

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

October 15, 2020 – 9:00 a.m. zoom only

AGENDA

NOTE: Great California ShakeOut - 10:17 a.m.

- Approval of Meeting Notes September 17, 2020
- Guiding Principles for Budget Reductions (revised) DRAFT
- FY22 Timeline and Process for Budget Development Calendar DRAFT
- FY22 District Budget Allocation Model
- Unofficial DCAS Workgroup Meetings
- November DCAS Meeting Date (currently scheduled for 11/19/2020 with ASC on 11/18/2020)
- Other Business
- Future Agenda Items

Next Meeting: November TBD, 2020, 9:00 a.m.

- Police Services Budget
- Full-time Faculty Obligation Number (FON)
- FY22 District Budget Allocation Model

Ventura County Community College District
Guiding Principles for Budget Reductions
October, 2020

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> The COVID-19 worldwide pandemic has significantly impacted the way of life and the lives of citizens around the world, including all Californians. Further, COVID-19 has caused substantial economic damage to local, regional, state, national and global economies. Because of COVID-19 and its impact on the California economy, the state has projected a revenue shortfall totaling a combined \$54 billion dollars for 2020-21 and 2021-22. At this time, the corresponding revenue shortfalls being passed on to the Ventura County Community College District by the state are in the form of cash deferrals, rather than a requirement for ongoing budget cuts. Simply put, cash deferrals result from the State delaying apportionment payments to districts. While cash flow challenges can result from these delayed revenue payments, cash deferrals are a preferred method to temporarily mitigate revenue shortfalls so that the District's base funding is maintained for future years. The size of the revenue deferrals from the state is quite large and this method of mitigation may not be sustainable for the long-term. Hence, the Ventura County Community College District shall continue to utilize all resources wisely at all times while we prepare for the possibility of implementing ongoing budget reductions in 2021-2022 and beyond, as necessary. To that end, the following principles and priorities shall be used to guide the District's varied and diverse constituencies during the necessary discussions, recommendations and actions that will occur as the District prepares for potential upcoming fiscal challenges. Each item listed is of high priority and stands on its own merit. Items are not listed or ranked by order of priority.

- Decisions must place priority on the colleges and District's missions and service to students.
 Colleges will consider the needs of their most vulnerable students impacted by COVID-19 in their budget decisions. Budget reduction strategies, prioritization and recommendations will focus on preserving programs and services to students, staff and community.
- Decisions to reduce expenses should have the least possible impact on students, should recognize and not erode contractual agreements, and should be made by each college and the district office in a strategic way so as to position the District to emerge from the impending fiscal challenge for recovery and growth.
- Budget reduction strategies, prioritization and recommendations will be transparent, with ongoing and timely communication from District with campus leadership, bargaining unit leadership and all constituencies.
- District and campus fund balances and reserves will be considered and utilized, as appropriate, to mitigate reductions. The use of fund balances and reserves should be prudent and in amounts germane to the challenge but balanced by the need to sustain the purposes for which the fund balances or reserves were established. Reserves and fund balances should not be depleted too rapidly or precipitously and they should be utilized strategically in a measured way to help weather difficult financial circumstances. The use of reserves and fund balances should be recognized as one-time dollars and should not be relied upon as a sole solution to mitigate for ongoing, long-term budget reductions. Reserves and fund balances should be utilized in conjunction with ongoing operational budget reductions.
- To the greatest extent possible, VCCCD will generate ongoing cost savings by driving inefficiencies out of campus and District operations.

• Reduction of positions should happen by natural attrition rather than layoffs, whenever possible.

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- Budget reductions will not compromise the safety and health of students, faculty, staff or visitors, or VCCCD's compliance with applicable laws.
 - Budget reductions will not prevent the District from conducting the essential operation or maintenance of our physical plants.
 - Fiscal year 2020-21 will be utilized to plan for and prioritize budget reductions, whether or not any such reductions will ultimately be necessary to implement.



VENTURA COUNTY COMMUNITY COLLEGE DISTRICT TIMELINE AND PROCESS FOR BUDGET DEVELOPMENT — BUDGET YEAR 2022

October	District Council on Administrative Services (DCAS) reviews General Fund Allocation
October	Model and Infrastructure Funding Model to consider the need for modifications.
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November/ December	Vice Chancellor and District Budget Officer estimate revenue and inflationary costs in upcoming and subsequent budget years to identify gaps. Vice Chancellor provides analysis of projected revenues and increases in costs to DCAS for revenue and deliberation of targeted FTES, expenditure reductions or increases, and consideration of managed use or increase of reserves. Colleges and District Administrative Center receive preliminary allocations for the upcoming fiscal year based on the budget allocation models and begin preliminary budget plans.
December	Board of Trustees Study Session on District Reserves
	Board of Trustees reviews District budget projections and provides strategic direction.
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January	Vice Chancellor and district/college budget officers review Governor's Initial Budget Proposal and refine budget projections. Provide an update to DCAS.
February	Board of Trustees reviews the Governor's Initial Budget Proposal and district budget projections and provides strategic direction.
	Vice Chancellor and district/college officers draft budget assumptions and submit to DCAS for consideration and recommendation to Board.
March/April	Board of Trustees approve budget assumptions.
	Colleges and District Administrative Center receive allocation for tentative budget based on the allocation models and build site-specific tentative budgets. DCAS receives an update.
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May	Vice Chancellor and district/college budget officers compare Governor's May Revise to district budget projections and make adjustments and provide DCAS with an update. DCAS reviews Tentative Budget and recommends to Board.
June	Board of Trustees approves the Tentative budget.
July/August	Vice Chancellor and district/college budget officers compare signed State budget to district budget projections and make adjustments. Colleges and District Administrative Center receive final allocations for the upcoming fiscal year based on the allocation models, analyze year-end results, incorporate these results into local planning processes, and build a site-specific adoption budget. DCAS reviews Adoption Budget and recommends through Board.
September	Board of Trustees approve the Adoption budget.