</u>

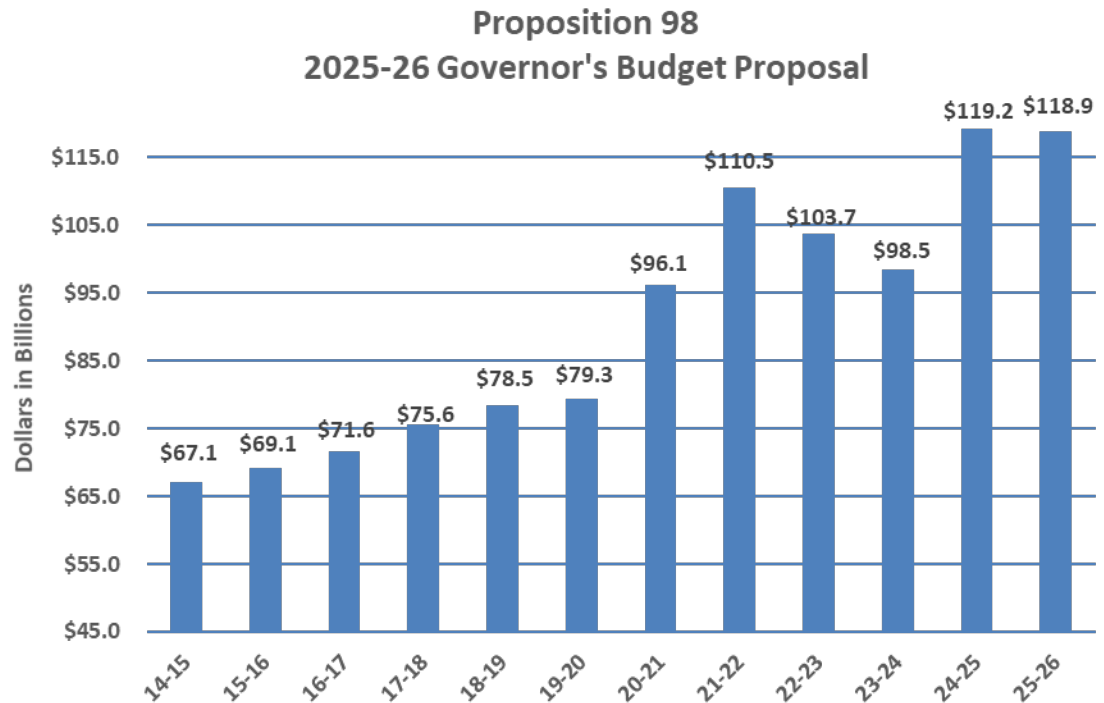# FY 2025-2026
BUDGET PLANNING

April 1, 2025

GOVERNOR'S FY 2025-26
BUDGET PROPOSAL
COMMUNITY COLLEGE SYSTEM
AND
RIVERSIDE COMMUNITY COLLEGE DISTRICT

Proposition 98
Minimum Guarantee

- FY 2023-24 approved budget set the K-14 minimum guarantee at $108.8 billion…now revised to $98.5 billion.

- FY 2024-25 approved budget set the K-14 minimum guarantee at $108.8 billion…now revised to $119.2 billion.

- FY 2025-26 - Governor estimates the guarantee at $118.9 billion.
    - Community College share of Proposition 98 – 10.93%

Proposition 98
2025-26 Governor's Budget Proposal

Dollars in Billions

Year	Amount
14-15	$67.1
15-16	$69.1
16-17	$71.6
17-18	$75.6
18-19	$78.5
19-20	$79.3
20-21	$96.1
21-22	$110.5
22-23	$103.7
23-24	$98.5
24-25	$119.2
25-26	$118.9

FY 2025-2026 Governor's Budget Proposal

Base Changes

(In Millions)

Unrestricted Ongoing Revenues	**State**	**RCCD EST.**
Apportionment*		
COLA (2.43%)*	$ 230.4	$ 9.6
Growth (.50%)*	30.4	2.8
Total Apportionment/Unrestricted Ongoing Revenues	$ 260.8	$ 12.4
Unrestricted One-Time Revenues		
	$ -	$ -
Total Unrestricted Revenues	$ 260.8	$ 12.4

* These funding increases will be reflected in Student Centered Funding Formula rates. RCCD's estimated apportionment is calculated using the increased rates, along with estimated FTES, supplemental, and success metrics.

FY 2025-2026 Governor's Budget Proposal

Base Changes

(In Millions)

Restricted Ongoing Revenues	State	RCCD EST.
COLA for Categorical Programs*	$ 27.6	$ 0.30
Common Data Platform	29.0	?
Financial Aid Administration	1.7	?
Rising Scholars Network	30.0	?
Equal Employment Opportunity Program	(1.1)	?
Credit for Prior Learning	7.0	?
Total Restricted Ongoing Revenues	$ 94.2	$ 0.30

*Categorical Programs to receive COLA are: DSP&S, EOP&S, CARE, CalWorks, Adult Education, and Apprenticeship. Large programs such as Student Equity & Achievement and Student Success Completion Grant were not included.

FY 2025-2026 Governor's Budget Proposal

Base Changes

(In Millions)

Restricted One-Time Revenues	State	RCCD EST.
Common Data Platform	$ 133.5	?
Statewide Technology Transformation	168.0	?
Credit for Prior Learning/Career Passport	93.0	?
LGBTQ + Student Support	10.0	?
Total Restricted One-Time Revenues	$ 404.5	?
Total Restricted Revenues	$ 498.7	$ 0.30

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FY 2025-2026 Governor's Budget Proposal

Base Changes
(In Millions)

Other	State	RCCD EST.
Deferred Maintenance and Instructional Equipment	$ -	$ -
Proposition 51 & 2- State GO Bond (29 Projects)*	52.3	9.2
Total "Other" Restricted Revenues	$ 52.3	$ 9.2

*Includes: MVC-Library Learning Resource Center- $3.5 Million; NC-Library Learning Resource Center & Student Services- $2.5 Million; RCC-Cosmetology Building-$1.9 Million; BCTC-Phase 2A Building-$1.3 Million

BUDGET PLANNING

FY 2024-2025

ENDING BALANCE ESTIMATE

Base Changes (Est. at P1)
(In Millions)

FY 2024-25 Revenues

Adopted Budget	$ 306.17
Estimated Revenue Adjustments	
FY 2023-24 Apportionment Adjustment	$ 0.03
FY 2024-25 Apportionment Adjustment	(2.91)
Other	(0.07)
Total Estimated Revenue Adjustments	$ (2.95)
Net Revenues	$ 303.22

Base Changes (Est. at P1)
(In Millions)

FY 2024-25 Expenditures

Adopted Budget	$ 349.87
Estimated Budget Savings:	
Salaries and Benefits	$ 11.47
Supplies and Services	38.33
Retirement Incentive Estimate - December 31 Offer	(4.40)
Capital Outlay / Other	(0.02)
Total Expenditure Budget	$ 45.38
Net Expenditures	$ 304.49
Net Current Year Estimated Deficit	$ (1.27)
Beginning Balance at July 1, 2024	74.41
Estimated Ending Balance at June 30, 2025	$ 73.14

BUDGET PLANNING
FY 2025-2026

Base Changes (Est. at P1)
(In Millions)

FY 2025-26 Ongoing Revenue Budget

Beginning Revenue Budget	$ 306.17
FY 2025-26 Apportionment	$ 12.43
Other	0.11
Total Ongoing Revenue Budget Adjustments	$ 12.54
Total Ongoing Revenue Budget	$ 318.71

Base Changes (Est. at P1)
(In Millions)

FY 2025-26 Ongoing Expenditure Budget

Beginning Expenditure Budget	$	313.29
Compensation Adjustments:		
Full-Time Salaries w/2.43% COLA	$	4.66
Part-Time Faculty Salaries w/2.43% COLA		1.32
Step/Column/Placement/Growth/Classification/Fixed Charges		2.57
PERS (27.40%)/STRS (19.10%)		0.60
New Full-Time Faculty Positions (16)		3.32
Health Insurance		1.66
Election Costs		(0.60)
Guided Pathways Standard of Care		2.00
Supplies		0.07
Other		0.10
Services		0.73
Capital Outlay		0.06
Total Ongoing Expenditure Budget Adjustments	$	16.49
Total Ongoing Expenditure Budget	$	329.78
Net Ongoing Budget Shortfall	$	(11.07)

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Base Changes (Est. at P1)
(In Millions)

FY 2025-26 One-Time Revenue Budget

Beginning Revenue Budget	$ -

FY 2025-26 One-Time Expenditure Budget

Beginning Expenditure Budget	$ (36.57)
GO Bond Planning and Feasiblity	0.37
Special Revenue Programs	(0.05)
Indirect Cost Reductions	0.83
Retirement Incentive - December 31 Offer	5.00
2018 FTES Shift to FY 2017-18	0.45
Set Aside for FY 2018-2019 Budget Savings	0.61
Set Aside for Prior Year Budget Savings	1.16
RCC Life Science/Physical Science Renovation	0.37
RCC TSS Renovation	1.79
RCC Football Field/Track Renovation	0.02
RCC STEM Engagement Center	0.12
MVC Welcome Center	0.43
Total One-Time Expenditure Budget	$ (25.47)
Net One-Time Budget	$ (25.47)

Base Changes (Est. at P1)
(In Millions)

Summary

Net Ongoing Budget Shortfall	$	(11.07)
Net One-Time Budget Shortfall		(25.47)
Total Difference	$	(36.54)
Estimated Beginning Balance at July 1, 2025		73.14
Total Available Funds	$	36.60
Less, Estimated Ending Balance Target		(39.06)
Estimated Budget (Shortfall) to Fund Reserve	$	(2.46)