

BUDGET COMMITTEE

MEETING AGENDA

March 21, 2018

3:00 p.m.



Location: Building 4, Conference Room #2460

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

Mike Gregoryk, Chair
Joan Sholars, Co-Chair
Irene Malmgren
Audrey Yamagata-Noji
Steve Garcia

Rosa Royce
Gary Nellesen
Vicki Greco
Lance Heard
Bobby Bates

Peter Gonzales
Mark Fernandez
Lisa Romo
Ruben Guijarro (Student)
Matthew McBride (Student)
Kerry Martinez (Notes)
Yadira Santiago (Notes)

AGENDA ITEMS:

1. **Agenda Check**
2. **Review the Budget Committee Meeting Summary of March 7, 2018.**
3. **Quarterly Financial Status Report as of December 31, 2017.**
4. **Status of Proposed Integrated Plan and Budgeting Process Calendar.**
5. **Accrediting Commission for Community Colleges – Annual Fiscal Report.**

FUTURE BUDGET COMMITTEE MEETINGS (3:00 p.m. – 4:30 p.m.):

April 4, 2018

April 18, 2018

May 2, 2018

May 16, 2018

Mt. San Antonio College

Budget Committee Summary of

March 21, 2018

Committee Members:

☐ Mike Gregoryk, Chair
☒ Joan Sholars, Co-Chair
☒ Meghan Chen for Irene Malmgren
☒ Audrey Yamagata-Noji
☐ Steve Garcia

☒ Rosa Royce
☐ Gary Nellesen
☒ Vicki Greco
☒ Lance Heard
☐ Bobby Bates

☐ Peter Gonzales
☐ Mark Fernandez
☒ Lisa Romo
☒ Ruben Guijarro (Student)
☐ Matthew McBride (Student)

☒ Kristina Allende (Guest)
☐ Kerry Martinez (Notes)
☒ Yadira Santiago (Notes)

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
1. Agenda check	Agenda checked.	Agenda approved.
2. Review the Budget Committee Meeting Summary of March 7, 2018	<p>The Budget Committee Meeting Summary of March 7, 2018, was reviewed and approved.</p> <p>Please contact Kerry/Yadira for any changes/corrections, to the meeting summary.</p>	Meeting Summary approved.
3. Quarterly Financial Status Report as of December 31, 2017 (CCFS-311Q)	<p>Joan asked for this item to be on the Agenda.</p> <p>Rosa reviewed the report in detail. All community colleges are mandated to submit quarterly financial reports, certified, once completed it is given to the Board for review.</p> <p>This 311Q report includes a projected/revised budget as of December 31, 2017. Joan had a question regarding the Unrestricted General Fund Revenue, Expenditure, and Fund Balance, -\$22,797,404, shown in Section I, row C. Rosa explained that the difference is due to the immediate needs/transfers that have been approved recently. The fund balance from the previous fiscal year is being used to cover one-time expenses in the current year, this is why it looks negative.</p> <p>Other information on the report includes: Section II where the FTEs are reported. This is the most current information as of January 2018, signed and certified by the President. Section III you see the General</p>	<p>Any questions please feel free to contact Joan, Mike, or Rosa in regards to any Budget report questions.</p> <p>Joan's goal is to have these reports provided regularly to the Budget Committee for review.</p>

	Fund Cash Balance. This balance includes the General Unrestricted Fund as well as the Restricted Fund.	
4. Status of Proposed Integrated Plan and Budgeting Process Calendar.	<p>Meghan Chen and Kristina Allende thoroughly reviewed the calendar changes suggested from the Budget and IEC committees.</p> <p>The goal of the calendar is to reflect the actual process. Rosa will take all new suggestions made at this meeting and update the calendar. Joan will present the new calendar at PAC.</p> <p>Instructional Unit – Submits to a Division office. Administrative Unit – Submits to a Vice President.</p>	<p>Rosa will make the updates to the new calendar and will send to IEC and Joan.</p> <p>Once approved, Joan will present at PAC.</p>
5. Accrediting Commission for Community Colleges – Annual Fiscal Report.	<p>Joan asked for this item to be on the Agenda.</p> <p>Rosa reviewed the report for the 2016-2017 fiscal year. The other years shown in the report are there for comparison. Some of the information in this report comes from the 311 annual report.</p> <p>Question 11 – Other Post Employment: GASB regulations changed. The College no longer reports under GASB No. 45. The College reports under the new GASB No. 74. The College consulted with the ACCJC and was advised to report as N/A (non-applicable) - items e. and f. , and as a result it displays as \$-1. Mt. SAC is the first college to notice this new change on the report. The ACCJC will evaluate and make changes to the report.</p> <p>Item #23 – information needs to be provided when there is change in Senior Administrative Leadership (Board members, President, Vice President). There were no changes during the year 2016-17.</p>	

FUTURE AGENDA ITEMS

FUTURE MEETING DATES

- **April 4, 2018**
- **April 18, 2018**
- **May 2, 2018**
- **May 16, 2018**
- **June 6, 2018**
- **June 20, 2018**

**CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE**

Quarterly Financial Status Report, CCFS-311Q

VIEW QUARTERLY DATA

CHANGE THE PERIOD ▼

Fiscal Year: 2017-2018

District: (850) MT. SAN ANTONIO

Quarter Ended: (Q2) Dec 31, 2017

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2014-15	Actual 2015-16	Actual 2016-17	Projected 2017-2018
Unrestricted General Fund Revenue, Expenditure and Fund Balance:					
A.	Revenues:				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	156,676,952	196,841,282	190,532,527	184,917,314
A.2	Other Financing Sources (Object 8900)	1,182,661	1,641,456	2,863,171	1,746,807
A.3	Total Unrestricted Revenue (A.1 + A.2)	157,859,613	198,482,738	193,395,698	186,664,121
B.	Expenditures:				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	152,168,354	177,078,966	188,056,312	206,342,624
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,420,594	14,973,751	2,418,946	3,118,901
B.3	Total Unrestricted Expenditures (B.1 + B.2)	153,588,948	192,052,717	190,475,258	209,461,525
C.	Revenues Over(Under) Expenditures (A.3 - B.3)	4,270,665	6,430,021	2,920,440	-22,797,404
D.	Fund Balance, Beginning	30,236,185	34,506,850	40,936,871	43,857,311
D.1	Prior Year Adjustments + (-)	0	0	0	0
D.2	Adjusted Fund Balance, Beginning (D + D.1)	30,236,185	34,506,850	40,936,871	43,857,311
E.	Fund Balance, Ending (C. + D.2)	34,506,850	40,936,871	43,857,311	21,059,907
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	22.5%	21.3%	23%	10.1%

II. Annualized Attendance FTES:

G.1	Annualized FTES (excluding apprentice and non-resident)	30,654	31,467	31,011	33,259
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III. Total General Fund Cash Balance (Unrestricted and Restricted)

		As of the specified quarter ended for each fiscal year			
		2014-15	2015-16	2016-17	2017-2018
H.1	Cash, excluding borrowed funds		69,303,817	74,428,189	73,438,428
H.2	Cash, borrowed funds only		0	0	0
H.3	Total Cash (H.1+ H.2)	48,219,136	69,303,817	74,428,189	73,438,428

IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
I.	Revenues:				
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	182,999,742	184,917,314	96,338,452	52.1%
I.2	Other Financing Sources (Object 8900)	1,744,807	1,746,807	1,830,788	104.8%
I.3	Total Unrestricted Revenue (I.1 + I.2)	184,744,549	186,664,121	98,169,240	52.6%
J.	Expenditures:				
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	204,872,498	206,342,624	85,632,532	41.5%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	2,088,901	3,118,901	2,736,807	87.7%
J.3	Total Unrestricted Expenditures (J.1 + J.2)	206,961,399	209,461,525	88,369,339	42.2%
K.	Revenues Over(Under) Expenditures (I.3 - J.3)	-22,216,850	-22,797,404	9,799,901	
L.	Adjusted Fund Balance, Beginning	43,857,311	43,857,311	43,857,311	
L.1	Fund Balance, Ending (C. + L.2)	21,640,461	21,059,907	53,657,212	
M.	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	10.5%	10.1%		

V. Has the district settled any employee contracts during this quarter?

YES

If yes, complete the following: (If multi-year settlement, provide information for all years covered.)

Contract Period Settled (Specify)	Management	Academic	Classified
	Permanent	Temporary	

YYYY-YY	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
a. SALARIES:								
Year 1: 2017-18							1,047,491	2%
Year 2:								
Year 3:								
b. BENEFITS:								
Year 1:								
Year 2:								
Year 3:								

* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

The Board of Trustees approved a 2.22% ongoing salary increase for Classified employees CSEA, Chapter 262 and a 2.32% ongoing salary Increase for Classified employees CSEA, Chapter 651. These increases are effective July 1, 2017 and have been funded from 2017-18 ongoing apportionment revenues.

VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)?

NO

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

VII. Does the district have significant fiscal problems that must be addressed?

**This year?
Next year?**

**YES
YES**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

Estimated one-time expenditures are over estimated one-time revenues. The College has made the decision to fund one-time expenditures with the prior year reserves that are a result of positive variances. In making that decision, the College achieved the mandated 10% Board policy reserves.

The economic position of the College is closely tied to the State of California. The significant increases in STRS and PERS employer contributions will affect the College in future years. The STRS employer rate will increase from 14.43% in 2017-18 to 19.1% in 2020-21, and the PERS employer rate will increase from 15.531% in 2017-18 to 25.10% in 2024-25.

CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE

Quarterly Financial Status Report, CCFS-311Q
CERTIFY QUARTERLY DATA

CHANGE THE PERIOD 
Fiscal Year: 2017-2018

District: (850) MT. SAN ANTONIO

Quarter Ended: (Q2) Dec 31, 2017

Your Quarterly Data is Certified for this quarter.

Chief Business Officer

CBO Name: Michael D. Gregoryk

CBO Phone: 909-594-5611

CBO Signature: 

Date Signed:

Chief Executive Officer Name: William Scroggins

CEO Signature: 

Date Signed:

Electronic Cert Date: 02/14/2018

District Contact Person

Name: Rosa M. Royce

Title: Chief Compliance/Budget Officer

Telephone: 909-274-5530

Fax: 909-274-2016

E-Mail: rroyce@mtsac.edu

California Community Colleges, Chancellor's Office
Fiscal Services Unit
1102 Q Street, Suite 4550
Sacramento, California 95811

Send questions to:
Christine Atalig (916)327-5772 atalig@cccco.edu or Tracy Britten (916)324-9794 tbritten@cccco.edu

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ACCREDITING COMMISSION FOR
COMMUNITY AND JUNIOR COLLEGES
WESTERN ASSOCIATION OF SCHOOLS AND COLLEGES

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Annual Fiscal Report
Reporting Year: 2016-2017
REVIEW

Mt. San Antonio College
1100 North Grand Avenue
Walnut, CA 91789

General Information

2. Confirm or enter the name of the District/System or Corporate/Parent Organization: **Mt. San Antonio College**
- a. Name of College Chief Business Officer (CBO) **Michael D. Gregoryk**
- b. Title of College CBO **Vice President, Administrative Services**
- c. Phone number of College CBO **909-274-4230**
- d. E-mail of College CBO **mgregoryk@mtsac.edu**
3. e. Name of District/System/Parent Company CBO **Michael D. Gregoryk**
- f. Title of District/System/Parent Company CBO **Vice President, Administrative Services**
- g. Phone Number of District/System/Parent Company CBO **909-274-4230**
- h. E-mail of District/System/Parent Company CBO **mgregoryk@mtsac.edu**

DISTRICT/SYSTEM DATA (including single college organizations)

Stability of Revenue

		FY 16/17	FY 15/16	FY 14/15
4.	a. Annual General Fund revenues from all sources (Operating Revenues, CCC Fund 10)	\$ 226,351,852	\$ 226,479,256	\$ 178,930,756
	b. Revenue from other sources (non-general fund)	\$ 75,441,105	\$ 76,793,467	\$ 73,253,557
5.	Net Beginning Balance (Using same fund as included in question 4)	\$ 43,225,913	\$ 36,170,414	\$ 31,744,630

Expenditures/Transfer

		FY 16/17	FY 15/16	FY 14/15
6.	Total annual general fund expenditures (Operating expenditures matching the same fund as included in question 4)	\$ 220,984,699	\$ 204,475,634	\$ 173,866,157
	b. Salaries and benefits (General Fund)	\$ 191,551,044	\$ 176,159,617	\$ 149,715,998
	c. Other expenditures/outgo (difference between 6a and 6b)	\$ 6,728,716	\$ 16,589,579	\$ 1,821,476

Liabilities

		FY 16/17	FY 15/16	FY 14/15
7.	Did the institution borrow funds for cash flow purposes?	No	No	No
	Total Local Borrowing	FY 16/17	FY 15/16	FY 14/15
8.	a. Short Term Borrowing (TRANSO etc)	0	\$ 0	\$
	b. Long Term Borrowing (COPs, Capital Leases, other long term borrowing):	0	\$ 0	\$
9.	a.	FY 16/17	FY 15/16	FY 14/15

	Did the institution issue long-term debt instruments during the fiscal year noted?	Yes	Yes	No
	b. What type(s)	General Obligation Bond Anticipation Notes	General Obligation Bonds and General Obligation Refunding Bonds	
	c. Total amount	\$ 89,996,003	\$ 39,440,000	\$ 0
10.	Debt Service Payments (General Fund/Operations)	FY 16/17 \$ 19,727,208	FY 15/16 \$ 18,384,899	FY 14/15 \$ 16,776,500

Other Post Employment

		FY 16/17	FY 15/16	FY 14/15
	a. Actuarial Accrued Liability (AAL) for OPEB:	\$ 105,366,963	\$ 105,366,963	\$ 107,412,110
	b. Unfunded Actuarial Accrued Liability (UAAL) for OPEB:	\$ 33,302,657	\$ 40,474,159	\$ 35,282,145
11.	c. Funded Ratio (Actuarial Value of Plan Assets/AAL)	% 68	62	67 %
	d. UAAL as Percentage of Covered Payroll	% 35	46	45 %
	e. Annual Required Contribution (ARC)	\$ -1	\$ 6,541,113	\$ 6,903,119
	f. Amount of annual contribution to ARC	\$ -1	\$ 2,500,000	\$ 2,500,000
12.	Date of most recent OPEB Actuarial Report (mm/dd/yyyy):	06/30/2017		
	a. Has an irrevocable trust been established for OPEB liabilities?	Yes		
13.		FY 16/17	FY 15/16	FY 14/15
	b. Deposit into Irrevocable OPEB Reserve/Trust	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
	c. Deposit into non-irrevocable Reserve specifically for OPEB	0	\$ 0	\$

Cash Position

		FY 16/17	FY 15/16	FY 14/15
14.	Cash Balance (Unencumbered cash): Unrestricted General Fund	\$ 83,825,411	\$ 73,996,060	\$ 49,313,704
15.	Does the institution prepare cash flow projections during the year?	Yes	Yes	Yes

Annual Audit Information

		FY 16/17	FY 15/16	FY 14/15
16.	Date annual audit report for fiscal year was electronically submitted to accjc.org, along with the institution's response to any audit exceptions:	12/06/17	12/12/16	12/03/15

NOTE: As a general rule, institutions will submit their audited financial statements to ACCJC no later than six months following the close of the fiscal year. A multi-college district may submit a single district audit report on behalf of all colleges in the district.

Summarize Material Weaknesses and Significant Deficiencies from annual audit report (enter n/a if not applicable):

17.	FY 16/17	None
	FY 15/16	None
	FY 14/15	None

Other Information

18.		FY 16/17	FY 15/16	FY 14/15
	a.			

	Budgeted Full Time Equivalent Students (FTES) (Annual Target):	32,096	30,466	29,003
	b. Actual Full Time Equivalent Students (FTES):	31,018	31,385	30,654
	c. Funded FTES:	31,018	31,385	30,269

	FY 16/17	FY 15/16	FY 14/15												
19.	Report the % of total tuition/fees received from federal financial aid programs (Title IV, HEA), if applicable:														
	0 %	0 %	0 %												
	a. During the reporting period, did the institution settle any contracts with employee bargaining units? Yes														
	b. Did any negotiations remain open? No														
	c. Describe significant fiscal impacts:														
20.	The Board of Trustees approved a 1% ongoing salary increase and an ongoing \$100 annual health and welfare increase for Faculty, CSEA 262, Management, CSEA 651, and Confidential employees, effective July 1, 2016. These increases were funded from 2016-17 ongoing apportionment revenues. The fiscal impact was \$1,817,537 for the General Fund.														
	a. College Data: Federal Financial Aid programs in which the College participates (check all that apply): Pell FSEOG FWS DIRECT														
21.	b. Changes in Federal Financial Aid Program Participation: Programs that have been DELETED: Perkins Loan Program Programs that have been ADDED:														
22.	<table border="1"> <thead> <tr> <th></th> <th>Cohort Year 14/15</th> <th>Cohort Year 13/14</th> <th>Cohort Year 12/13</th> </tr> </thead> <tbody> <tr> <td>College Data: USDE official cohort Student Loan Default Rate (FSLD) (3 year rate)</td> <td>10 %</td> <td>10 %</td> <td>12 %</td> </tr> <tr> <td>College Data: Were there any executive or senior administration leadership changes at the institution during the fiscal year?</td> <td colspan="3">No</td> </tr> </tbody> </table>				Cohort Year 14/15	Cohort Year 13/14	Cohort Year 12/13	College Data: USDE official cohort Student Loan Default Rate (FSLD) (3 year rate)	10 %	10 %	12 %	College Data: Were there any executive or senior administration leadership changes at the institution during the fiscal year?	No		
	Cohort Year 14/15	Cohort Year 13/14	Cohort Year 12/13												
College Data: USDE official cohort Student Loan Default Rate (FSLD) (3 year rate)	10 %	10 %	12 %												
College Data: Were there any executive or senior administration leadership changes at the institution during the fiscal year?	No														
23.	Please describe the leadership change(s)														

Go To Question #: 2 REVIEW/EDIT

The Annual Fiscal Report must be certified as complete and accurate by the CEO (Dr. William Scroggins). Once you have answered all the questions, you may send an e-mail notification to the CEO that the report is ready for certification.

Only the CEO may submit the final Annual Fiscal Report.

[Send e-mail Notification to CEO to certify report](#)

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