

1 09-05-18 Cerritos BOT  
2 [GAVEL]  
3 >> President Lewis: Good  
4 evening welcome and welcome to  
5 the first September meeting of  
6 the Cerritos College Board of  
7 Trustees. Today we will start  
8 with an invocation.  
9 >> Hi. This is my first time.  
10 (paused) (checking audio level)  
11 And I am part of the Dream Task  
12 Force, the AB 540 Task Force and  
13 the UndocuAlly Task Force as  
14 well and with the introduction  
15 we start off with a short poem  
16 and from the Liberty Museum in  
17 Philadelphia. Glass is the  
18 fragility in all of us and  
19 luminous and shadow without care  
20 and we're strong and powerful.  
21 We are reflections of our past.  
22 Like the sands of glass we can  
23 come together, help each other  
24 and accomplish amazing things

25 and take care of the beauty and

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1 everyone around you. Thank you.

2 [Applause]

3 >> President Lewis: Thank

4 you. Next we will have the

5 Pledge of Allegiance done by

6 Trustee Birkey.

7 >> [Off Mic].

8 >> I pledge allegiance to the

9 flag to the United States of

10 America and to the Republic for

11 which it stands, one nation

12 under God, indivisible, with

13 liberty and justice for all.

14 >> President Lewis: Roll call

15 please.

16 >> Board President Zurich

17 Lewis.

18 >> Here.

19 >> Board Vice President Shin

20 Liu.

21 >> Here.

22 >> Clerk Martha

23 Camacho-Rodriguez.

24 >> Present.

25 >> Carmen Avalos.

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1 >> She's coming late.

2 >> Okay. Member James Cody

3 Birkey.

4 >> Present.

5 >> Member Marisa Perez.

6 >> Present.

7 >> Member Sandra Salazar

8 absent. Student Trustee Phil

9 Herrera.

10 >> Present.

11 >> And President Superintendent

12 Fierro.

13 >> Present.

14 >> President Lewis: Next we

15 will go on to agenda

16 organization. Is there any

17 member of the board wishing to

18 reorganize the agenda in any way

19 noting that Item 16 is pulled

20 from the agenda because we

21 haven't received the grant from

22 the Office of Emergency Services  
23 from the Governor so no  
24 reorganization? Seeing none we  
25 will move to the comments from

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1 the audience. We will start  
2 with Lynn Wang on the topic of  
3 APITA.  
4 >> Hi. I am Lynn Wang and a  
5 third year faculty track  
6 counseling faculty here and it  
7 stands for Asian Pacific  
8 Islanders Americans and  
9 affiliates and my goal as a  
10 faculty member is hosts if  
11 groups so I can speak to faculty  
12 and staff and employees who  
13 identify as APITA and talk as a  
14 college we can improve our  
15 climate on campus and also  
16 support their work on this  
17 campus. Furthermore I am  
18 creating a brand-new club on  
19 campus and really to support the  
20 larger Asian American islander

21 and the American population as  
22 well. It's not just academic or  
23 identity drench but to provide a  
24 space for students to talk about  
25 sense of belonging and

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1 mentorship and me and Randy Lee  
2 are co-advisers for club so just  
3 wanted to have a conversation  
4 with you so you're also aware of  
5 the pipeline to diversity work  
6 that we're currently doing on  
7 this campus. Thank you.  
8 >> President Lewis: Thank you  
9 [Applause]  
10 >> President Lewis: Thank  
11 you. Next is Rosa Carrillo.  
12 >> Good evening everyone.  
13 [speaking Spanish]  
14 -- sorry I got excited there.  
15 My name is Rosa Carrillo and one  
16 of the full time counselors here  
17 at Cerritos College. I am  
18 actually currently the phase

19 three Puente counselor and work  
20 with the undocumented students  
21 here. Today I'm going to talk a  
22 little bit about the Latino X  
23 Awareness Month. As you know  
24 National Hispanic Awareness  
25 Month is upon us in October but

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1 we're doing a Latino X Awareness  
2 Month to be able to have  
3 inclusion for all of our Latinos  
4 here at Cerritos College. With  
5 the help of some of the campus  
6 community we are putting  
7 together a calendar and,  
8 actually have one with Andrea  
9 and a calendar we're still  
10 working on. Some of the  
11 activity and professor  
12 [INAUDIBLE] and doing one on  
13 Puerto Rico  
14 [speaking Spanish]  
15 so it's something he does that  
16 we start off every year. We're  
17 also going to be having part of

18 the Puente Club JD music with  
19 PWMD and an hour of Latino music  
20 specifically. We're going to  
21 have the History Department John  
22 Hoss who is bringing a rap  
23 artist and poet to campus.  
24 We're doing an art exhibit and  
25 cafe. We're culminating with

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1 the day of the dead event on  
2 October 30 and we're looking for  
3 other activities to include on  
4 here and we were able to secure  
5 some funding from ASCC but there  
6 is no committee on the campus  
7 that actually is hosting this,  
8 so this is something that we're  
9 doing on a volunteer basis so we  
10 hope that you all come out to  
11 participate in Latino X  
12 Awareness Month. Thank you.  
13 [Applause]  
14 >> President Lewis: Now we  
15 will take reports and comments

16 from a constituent group. Is  
17 there a constituent group  
18 wishing to give a report?  
19 >> I Want to let you know what  
20 is happening on the campus. We  
21 have the Latino X Awareness  
22 Month and a lot of events and  
23 debaters that are going to  
24 campus and debating some of our  
25 students and hosting also a

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1 panel to talk about Rwandian  
2 genocide and art exhibit outside  
3 the library also in September.  
4 There is great stuff happening  
5 on campus and the Senator  
6 elections. If you know students  
7 send them to ASCC. I know  
8 they're hoping to get more  
9 Senators and overall there is a  
10 lot going on campus and  
11 encourage to you stop by the  
12 Senate meetings and find out  
13 more.  
14 >> President Lewis: Thank

15 you. Stephanie Rosenblatt.  
16 >> Good evening. I just  
17 wanted to report that the union  
18 and the district met for  
19 negotiations last Friday and  
20 overall we felt like we have had  
21 a productive discussion. At  
22 this point and time our team is  
23 cautiously optimistic that we  
24 might be able to conclude this  
25 contract negotiations without

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1 having to go to mediation and  
2 that might be the first time.  
3 If that happens that might be  
4 the first time that happened and  
5 a really laudable accomplishment  
6 for us. I also think that this  
7 is probably as good time as any  
8 to publicly state philosophy of  
9 the federation and in a nut  
10 shell it's this. Equal pay for  
11 equal work. Equal respect and  
12 dignity for equal contributions

13 to our mission here at the  
14 college. So we as a group are  
15 not interested in creating a  
16 tiered health care system and  
17 new hires get lesser benefits  
18 than current employees. We  
19 don't understand why employees  
20 asked to sacrifice their  
21 standard of living in a year  
22 that we anticipate ending with  
23 at least six to \$8 million  
24 surplus. During the recession  
25 we didn't require furloughs and

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1 we were able to continue our  
2 health care coverage. During  
3 those years we saw significant  
4 increase in enrollment and now  
5 that the economy is better and  
6 there's more work for students  
7 we're seeing a decline in FTES  
8 which is a normal recognize to  
9 that situation but even when we  
10 have a decline in enrollment we  
11 almost always -- we've always

12 posted a surplus and why is  
13 that? Because three quarters of  
14 the instructors at this school  
15 are temporary employees. The  
16 size of the teaching force waxes  
17 and wanes with the demand and  
18 without the flexibility the  
19 system we're in wouldn't work  
20 but that temporary work force is  
21 exploited and the problem is  
22 structural and national and none  
23 of our fault but we can all  
24 recognize it's happening and we  
25 can do our part to try to fix it

Sample footer

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1 on this little patch of ground  
2 that we have control over.  
3 Equal pay for equal work. Equal  
4 respect and dignity for equal  
5 contributions to our mission.  
6 Our belief in equity drives the  
7 unions' push for parity. What's  
8 parity? It means that part time  
9 faculty are paid a percentage of

10 full time faculty pay based on  
11 the work they're doing for the  
12 college. At some colleges that  
13 based off 100% of the rate and  
14 others base it off 83%. Right  
15 now my colleague in the room,  
16 Bobby Lee Smart is paid 47% with  
17 someone with the same education  
18 and experience is paid right  
19 now. If you compare George  
20 Jarett and I and found out he  
21 was paid more than me because  
22 he's a tall dude and I get paid  
23 less because I am short we would  
24 be angry and you would fight to  
25 rectify that situation and we

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1 need to work to rectify the  
2 situation here, the exploitation  
3 of the part timers so while we  
4 recognize we can't afford to  
5 move to full parity right a way  
6 we don't want to bankrupt the  
7 college and it's not the  
8 college's fault but we can make

9 choices to move the system to  
10 more quality and more parity and  
11 do what we want here and that's  
12 what we want on the college  
13 equal pay for equal work and  
14 equal dignity to the  
15 contributions of the mission.  
16 Thanks.  
17 [Applause]  
18 >> President Lewis: Any other  
19 constituent group wishing to  
20 give a report? Seeing none we  
21 will move on our open session  
22 agenda and we will start with a  
23 presentation on the UndocuAlly  
24 Task Force.  
25 >> Hello again. I'm not going

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1 to touch the microphone today.  
2 So again as I said my name is  
3 Rosa Carrillo and along with  
4 Dr. Wang we're the Co-Chairs of  
5 the UndocuAlly Taskforce, and we  
6 just wanted to talk about why we

7 have a task force here at  
8 Cerritos College. Part of is we  
9 saw that as counselors, as staff  
10 and as Administrators, and  
11 faculty we saw there was a need  
12 to make sure that we reached out  
13 to our undocumented students,  
14 made sure we provided them a  
15 safe and confidential space so  
16 they can come and talk to us  
17 about some of the issues they're  
18 facing right now in the system  
19 -- in society that we live in  
20 but also we wanted to ensure  
21 that knew that they can continue  
22 their education even further  
23 than just community college and  
24 provided them the information  
25 they need so they can continue

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1 even with a career later on in  
2 their life so I just wanted to  
3 acknowledge some of the  
4 committee members that are here,  
5 so if you could just stand up

6 committee members so you could  
7 see that we're a diverse group.  
8 We come from CalWORKs. We come  
9 from financial aid. We come  
10 from EOPS. We have  
11 Dr. Hernandez who is part of the  
12 Clinical Psychology Division on  
13 campus and there's a lot of  
14 different allies here on campus  
15 and Lynn is going to talk about  
16 some of the our accomplishments  
17 that we have done this last  
18 year.  
19 >> Thank you Rosa so all of  
20 you have received a handout  
21 which is the golden rod handout.  
22 That's our accomplish as  
23 UndocuAlly Taskforce for  
24 2017-2018 school year. With the  
25 limited time I'm going to

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1 highlight a couple of items so  
2 one of the things we're most  
3 proud of is the UndocuAlly

4 trainings. So far we have  
5 trained about 75 staff, faculty,  
6 and administrators on this  
7 campus. We talk about federal  
8 laws. We talk about state laws.  
9 We talk about career options for  
10 undocumented students and what  
11 kind of support and resources we  
12 provide. Furthermore we  
13 actually have trained students,  
14 student leaders. Phil was one  
15 of the students who was trained  
16 and wearing his button today.  
17 We also train local high school  
18 counselors as well. We  
19 understand it's not just limited  
20 to our staff, our faculty here.  
21 It's important for our high  
22 school partners to understand  
23 what we offer at Cerritos  
24 College, so we've done that last  
25 October. Another thing I really

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1 want to highlight is our legal  
2 support services that we provide

3 here at Cerritos College. We  
4 receive funding from ASCC last  
5 academic year from the Pepsi  
6 vendor -- I guess contract, so  
7 we have enough funding to last  
8 us until the end of this  
9 academic year. What we normally  
10 do is we have a lawyer come to  
11 our campus anywhere from three  
12 to six hours a day. The lawyer  
13 can make -- the student can make  
14 individual appointments with the  
15 lawyer individually and  
16 discreetly and confidentially  
17 too. They would just sign up  
18 online. They don't have to  
19 provide any information for  
20 other people to see, the public,  
21 only myself who is the  
22 coordinator can see that  
23 information for safety. We also  
24 don't announce the location for  
25 the lawyers to meet just to

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1 protect the safety for our  
2 students. Our next legal  
3 session will happen September 27  
4 from Dennis Saub and do it pro  
5 bono and meeting with students  
6 about four hours a day and the  
7 appointments are about ten  
8 minutes each. Another -- I  
9 guess another accomplishment  
10 they want to talk about is our  
11 collaboration efforts, right,  
12 talking about alignment, talking  
13 about working together. I  
14 wanted to talk about as a task  
15 force we work together with  
16 Dream Club so Cesar is the  
17 co-president for the club. We  
18 work with them in terms of  
19 fundraising for events,  
20 T-Shirts. We fundraise about  
21 \$500 last academic year that we  
22 have given to students from the  
23 fundraising efforts. I want to  
24 talk about our collaboration  
25 with counselors. As you see

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1 myself, Rosa and Randy Lee who  
2 is the Career Counselor we meet  
3 with undocumented students we  
4 understand in terms of personal  
5 challenges and career outlook  
6 and et cetera. Lastly I want to  
7 highlight the effort for  
8 financial aid. Financial aid  
9 has been a huge support in this  
10 effort. They host California  
11 Dream Act application workshops.  
12 They also have completed  
13 publication in terms of the  
14 handout that you have right  
15 here, the four steps to college  
16 and financial aid. They have  
17 supported our students with book  
18 vouchers and emergency funds.  
19 So that's pretty much concludes  
20 our presentation for the day.  
21 There's a lot more  
22 accomplishments that we have  
23 accomplished so in the 2017-18  
24 school year and it's in the  
25 handout. If you have any

1 further questions feel free to  
2 reach out to us and we will host  
3 the next UndocuAlly training on  
4 November 9 from 8:30 a.m. to  
5 1:00 p.m. so should your  
6 schedule allow you can sign up  
7 on flex reporter. Thank you.  
8 [Applause]  
9 >> Just a couple of quick  
10 things too. We have been  
11 working with Dr. Fierro on  
12 probably trying to host a legal  
13 fair here on our campus for next  
14 semester, and then also a  
15 fundraiser for undocumented  
16 students because we do have a  
17 lot of students that are  
18 transferring and unfortunately  
19 they don't qualify for federal  
20 money and state money seems to  
21 be very limited so we want to  
22 make sure we provide that  
23 support to them and we also have  
24 a foundation account so if

25 anyone would like to donate to

Sample footer

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1 our foundation account that

2 helps to provide scholarships

3 for our students as well. Thank

4 you.

5 [Applause]

6 >> President Lewis: Thank

7 you. Next we move on Item five

8 and I will open the Public

9 Hearing for the presentation of

10 the proposed 2018-19 Adopted

11 Budget of the Cerritos Community

12 College District of Los Angeles.

13 [GAVEL]

14 >> Is there anybody wishing to

15 speak in favor of the proposed

16 budget? Is there anybody

17 willing to speak against such

18 budget? Seeing none I will

19 close the Public Hearing.

20 [GAVEL]

21 >> Thank you. Next we move to

22 the Consent Calendar items,

23 items 6-16 again noting that 16

24 has been removed as we do not

25 have yet the grant so I will

Sample footer

21

1 entertain a motion to approve

2 the Consent Calendar.

3 >> So moved.

4 >> President Lewis: So moved.

5 Is there a second?

6 >> Second.

7 >> President Lewis: Is there

8 any objection to the adoption of

9 said motion? Seeing none the

10 Motion carries. Item 17 the

11 informational item on the

12 College Coordinating Committee

13 minutes. I will entertain a

14 motion to receive and file.

15 >> Receive and file.

16 >> President Lewis: There's a

17 motion. Is there a second?

18 >> [Off Mic].

19 >> President Lewis: Seeing a

20 second. Any objection to the

21 adoption? Seeing none motion

22 carries. Number 18  
23 consideration of approval of  
24 amendment to the agreement for  
25 program and construction

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1 management services with  
2 Tildon-Coil Constructors Inc. I  
3 will take a motion to move or  
4 discussion?  
5 >> Marisa Perez: Sure I have a  
6 couple of comments and  
7 questions.  
8 >> President Lewis: Trustee  
9 Perez.  
10 >> Marisa Perez: Thank you  
11 for the opportunity to talk  
12 about this important item. I  
13 requested follow up information  
14 so I think that should be shared  
15 with the board and all it was a  
16 break down of how much we spent  
17 on construction management  
18 services and program management  
19 services each year since we  
20 hired Tildon-Coil, and talking a

21 little bit about the percentage.  
22 They get a percentage I think  
23 you said it was 4.9, the overall  
24 construction budget, so I just  
25 wanted to talk a little bit

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1 about that.  
2 >> Dr. Fierro: Absolutely.  
3 Thank you. So over the last  
4 eight years our contract with  
5 our current Construction Manager  
6 Tildon-Coil was first begun in  
7 2010-11 academic year.  
8 And to this point in 2017-2018  
9 academic year we have spent 26.5  
10 million dollars and those fees  
11 have been divided into different  
12 components, the CM, the  
13 construction management piece  
14 and the project management  
15 piece. The construction  
16 management piece is the standard  
17 fee of 4.9 based on the  
18 construction and every project

19 and fee of 4.9% is for  
20 Tildon-Coil for the construction  
21 management firm. It's important  
22 to clarify it's allocated on the  
23 on going project not the  
24 totality of the bond or  
25 construction budget and one

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1 building it's 4.9 and each  
2 building 4.9 from the total of  
3 the building so in other words  
4 the more buildings we have going  
5 at the same time they the higher  
6 the number will be and the lower  
7 number of projects the lower  
8 number will be. The current  
9 allocation of the PM, the  
10 project manager, is \$815,000.  
11 Essentially \$815,160 and it's  
12 \$67,930 per month and the last  
13 time we revised this 13 we did  
14 an allocation of an additional  
15 \$13,000 to bring to the current  
16 number and obviously this is  
17 based on the number of projects

18 that are on going at this  
19 particular time but the current  
20 number is set at 67,000 per  
21 month, roughly 67,000 per month.  
22 This is essentially our ability  
23 and their ability to execute the  
24 extension of the initial  
25 contracts and all new terms were

Sample footer

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1 negotiated here at the end of  
2 the two second year extension  
3 both parties will have the  
4 opportunity to renegotiate terms  
5 of contract.  
6 >> Marisa Perez: Great.  
7 Can Tildon-Coil elaborate on the  
8 amount of staffing this  
9 represents?  
10 >> Jimmy.  
11 >> So from the program and  
12 construction side they're  
13 intermingled across the day to  
14 day or month to month. There's  
15 a program executive who plugs in

16 and out part time basis and it  
17 really ramps up and down as  
18 needed. The fee doesn't change,  
19 so in times of heavy program and  
20 planning there's definitely more  
21 resources that go into that.  
22 They have a full time Program  
23 Manager, myself, a full time  
24 program Administrator, and then  
25 there's an array of construction

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1 management personnel that  
2 manage, engineer, administrate  
3 the different aspect once it  
4 moves from design and planning  
5 into day to day construction.  
6 That's Superintendents, project  
7 engineers, et cetera and that  
8 fluctuates based on the volume  
9 of work. We also have quite a  
10 depth of resources at our main  
11 office that are involved in most  
12 aspects of the project from  
13 pre-construction,  
14 post-construction and everything

15 in between.  
16 >> So I guess what you say an  
17 array of people I guess give me  
18 numbers in what that represents?  
19 >> We had on campus a staff of  
20 15 on average full time. That's  
21 been up as high as 22 full time  
22 depending on the demand. It  
23 hasn't dipped below 15 typically  
24 and then that doesn't count the  
25 probably five to ten more part

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1 time that are in and out of  
2 support staff from our main  
3 office on a regular basis.  
4 >> Okay. And then what's the  
5 -- if I were to divide 815,000  
6 by 4.9 I would arrive at the  
7 amount of total construction  
8 budget for the next two years?  
9 Is that right?  
10 >> No. They're two  
11 independent amounts. Basically  
12 what this extension is for the

13 program management component.  
14 The CM fee is a separate --  
15 >> Separate fee. Perfect.  
16 That makes more sense to me.  
17 >> Well I think that's unclear  
18 on the board report. That was  
19 some of my confusion because if  
20 you see what it says again in  
21 the item that we're adopting the  
22 money for both the construction  
23 management and the PM services,  
24 so --  
25 >> How much is that?

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1 >> So that is 4.5 million so  
2 if you total based on what the  
3 data as provided the project  
4 management services for this --  
5 well, for 2017-18 -- I guess  
6 this is last year -- were  
7 \$815,160 for PM services and the  
8 CM services were 4.5 million so  
9 when you total that dollar  
10 amount it's 5.3 million so are  
11 we approving that 5.3 million

12 here or are we just approving  
13 the \$815,160?  
14 >> We are approving the  
15 continuation of the contract and  
16 the value of the CM will be  
17 determined based on the cost,  
18 the total construction costs.  
19 The value of the PM is  
20 preestablish at 67,000 -- almost  
21 \$68,000 per month so it could be  
22 a little more than the \$4.5  
23 million on the CM depending on  
24 the cost of the next project.  
25 For instance the next one will

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1 be our fine and performing arts  
2 and that building is expecting  
3 to have a higher price tag than  
4 the current building and 4.9 out  
5 of that for the next two years.  
6 >> What's the anticipated  
7 expenditure over the next 24  
8 months?  
9 >> So the fix rate is the PM

10 which is \$815,160. Okay.  
11 That's for the PM service. The  
12 CM what we're approving is the  
13 percentage, 4.9 of any  
14 construction cost for any  
15 project.  
16 >> I understand. Against what  
17 though? Against how much --  
18 >> Of the construction of the  
19 total construction for the  
20 project.  
21 Right which is --  
22 >> For example, so if we had  
23 the performing arts and a  
24 \$60 million total construction  
25 cost 4.nine of that would be a

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1 little more than \$2.9 million so  
2 we can't come up with a total  
3 cost of the CM because we don't  
4 know the value of the  
5 construction projects at this  
6 point and that's why we adopt  
7 the percentage to each project's  
8 total construction costings.

9 >> But Vice President Lopez  
10 can you help us understand what  
11 the anticipated construction  
12 pipeline will be over the next  
13 24 months and the dollar amount  
14 so we can apply that 4.9 against  
15 something?  
16 >> Got it. Yeah. I can --  
17 >> Dr. Fierro: So the fine  
18 performing arts was budgeted at  
19 initially \$60 million. Correct?  
20 >> Yeah.  
21 >> Dr. Fierro: Sixty,  
22 \$65 million but the project just  
23 went out for bidding so based on  
24 the cost of construction and  
25 when this was projected it's

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1 very likely that the project  
2 come at least 10% higher if our  
3 projections of construction are  
4 true, so it could end up being a  
5 bid between 70, \$72 million and  
6 at that point we will have to

7 make the decision of whether or  
8 not we maintain this scope of  
9 the project or reduce to stay  
10 within budget. So just the  
11 estimate could be 4.9 out of the  
12 \$65 million, 3.1, \$3.2 million  
13 will be the CM for that project  
14 plus \$68,000 for all the project  
15 management needs for that  
16 project and any other on going  
17 project on campus, but let's say  
18 that at this point we still go  
19 to the phase three of the Health  
20 and Wellness Center and that is  
21 a three part building so by that  
22 point we're talking about  
23 another 15 to \$20 million.  
24 >> Yeah.  
25 >> That will be \$85 million

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1 times 4.9.  
2 >> [Off Mic].  
3 >> Dr. Fierro: An additional  
4 seven 35,000 on that so almost  
5 \$4 million on the CM and the

6 same cost on the PM that is the  
7 \$68,000 so the PM is constant  
8 throughout the year regardless  
9 of the construction and the CM  
10 will be based on that, so it  
11 could be roughly \$4 million on  
12 the cost of construction for the  
13 CM but the correct number will  
14 have once the bidding is  
15 completed.  
16 >> So we average 20 to  
17 \$25 million construction costs  
18 annually. So the 4.9 is of that  
19 amount on an annual basis.  
20 >> 20 to 25 but we've got a  
21 building that is \$75 million  
22 coming?  
23 >> Yeah, but that is --  
24 >> How long is that  
25 construction?

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1 >> Performing arts is three  
2 years.  
3 >> Okay.

4 >> Dr. Fierro: So for  
5 instance --  
6 >> That would be the only  
7 project over three and a half  
8 years between 20 and 25 million  
9 >> And the current Health and  
10 Wellness Center right now that  
11 is going on and that is -- we  
12 will finish phase one some time  
13 in January of 2019, and then we  
14 would then move into phase two  
15 of that construction project,  
16 and so and that has an estimated  
17 completion date of 20 --  
18 >> [Off Mic].  
19 >> 2020, in spring of 2020.  
20 >> All right. So that's only  
21 like a year and a half, so the  
22 15 -- I guess I am trying to do  
23 the math backwards here. We've  
24 got -- it sounds like it's going  
25 to be more than \$20 million a

Sample footer

1 year over the next two years.

2 >> Dr. Fierro: No. The

3 highest year has been  
4 \$5 million.  
5 >> Not in the past but  
6 currently. Upcoming we have  
7 \$20 million worth of projects  
8 per year, \$40 million. That  
9 steam seems like a low end  
10 estimate if we've got two major  
11 building projects and one is  
12 \$72 million over three years.  
13 >> Dr. Fierro: For the next  
14 three years it will be  
15 \$70 million to complete the  
16 projects.  
17 >> We have that plus \$8.5  
18 million project?  
19 >> Dr. Fierro: No. By the  
20 time we finish -- we already  
21 have construction on going, so  
22 we will have to finish this  
23 year. That will be phase of  
24 health and wellness and that has  
25 three phases so that will

Sample footer

1 continue through the next year  
2 while at the same time we go out  
3 for bidding on the Performing  
4 Arts Center and the construction  
5 on the ground will begin at that  
6 point, so by the time that  
7 building and the health and  
8 wellness is completed we're  
9 talking about probably somewhere  
10 in the neighborhood of  
11 \$70 million, and maybe a little  
12 higher than that depending on  
13 the cost of construction.  
14 >> Okay. I guess what I am  
15 trying to make sure -- because  
16 if I am doing the back of the  
17 napkin math correctly if it's  
18 \$25 million a year of  
19 construction that's \$1.25  
20 million annually that we're  
21 spending on CM services. I'm  
22 not sighing 4.9 is crazy. I  
23 know it kind of depends what  
24 you're comparing in the market  
25 but with \$1.25 million plus as

Sample footer

1 you said Jimmy these things are  
2 effectively the staffing is  
3 interwoven so I am trying to  
4 make sure with the 815 and that  
5 is over \$2 million annually that  
6 we're putting out on the street  
7 and I just want to get a sense  
8 of okay if we've got \$2 million  
9 and 15 folks working on it  
10 that's on an annualized basis  
11 that puts us at what? 125 a  
12 head? Is that like a fair  
13 estimate? Should we be -- I  
14 just want to make sure we can  
15 get as much we can for the  
16 money.

17 >> Dr. Fierro: Probably not  
18 understanding you correctly  
19 then. There are two separate  
20 fees. The PM --

21 >> I get -- yeah.

22 >> That's 815 and covers the  
23 staffing.

24 >> Right but 1.25 million plus  
25 815.

1 >> Yeah, the PM covers the  
2 staffing and the CM has  
3 everything to do with the  
4 bidding process, the managerial  
5 aspect of the CM and that's the  
6 one that is 4.9, so what we're  
7 talking about is average of four  
8 and a half million dollars a  
9 year, not 2.5.  
10 >> Yeah.  
11 >> [INAUDIBLE].  
12 >> I'm sorry. I think --  
13 >> 25 million.  
14 >> Yeah, I think just -- this  
15 item needs more background so I  
16 think that's part of the -- kind  
17 of confusion and I went back and  
18 looked at the board item and  
19 doesn't break it out and  
20 according to the agreement we're  
21 approving PM and CM services so  
22 I think this needs more  
23 background. I think the  
24 historical data is great but

25 also projecting forward we're

Sample footer

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1 signing this agreement for two  
2 more years. What does that mean  
3 dollar wise for the next two  
4 years and PM and CM services? I  
5 think that information needs it  
6 to be presented to us and the  
7 4.9% and I didn't see it and  
8 where is that?  
9 >> It's in the original  
10 agreement and let me get you the  
11 page number.  
12 >> Okay. So I think this just  
13 needs to be more clear because  
14 it's really not what -- we're  
15 not just approving \$815,000 a  
16 year. We're not.  
17 >> Dr. Fierro: We're  
18 approving.  
19 >> [INAUDIBLE] in general.  
20 >> It's millions of dollars.  
21 We should have additional  
22 background. I agree with  
23 Trustee Perez.

24 >> Dr. Fierro: You're

25 correct. You're approving 815

Sample footer

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1 for the PM and 4.9 for the cost

2 of construction for the CM. The

3 average has been about four and

4 a half million dollars, the

5 highest year which is this past

6 year 5.3, the lowest year 721.

7 >> Right. On average it's

8 \$5 million a year, on average;

9 right? So again it's \$5 million

10 a year that we're spending with

11 our bond funds so I think there

12 needs to be more clarity and

13 background for the board to make

14 good decision and stuff and

15 again this is something that the

16 voters voted on, and needs more

17 detail and I think again we have

18 a lot of new Board Members and

19 to this day it's still confusing

20 to me what the difference is

21 between PM and CM services and I

22 know Jimmy has spent much  
23 explaining it but when you bring  
24 it every two years we need to  
25 define it better and how you're

Sample footer

40

1 calculating the 815 and  
2 calculating the 4.9% of whatever  
3 dollar of the construction  
4 valley is.  
5 >> Just to add to that and  
6 what we get for that. Not that  
7 we're getting anything less but  
8 it's a big enough price tag I  
9 think merits some drilling down  
10 into is it and there's a lot of  
11 confusion on the numbers because  
12 if we have \$25 million a year of  
13 construction pipeline then if  
14 we're paying \$5 million a year  
15 in CM services that's  
16 \$100 million in construction  
17 pipeline, right, so we need to  
18 have a little bit more clarity  
19 on exactly how the numbers shake  
20 out.

21 >> So could we bring this item  
22 back to the board at the second  
23 September meeting because we  
24 have time because the amendment  
25 doesn't need to be executed

Sample footer

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1 until the 15th and bring that  
2 clarity and helpful for us at  
3 the next board meeting.  
4 >> Dr. Fierro: Just a  
5 clarification. How you picture  
6 and again for Trustee Birkey the  
7 data to be separated so we have  
8 the best possible presentation  
9 and explanation of the numbers.  
10 We can bring some trends. We  
11 can bring some individualized  
12 costing on either one but just  
13 to get it right how would you  
14 see this happening so I get more  
15 direction on that?  
16 >> I think we need a clear  
17 projection of what the  
18 anticipated projects are going

19 to be over the next 24 months  
20 that are directly related to  
21 this contract. We need to have  
22 an understanding of what the  
23 scope that is included in the PM  
24 services and what the CM  
25 services are, and we need to

Sample footer

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1 understand an overarching  
2 staffing plan that relates to  
3 these services because they're  
4 sudden services so it really  
5 depends who is doing what to  
6 provide the services. Right.  
7 There is no materials per se but  
8 rather intellectual time so we  
9 need to understand what is being  
10 offered in relationship to the  
11 anticipated expenditure numbers.  
12 >> Dr. Fierro: Does that  
13 sound good to you Trustee Perez?  
14 >> Marisa Perez: Yes it does.  
15 Thank you.  
16 >> Trustee Perez that  
17 percentage is on page 24 of the

18 original agreement 8.1 .2.  
19 >> Okay. Does is it make  
20 sense to include that every year  
21 if the number hasn't changed  
22 because it's hard to dig back.  
23 >> We can --  
24 >> Okay.  
25 >> Typically on the extensions

Sample footer

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1 we're only extending the time so  
2 that's really the change of the  
3 contract and all that stuff but  
4 we can definitely bring it back  
5 so it's more clear.  
6 >> Marisa Perez: Yeah.  
7 That's how the budget is being  
8 developed I think that would be  
9 helpful too. Thank you.  
10 >> Okay. Thank you.  
11 >> President Lewis: I will  
12 entertain a motion to postpone  
13 in item to the next meeting.  
14 >> Marisa Perez: So moved.  
15 >> President Lewis: Is there

16 a second.  
17 >> [Off Mic].  
18 >> President Lewis: Any  
19 objection to the said motion?  
20 Seeing none the item is  
21 postponed to our next board  
22 meeting. Item 19 the  
23 presentation and consideration  
24 of approval of the 18-19 Adopted  
25 Budget.

Sample footer

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1 >> [Off Mic].  
2 >> Dr. Fierro: See Dreamers  
3 check in the account courtesy of  
4 Vice President Lopez. It's a  
5 bet. So we will be --  
6 >> President Lewis: It's a  
7 bet. That explains everything.  
8 >> I'm going to use that from  
9 now on. What's wrong with you  
10 today? You haven't looked like  
11 you slept? It's a bet.  
12 >> Dr. Fierro: As long as we  
13 see a check in the account it  
14 works. So we had presentations

15 a couple of weeks ago and one in  
16 the morning and one in the  
17 afternoon. We covered the  
18 budget. Obviously the budget  
19 has changed significantly from  
20 the time that we prepared this  
21 to this final budget so this  
22 will look drastically different  
23 than the budget you saw when we  
24 had our last conversation when  
25 you gave us the temporary

Sample footer

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1 authorization in our initial  
2 budget presentation, and one of  
3 the biggest things that you will  
4 see is that we move from a  
5 formula that was showing us to  
6 essentially being a deficit to a  
7 formula that based on our  
8 outcomes and the new  
9 calculations from the  
10 Chancellor's Office lead into at  
11 this point a surplus, so  
12 historically we have had some

13 level of inconsistency with the  
14 COLA. I think in the earlier  
15 years of 2009 all the way to  
16 2012-2013 we did not receive the  
17 state allocated COLA and after  
18 that it has changed quite a bit.  
19 This year our COLA was 2.71 and  
20 we were allocated 2.71. There  
21 has been a lot of conversation  
22 about how the district using the  
23 COLA it receives from the state  
24 --  
25 >> Real quickly -- sorry.

Sample footer

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1 >> President Lewis. ...  
2 Trustee Birkey.  
3 >> James Cody Birkey: Could  
4 you explain what the acronym  
5 COLA means, what it represents  
6 and how it traditionally is  
7 utilized?  
8 >> Dr. Fierro: COLA is the  
9 cost of living adjustment and  
10 it's a formula and calculated  
11 during the budget year. The

12 formula produces a number how  
13 the May is doing, the  
14 availability of jobs, inflation  
15 and so on, so every year that  
16 number is produced. However, we  
17 are not guaranteed to receive  
18 that COLA from the state as  
19 represented in the first four  
20 years that we have summarized it  
21 so for instance 2009-10 the COLA  
22 based on the formula was a  
23 little over 4%, but the state do  
24 not allocate any COLA to the  
25 community college budget so in

Sample footer

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1 essence our budget stay flat  
2 during that period of time, so  
3 there were four consecutive  
4 years in which COLA was not  
5 allocated. However, the formula  
6 produced a COLA with exception  
7 of 2010-11 and the formula  
8 produced a negative number which  
9 is interesting.

10 >> So if I am -- sorry my  
11 background is in economics so  
12 effectively COLA is loosely  
13 associated with CPI and Consumer  
14 Price Index so effectively this  
15 is an inflation adjustment?  
16 >> Dr. Fierro: Correct. It's  
17 to keep pace with the cost of  
18 living.  
19 >> So if I get paid one amount  
20 one year and the paycheck is  
21 worth the same amount.  
22 >> Dr. Fierro: Theoretically  
23 Yes.  
24 >> Thank you.  
25 >> Dr. Fierro: So there's lot

Sample footer

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1 of conversation what is COLA and  
2 how it's used. We have COLA  
3 allocated and every year  
4 regardless whether or not the  
5 district negotiates any salary  
6 increases for any employee group  
7 there are costs that increase  
8 and step in column every year

9 with all employee groups with  
10 the exception of -- actually  
11 none -- with the exception of  
12 me, all the employee groups have  
13 a step up column so every year  
14 depending of whether they are  
15 within the column the salaries  
16 roll up one step. That is has  
17 an impact on the budget of about  
18 860,000 or the equivalent of 1%  
19 of our budget every single year.  
20 The STRS and PERS contributions  
21 are increasing over 1% every  
22 year and has to be absorbed by  
23 the institution which  
24 essentially increases our annual  
25 expenses by \$2 million and that

Sample footer

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1 is without counting any salary  
2 adjustments to any group at the  
3 institution. In this particular  
4 year the 2.71 is equal to \$2.5  
5 million. \$2.5 million add to  
6 that and subtract the \$2 million

7 on actual cost of operation --  
8 increased cost of operation and  
9 what we have left of that COLA  
10 number is essentially a little  
11 under half a million dollars.  
12 That is how the COLA is  
13 traditionally allocated so when  
14 we have a COLA like this year we  
15 can actually cover 100% of  
16 growing cost without counting  
17 any new expenditures.  
18 >> [Off Mic].  
19 >> Yes.  
20 >> What's the 625,980 for STRS  
21 and [INAUDIBLE] for PERS? What  
22 exactly is that?  
23 >> Dr. Fierro: So every year  
24 PERS and STRS we have to provide  
25 a contribution. Over the last

Sample footer

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1 year and all the way to 2021  
2 STRS and PERS are allowed to  
3 increase 1% a year over their  
4 current number. I will show you  
5 the current numbers in a little

6 bit, so based on the current  
7 contribution right now STRS  
8 contributions across employee  
9 groups that belong to them is  
10 625,000 and PERS \$522,000 and  
11 essentially that will be the  
12 break down of the cost per item  
13 on the percentage.  
14 >> These increased expense  
15 rates are based on previously  
16 agreed upon increases?  
17 >> These -- the STRS and PERS  
18 contribution was negotiated at  
19 the legislative level a few  
20 years back because of the under  
21 performance of each fund is  
22 believe that both STRS and PERS  
23 are currently under funded, so  
24 they cannot afford to cover  
25 their general obligations

Sample footer

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1 without increasing the  
2 contributions of all the local  
3 agencies. They receive

4 authorization through the  
5 legislative process to increase  
6 1% a year every year until 2021.  
7 In 2021 they have the ability to  
8 reevaluate whether or not they  
9 continue to increase but at this  
10 point they don't have to go back  
11 to the legislation. They could  
12 continue to increase 1% a year  
13 indefinitely after that.  
14 >> What about the step in  
15 column?  
16 >> That's prenegotiated with  
17 all employee groups, and has a  
18 limit, so depending the column  
19 that you're in you could have  
20 anywhere between six, 12, 15 --  
21 I can't remember the highest  
22 number but every year you roll  
23 one step until you hit the  
24 highest step in which at this  
25 point you no longer are eligible

Sample footer

1 for step unless you change  
2 column. In some employee groups

3 you have something called  
4 longevity and every so many  
5 years I think it's five and in  
6 the last step you receive  
7 additional compensation.  
8 >> Okay. So it seems like if  
9 I am reading this chart right  
10 the majority of the COLA  
11 allocation from the state is  
12 flowing to the employees?  
13 Correct?  
14 >> Dr. Fierro: In this  
15 particular situation that we  
16 have been fortunate to receive  
17 an allocation of COLA that is  
18 greater to our on going expenses  
19 Yes.  
20 >> So can I clarify on the  
21 step in column and you mentioned  
22 every employee gets a new step  
23 every year?  
24 >> Dr. Fierro: Not every  
25 employee but every eligible

Sample footer

1 employee so every employee not  
2 in the highest step in the group  
3 will receive an increase,  
4 correct.

5 >> I remember talking about  
6 that and the last step on the  
7 column.

8 >> Dr. Fierro: Correct.

9 >> Because there was no  
10 movement for the group. I  
11 remember for a while. What did  
12 we ever do with that group?

13 >> Dr. Fierro: UM -- I  
14 believe for faculty we increase  
15 -- two steps the last  
16 negotiation so we added a step,  
17 to the column and I don't want  
18 to misstate it and correct me if  
19 I am wrong and I believe for  
20 classified and the negotiation  
21 -- the prior I was is there was  
22 a step increase in some groups.

23 I can't remember.

24 >> [Off Mic].

25 >> Dr. Fierro: Not for

1 classified. So essentially to  
2 continue the movement you will  
3 have to add an additional step  
4 or the employee will be at that  
5 step indefinitely now and in  
6 some categories the employees  
7 could stay at that step and gain  
8 longevity and the longer they  
9 stay there they get additional  
10 compensation based on the  
11 longevity and obviously the  
12 commitment to the institution.  
13 For other groups you have the  
14 column for instance if you're a  
15 faculty member and have a  
16 master's degree and go to  
17 college and get a doctoral  
18 degree I can move from one  
19 column to the next and continue  
20 to drop down within the steps.  
21 All right. So another key  
22 assumption that we have is the  
23 full time faculty obligation  
24 number. This number is  
25 calculated by the state every

1 year based on enrollment and  
2 other mysterious variables so we  
3 have learned how to sort of  
4 guess some of the mysterious  
5 variables every year, and we  
6 anticipate that and then we  
7 corroborate that with the  
8 numbers from the state, so in  
9 one of our highest points of  
10 enrollment in 2016 had none of  
11 the number of faculty members.  
12 At this point we made the  
13 decision to hire about four  
14 faculty members, four, five  
15 numbers based on the FON number  
16 based on program need and the  
17 following we we're experienced a  
18 enrollment decline and  
19 consistent with this year and  
20 the FON number dropped to 284.  
21 FON numbers traditionally do not  
22 drop but apparently enough drop  
23 in enrollment across the state  
24 the Chancellor's Office

25 considered those numbers, and

Sample footer

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1 our current projection for 2018  
2 is 285. Right now we are below  
3 that FON number because of the  
4 SERP so we're anticipating to  
5 hire ten faculty members next  
6 here to hit the FON number as it  
7 was agreed upon when the SERP  
8 was approved by the Board of  
9 Trustees. So our contribution  
10 rates as I was mentioning  
11 earlier are illustrated in this  
12 slide and we are hoping that by  
13 2020 or 2021 STRS and PERS have  
14 had the good fortune of growth  
15 of revenue enough they will  
16 cease to increase the 1% every  
17 year because our contributions  
18 have changed significantly since  
19 2013-2018 and will continue to  
20 change to 2021 so we used to  
21 contribute 8% and by the time  
22 that we finish in 2021 we will  
23 be contributing 10.25 percent on

24 the employee side and in the  
25 employer we will be switching

Sample footer

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1 from 8.25 percent to 19.1% so  
2 essentially \$19 per every  
3 hundred dollars of salary that  
4 someone earns. This is a  
5 problem that is not just an  
6 issue here at Cerritos College.  
7 This is an issue essentially  
8 across the state and it's a huge  
9 problem that our legislators and  
10 I guess Governor will have to  
11 address in the near future which  
12 is the sustainability of  
13 funding. It is quite a bit  
14 unrealistic for them to continue  
15 to pass cost to all their  
16 institutions without having some  
17 sort of either funding in the  
18 background or some sort of  
19 regulation that stops the  
20 increase by the fund holders.  
21 In CalPERS we have a similar

22 situation. We have gone from  
23 11% and in 2021 we will go to  
24 20.4 percent and this year we  
25 are going to be at 15.53%.

Sample footer

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1 Again it is a growing concern  
2 across the state both funds  
3 CalPERS and CalSTRS.  
4 Unfortunately it's a problem  
5 that is going to take quite a  
6 bit to solve and those two funds  
7 are probably the largest pension  
8 funds across the United States.  
9 On the key assumptions we have  
10 made it's just essentially the  
11 calculation of our cost and  
12 statutory benefits, and since  
13 our average salaries will change  
14 at the point when we finish  
15 negotiations with all of our  
16 campus constituents we have  
17 presented to you the percentage  
18 of the impact on this slide so  
19 Academic Administrators and  
20 essentially all the academic

21 personnel will receive a  
22 contribution of 19.18% of their  
23 salary on top of their salary so  
24 essentially again for every  
25 hundred dollars we spend we

Sample footer

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1 contribute 20 to statutory  
2 benefits and for our classified  
3 team we will contribute 27.16%  
4 in all our statutory  
5 contributions. These are costs  
6 are are absorbed and allocated  
7 by the district.  
8 >> Next time can we have the  
9 previous year.  
10 >> Dr. Fierro: Yeah we can  
11 have the previous year.  
12 >> Just so we know.  
13 >> Dr. Fierro: I think I have  
14 a pie chart coming up but Yes.  
15 >> [Off Mic].  
16 >> Dr. Fierro: That is the  
17 contributions that is made to  
18 the retirement account of our

19 part time faculty so they don't  
20 necessarily participate in the  
21 same way as our full time  
22 faculty but there is a  
23 contribution. And depending on  
24 [INAUDIBLE] there is an  
25 accumulation of I think they

Sample footer

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1 call them credits and depending  
2 how many they get so frequently  
3 and accumulate years of service  
4 like everyone else.  
5 >> [Off Mic] [INAUDIBLE].  
6 >> Dr. Fierro: Yes, 3.75%.  
7 >> [Off Mic].  
8 >> Dr. Fierro: No, I will  
9 have to get you the number  
10 because this is based on the  
11 total salary allocation to the  
12 part time faculty so I will have  
13 to get you the number. So our  
14 enrollment as I mentioned  
15 earlier has fluctuated to being  
16 nearly 18,000 FTES when summer  
17 switch was a good option for the

18 institution probably in 2014 or  
19 13 there was a decision knead to  
20 switch the summer enrollment and  
21 increase the base and capture  
22 additional dollars but since our  
23 economy has slowed down  
24 enrollment has slowed -- our  
25 economy has sped up and our

Sample footer

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1 enrollment had slowed down so we  
2 have been maintaining an  
3 enrollment of roughly 16,800  
4 FTES so projection calculations  
5 and enrollment plans are being  
6 modified right now to be 16,800.  
7 It is a good time to do this  
8 because of the new funding  
9 formula. We have three years  
10 which we're funded at our  
11 highest average that we had over  
12 the last couple of years, so  
13 it's a good time to work on the  
14 enrollment figure. The other  
15 reason it's a good time to work

16 on the enrollment figure is  
17 because the cost of enrollment  
18 is decreasing by five and 10%  
19 over the next couple of years.  
20 Our current FTES a little bit  
21 over \$5,000 and by the time the  
22 funding formula is implemented  
23 the cost of the FTE will be  
24 around \$3,400. However, we will  
25 get additional compensation

Sample footer

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1 based on our completions and  
2 based on the supplemental grants  
3 that the other 20% of the  
4 formula, so enrollment as a raw  
5 number is becoming less  
6 important, but we cannot let it  
7 drop less than the 16,800 and  
8 that will have impact on the  
9 other numbers.  
10 >> You said the cost of  
11 enrollment is going down?  
12 >> Dr. Fierro: The cost of  
13 FTE and the state used to fund  
14 100%.

15 >> [INAUDIBLE] [Off Mic].

16 >> Dr. Fierro: Correct.

17 >> Thank you.

18 >> Marisa Perez: Going back

19 to the stability so are we in

20 year two then?

21 >> Dr. Fierro: We're out of

22 stability.

23 >> We're out.

24 >> Dr. Fierro: So we will

25 have in the old formula you will

Sample footer

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1 have three years to get back to

2 normal so you have the

3 stability. Then you set a

4 second benchmark and you will

5 try to either get back to the

6 highest benchmark or stay in the

7 new benchmark.

8 >> Okay.

9 >> Dr. Fierro: Since the new

10 funding formula does not have

11 that component any longer we're

12 setting our benchmark at 16,800

13 and trying to maintain that  
14 enrollment or higher and work on  
15 the other 40% of the formula  
16 which is the supplemental grant  
17 and the graduation rates.  
18 >> So we need to maintain  
19 16,800 FTES over the next two or  
20 three years in order to maintain  
21 the same level of funding? Is  
22 that right?  
23 >> Dr. Fierro: So over the  
24 next three years and beyond.  
25 >> So this is year one.

Sample footer

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1 >> Dr. Fierro: This is year  
2 one.  
3 >> So what happens at the end  
4 of third year and we don't have  
5 amount of FTES?  
6 >> Dr. Fierro. We're  
7 allocated based on the average  
8 and it's the average.  
9 >> Okay. Thank you  
10 >> And the other funding source  
11 is the out perform in the other

12 areas.  
13 >> Dr. Fierro: And the other  
14 funding sources are the  
15 supplemental grants and the  
16 graduation rates so when I  
17 mention the focusing exclusively  
18 on enrollment it's no longer the  
19 key. It is really no longer the  
20 key because the value of that is  
21 decreasing quite a bit, and the  
22 allocations right now based on  
23 the funding formula could grow  
24 unlimitless if we do really,  
25 really well on graduation rates

Sample footer

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1 and making sure that all of our  
2 students file for FAFSA and so  
3 on and we can definitely  
4 increase the funding that way.  
5 So right now we are budgeting  
6 for 672 positions so when you  
7 look at the budget it's under  
8 the assumption that all of those  
9 positions are filled. During

10 the year obviously it takes time  
11 to hire the positions. During  
12 those times you produce vacancy  
13 savings. Some of the positions  
14 are kept open and produce  
15 vacancy savings so the  
16 projection that you see before  
17 you in the next few slides are  
18 projections that are under the  
19 assumption that every single one  
20 of the positions is hired for  
21 the entirety of the year and we  
22 will spend every budget line.  
23 >> How many adjunct faculty  
24 members does this assume?  
25 >> Dr. Fierro: Roughly we

Sample footer

66

1 hire 600, 400 -- 600 depending  
2 on the number of courses, and  
3 the need.  
4 >> [Off Mic].  
5 >> Dr. Fierro: Depending on  
6 the semester, yes. So the cost  
7 of allocation of 1% on salary  
8 increase across all groups on

9 campus including statutory  
10 benefits is \$998,000. If you  
11 round it up every percent that  
12 is distributed on salary and  
13 benefits across all groups will  
14 be a million dollars. And the  
15 calculation has been done again  
16 based on the assumption, the 672  
17 positions are filled and the  
18 adjustments of that 1% are made  
19 to all salary tables. So on  
20 this particular slide you will  
21 see how the General Fund is  
22 distributed within the  
23 institution, so \$49 million are  
24 allocated on academic salaries.  
25 Classified salaries about 21 --

Sample footer

67

1 nearly \$21 million. Employee  
2 benefit is about 30% of the --  
3 \$29 million -- nearly 30% of the  
4 total expenditures of the  
5 institution. We have been able  
6 to produce about 650,000 on

7 vacant positions and some of the  
8 positions they are either left  
9 open the whole year, or are  
10 hired -- some delay in hire and  
11 essentially the dollars that we  
12 use for operations that are  
13 outside of salary are roughly  
14 \$7 million,.  
15 >> So we only have a million  
16 dollars in capital out lay ;  
17 right?  
18 >> Funded by the General Fund.  
19 >> Dr. Fierro: Funded by the  
20 General Fund, Yes.  
21 >> So in some sense the campus  
22 renewal that we're under going  
23 because of the bond going out so  
24 that mean -- sort of saves us;  
25 right? The size of our campus to

Sample footer

68

1 have only a \$1 million capital  
2 outlay and we're benefiting from  
3 the construction of new  
4 facilities.  
5 >> Dr. Fierro: Yeah, that

6 decreases the backlog. We have  
7 other ways to provide some level  
8 of maintenance to the  
9 institution, but out of the  
10 General Fund is strictly only  
11 \$1 million on capital outlay.  
12 >> I mean because if we were  
13 in [INAUDIBLE] we would need to  
14 find money from the other  
15 categories -- [INAUDIBLE].  
16 >> Actually -- sorry, I just  
17 stepped on the cord.  
18 >> It's okay.  
19 >> Actually that capital  
20 outlay -- the majority of that  
21 is focused on equipment  
22 replacement, not necessarily  
23 construction --  
24 >> Deferred maintenance.  
25 >> Yeah, deferred maintenance

Sample footer

69

1 dollars are in the restricted  
2 fund. They're tracked  
3 separately. They're not part of

4 this actual budget line here.  
5 >> Repair and O&M costs.  
6 >> Yes, so we get allocated from  
7 the state deferred maintenance  
8 costs. I think our allocation  
9 this year is about a little over  
10 \$400,000 and we use nearly 100%  
11 of that for on going maintenance  
12 --  
13 >> [INAUDIBLE] (talking over  
14 one another).  
15 >> Yeah. Not enough to go  
16 across the aging buildings and  
17 AC and repairs and yes we use a  
18 combination of the deferred  
19 maintenance funds. We always  
20 have set aside some capital  
21 outlay dollars in that fund for  
22 to fund those particular  
23 upgrades and stuff, but most of  
24 our renovation projects that we  
25 do that we try to address to

Sample footer

1 modernize our campus funded  
2 through our bond.

3 >> Thanks.  
4 >> So I will take it over from  
5 here, and I will assist in  
6 addressing this, so here's just  
7 another break down similar to  
8 the pie chart I provided  
9 earlier. At the top we have our  
10 total revenue source of one  
11 \$15.6 million of revenues that  
12 we anticipate receiving this  
13 year based on the new funding  
14 formula with a total providing  
15 us a total surplus at the end of  
16 the year with a little more than  
17 5.7 million dollars this year so  
18 same format broken down by major  
19 object code category from  
20 academic salaries, classified  
21 salaries, employee benefits,  
22 supplies and materials, other  
23 operating and our capital outlay  
24 and interfund transfers and also  
25 our vacant positions. So one

Sample footer

1 important slide that we wanted  
2 to address because we are  
3 actually have to implement this  
4 is a new GASB. It stands for  
5 Government Accounting Standards  
6 Board. 73 and 74 amended GASB  
7 statement number 45 which  
8 required us to book the annual  
9 -- what they call the ARC,  
10 Annual Required Contribution,  
11 related to our other post  
12 employment benefits.  
13 There is an accounting change  
14 this year which would require us  
15 now to book the entire -- what  
16 they call unfunded liability on  
17 there, so we wanted to present  
18 that to you of what that would  
19 look like, so as of June 30,  
20 2018 we have set aside  
21 approximately a little more than  
22 \$14 million to fund our OPEB  
23 obligation, and then the next  
24 two lines are our previous  
25 actuarial which we will going

Sample footer

1 off and previous a little under  
2 16.2 million dollars and we  
3 updated our new study this year  
4 which then the actuarial report  
5 came back and the unfunded  
6 liability increased to a little  
7 more \$21.2 million.  
8 >> Why the 30% plus increase?  
9 >> Again that's -- the  
10 majority of that they look at  
11 increase in health cost,  
12 increasing age rates, R and Rs,  
13 just a number of factors and  
14 assumptions, looks at our  
15 overall population, our overall  
16 age of our staff --  
17 >> How do you get 30% older in  
18 a year?  
19 >> It's not just age. There's  
20 a number of factors on this and  
21 so you know people living  
22 longer. There's a number of  
23 components on this, and so we're  
24 required to get this study  
25 updated every two years, and so

1 this is kind of the results of  
2 it. It also depends on now what  
3 they call a -- it's a -- I  
4 forget the actual terminology  
5 but a factor that has to be  
6 applied to this which basically  
7 significantly changes the  
8 overall liability on that. I  
9 can't believe -- I would have to  
10 get back to you on that but  
11 there's a particular factor  
12 within the guidelines to that  
13 the actuarial uses in the  
14 calculation and corrected to the  
15 increase of this number.  
16 >> Dr. Fierro: We also have a  
17 presentation scheduled for the  
18 second meeting in September in  
19 which we are going to cover this  
20 topic, and the increasing cost  
21 of STRS and PERS so we will have  
22 additional information on the  
23 factors and how the calculation  
24 is done on this particular item

25 in addition of an explanation of

Sample footer

74

1 the STRS and PERS obligations.

2 >> On that note several years

3 ago the former Vice President

4 recommended that we fully fund

5 the OPEB liability of the I

6 remember this discussion. I

7 still don't know why so when you

8 get that information if you

9 could explain it exactly what it

10 is. You don't have to tell me

11 now because we're going to I

12 have a Study Session on that.

13 keep on moving and why we would

14 do that and what the benefit is

15 and what the benefit to our

16 employees? That's one thing I

17 wasn't sure.

18 >> Yeah. We can definitely

19 explain that in the

20 presentation.

21 >> Thank you.

22 >> Again this is just

23 illustration on that so as we

24 move forward with the 17-18

25 audit you will see this

Sample footer

75

1 liability of the \$21.2 million  
2 in the report on there but I  
3 just wanted for illustration  
4 purposes for you. Again here's  
5 some things to note that  
6 affected the 2019 and kind of  
7 looking beyond and some  
8 considerations on there.  
9 Obviously from a revenue  
10 standpoint the funding formula  
11 is the biggest key thing. We're  
12 year one of the funding formula  
13 change so it's always you know  
14 angst to see how we're going to  
15 fair in the years to K currently  
16 the funding formula puts you in  
17 a good position. FTES isn't  
18 going to be the main driving but  
19 still a big component of it and  
20 represents 70% of our funding.  
21 They threw a wrinkle into it by

22 using the three year average so  
23 even if you bump up one year  
24 you're not going to get that  
25 benefit of it because again they

Sample footer

76

1 average you over a three year  
2 period, but it also saves you on  
3 the downturns when you spike  
4 down you're saved over that  
5 three year average as well so we  
6 think as the funding formula  
7 exists today we should benefit  
8 from it, but again we will kind  
9 of wait and see how the funding  
10 formula really takes into place  
11 over the next couple of years,  
12 and then just some on going  
13 costs that you know obviously  
14 with the minimum wage increases  
15 and at the bottom a notation  
16 regarding the cost savings that  
17 we have incorporated in the  
18 budget with the implementation  
19 of the SERP. Again to remind  
20 you we had a total of 71

21 employees taking the SERP. 34  
22 faculty, 32 classified staff,  
23 non management which also  
24 included confidential as well,  
25 and then five management

Sample footer

77

1 positions which has  
2 approximately a \$9 million cost  
3 savings over a five year period,  
4 and so again those elements have  
5 been incorporated into the  
6 budget, and what you're seeing  
7 today as definitely benefited  
8 from implementing the SERP. So  
9 one of the items that you're  
10 probably seeing for the first  
11 time here in this presentation  
12 -- this is something we  
13 developed new. One of the  
14 things again as we looked at our  
15 processes, looked at our  
16 planning processes and also  
17 accreditation once we you know  
18 our college plan goes to

19 planning and budget for approval  
20 the next process after that it  
21 goes to Executive Council for  
22 the review of what is in that  
23 college plan and you see then  
24 sets up prioritization and funds  
25 that so one of the things that I

Sample footer

78

1 saw that really didn't happen is  
2 after that we didn't have a  
3 reporting out what EC done so  
4 here's the example of what we --  
5 what EC has funded. This was  
6 also brought back to the  
7 planning and budget during our  
8 last meeting and also posted to  
9 our planning and budget website,  
10 and so here it looks like it  
11 looks at all the campus wide  
12 what they call tier one which is  
13 the highest priorities and this  
14 is developed from all areas  
15 across the board. When areas  
16 and departments make their  
17 budget requests so from here I'm

18 going to look at summarize the  
19 total so for the General Fund  
20 resource allocation \$976,000  
21 worth of budget requests were  
22 approved and already  
23 incorporated in the budget that  
24 we presented to you. \$900,000  
25 worth of capital outlay requests

Sample footer

79

1 have been approved. These are  
2 one time allocation requests  
3 were approved . This is funded  
4 from our capital outlay fund.  
5 They're non General Fund  
6 dollars, and then also there was  
7 \$140,000 worth of resource  
8 allocations that were approved  
9 related to the restricted  
10 General Fund. And then also  
11 related to the restricted  
12 General Fund there were another  
13 nine -- sorry it's so small.  
14 \$987,000 worth of resource  
15 allocations that were also

16 approved that are funded by the  
17 restricted General Fund.  
18 >> So these are mostly  
19 tutoring and related  
20 expenditures?  
21 >> Yeah, they're kind of a mix  
22 bag of different things. Some  
23 of them related to trainings, to  
24 tutoring, a number of tutoring  
25 aspects, various programs across

Sample footer

80

1 the student service arena.  
2 >> So who receives this  
3 tutoring? Is it related to --  
4 >> So depending which tutoring  
5 you're looking at it could be  
6 fund out of the student equity  
7 dollars that we receive, and  
8 then --  
9 >> Which student demographics  
10 do you think it impacts?  
11 >> Dr. Fierro: Any student  
12 that wants to attend a tutoring  
13 session.  
14 >> All tutoring? Okay. Is

15 there one that relates to first  
16 generation students or Dreamers  
17 or anything?  
18 >> [Off Mic].  
19 >> Obviously they're all open.  
20 >> [Off Mic].  
21 >> Okay.  
22 >> [Off Mic].  
23 >> Yes.  
24 >> The first one, the campus  
25 police vehicle. The very first

Sample footer

81

1 item. Is that a clean fuel  
2 vehicle? Purchase new patrol  
3 car, item for 42,000.  
4 >> I will sell you my Prius  
5 for 42,000.  
6 >> So that is something we're  
7 looking for so we're currently  
8 working on the plan for this.  
9 This is to replace one of the  
10 aging police vehicles that we  
11 have on campus that has been  
12 constantly in the repair shop so

13 we are spending a significant  
14 amount of dollars on repair  
15 costs on that. We have not been  
16 looking at energy efficient  
17 vehicles for this purpose. We  
18 are looking at our --  
19 >> [Off Mic].  
20 >> On our current --  
21 >> I'm going to stop you right  
22 there and we actually adopted a  
23 Sustainability Plan where we  
24 talked about moving any purchase  
25 for vehicles has to be

Sample footer

82

1 alternative fuel --  
2 >> Tesla would be good.  
3 >> Again there's --  
4 >> [Off Mic].  
5 >> There's a lot of patrol  
6 cars tested right now with  
7 alternative fuel vehicles all  
8 across Southern California and I  
9 would hate to purchase a car  
10 knowing there is technology that  
11 has been already tested and that

12 we could use on campus.  
13 >> Dr. Fierro: You're  
14 absolutely correct.  
15 >> That's not good --  
16 >> Dr. Fierro: You're  
17 absolutely correct and I asked  
18 them to do research on that and  
19 one of the vehicles tested and I  
20 asked them to research was the  
21 Ford fusion. Ford fusion  
22 actually L APD was testing some  
23 of those and tested at the time  
24 of the research only for  
25 detective work, not for police

Sample footer

83

1 work just yet, and I am very  
2 insistent on that just like you.  
3 >> I would definitely like to  
4 tell my employer --  
5 >> [INAUDIBLE].  
6 >> Dr. Fierro: Electric  
7 vehicle. One of the issues  
8 which we did the research on the  
9 fusion and we also check I think

10 the Toyota RAV I believe is also  
11 a hybrid. Some of those is the  
12 suspension and set up for police  
13 work. None of those vehicles  
14 right now are being set up with  
15 full cages and gun racks and so  
16 on, so the compromise last time  
17 was the internal patrol electric  
18 vehicle that we did for parking  
19 enforcement. That was a  
20 compromise that we --  
21 >> Did we purchase the volt?  
22 >> We purchased the Chevy  
23 spark, something like that. it  
24 was fully electric, but as you  
25 said they're being tested. The

Sample footer

84

1 only issue right now is none of  
2 those are being equipped with  
3 the cages and so on, so this  
4 will be to replace an actual  
5 patrol car but we will continue  
6 to do that research for fuel  
7 efficiency and hopefully what I  
8 would like to see actually is a

9 fully electric vehicle as a  
10 police car.  
11 >> Yeah I would definitely  
12 look into it more and I am 100%  
13 sure there are patrol cars  
14 equipped for that that we have  
15 been testing at city Police  
16 Departments across L.A. County  
17 now and I can't imagine their  
18 public safety needs are much  
19 different than ours and I would  
20 definitely look into that and  
21 again that's where the future is  
22 and I would hate to use any of  
23 the General Fund money on that.  
24 >> Plus the acceleration is  
25 awesome in those.

Sample footer

85

1 >> We can look into --  
2 >> You can get a basic Tesla  
3 for \$35.  
4 >> Yeah --  
5 >> No gun rack.  
6 >> The only thing with going

7 to a car that I would caution  
8 and the reason we're moving away  
9 with the current models that we  
10 still have one of our dodge  
11 chargers on campus that one had  
12 numerous suspensions problems  
13 and you know when I looked at  
14 that and looked at the data and  
15 looked at how many miles they're  
16 driven and they're only  
17 patrolling the campus and not  
18 driving that far but you soon  
19 realize since we have 24 hour  
20 service the cars run 24 hours a  
21 day and we have a number of  
22 speed bumps and until you start  
23 looking at it run over a speed  
24 bump 100,000 times on a car the  
25 suspension is going to go pretty

Sample footer

86

1 quick. That's the primary  
2 reason why we upgraded and went  
3 to the Ford explorers that you  
4 currently see on campus just  
5 because they're a lot tougher

6 suspension and chassis and  
7 they're not necessarily prone  
8 and can with stand going over  
9 speed bumps time after time on  
10 that and that's the only caution  
11 on that. We will definitely  
12 look to see if we can go  
13 alternative fuel on that, but  
14 that's our only hurdle and  
15 challenge.  
16 >> I think that's a great  
17 point and if I could loop that  
18 into what Trustee Perez said.  
19 As somebody who owns a hybrid  
20 these cars last a lot longer --  
21 electric vehicles last a lot  
22 longer so if we're going to run  
23 it so many miles for so long.  
24 >> It seems like a better  
25 long-term investment.

Sample footer

87

1 >> Okay.  
2 >> Suspension not with  
3 standing but the internal engine

4 mechanism.

5 >> Okay.

6 >> My other question is on the

7 Vintage the one time resource

8 allocation.

9 >> You jumped ahead.

10 >> We're not there?

11 >> No, we can talk about it.

12 We're there now.

13 >> I am scrolling and I was

14 excited and wanted to know about

15 the Student Equity Funds for

16 advertising /security route and

17 that's the first question and

18 the second question is on

19 Vintage. Award 830,000 out of

20 Vintage what's the fund balance

21 there? Those are my two

22 questions. I'm sorry. I'm

23 already done.

24 >> Okay. Let me go back to --

25 I believe you're talking about

Sample footer

1 the 45,000 on HR and maybe if I

2 can get assistance from our VP

3 of HR to explain a little bit  
4 the use of those dollars? .  
5 >> I think Trustee Perez is  
6 referring to this.  
7 >> [Off Mic].  
8 >> For advertisement and --.  
9 >> Yes.  
10 >> So we currently have under  
11 the General Fund some money  
12 assigned for recruitment, but we  
13 have in the last year similar  
14 money from the student equity to  
15 help advertise and target  
16 certain groups to increase the  
17 number of applicants of minority  
18 groups, so this is something  
19 that I echo your feeling. It's  
20 very exciting to have this extra  
21 money to do the targeting  
22 recruitment.  
23 >> Were you going to ask if we  
24 can increase it?  
25 >> [Off Mic].

Sample footer

1 >> President Lewis: Is that a  
2 rhetorical question?  
3 >> I Was excited it was in  
4 there and the path as a board to  
5 move forward on this important  
6 issue of diversity in hiring and  
7 every time I see this I think as  
8 a board how we have come a long  
9 way and when I see things like  
10 that it makes me excited and a  
11 hard battle to get where we're  
12 going and excited that we're  
13 moving towards that point but no  
14 more money.  
15 >> [Off Mic].  
16 >> No more money.  
17 >> President Lewis: One  
18 question I did have again on the  
19 last slide regarding Vintage  
20 funds the description is Dual  
21 Enrollment Program for \$20,000.  
22 I am a huge supporter of that  
23 program. I want to know what  
24 that \$20,000 specifically is  
25 going to?

Sample footer

1 >> Dr. Fierro: That is  
2 allocated partially to the  
3 recruitment and services  
4 provided to the President's  
5 scholars and the other smaller  
6 groups outside of Cerritos  
7 Complete essentially for  
8 services, tuition assistance.

9 >> President Lewis:  
10 Assistance to the students  
11 definitely?

12 >> Dr. Fierro: Yes, correct.

13 >> President Lewis: All  
14 right. Any other questions from  
15 other Board Members unless  
16 you're not done.

17 >> Yeah just to answer the  
18 question regarding Vintage so we  
19 are projecting to have an ending  
20 fund balance in Vintage for the  
21 18-19 year of a little more than  
22 \$4.5 million.

23 >> I have a question.

24 >> Yes.

25 >> Just a quick question.

1 >> Yes.

2 >> It was mentioned in the  
3 presentation that the amount  
4 we're saving on vacant positions  
5 was 650,000. Do we have a  
6 number of how many vacant  
7 positions that is currently?

8 >> Currently the 650  
9 represents the full time faculty  
10 positions that are currently  
11 vacant and then the back fill  
12 that was needed with part time  
13 and the difference of that is  
14 about \$650,000. Currently  
15 they're 13 vacant positions for  
16 full time faculty in the budget.

17 >> [Off Mic].

18 >> And then I just wanted to  
19 briefly go over and kind of  
20 illustrate the overall General  
21 Fund budget quickly. On that  
22 after the presentation, so let  
23 me so we ended the '17-18 fiscal  
24 year with an ending fund balance

25 of \$24,762,628. And again as I

Sample footer

92

1 illustrated in the presentation

2 we have a total revenues that

3 we're generating this year of a

4 little more than \$115.6 million.

5 The bulk of that 81.4 million --

6 let me try to blow this up

7 because it's a little difficult

8 to see.

9 >> What does the incoming

10 transfers represent?

11 >> The 140 here?

12 >> Sure.

13 >> Incoming transfers in? 140.

14 That's the indirect costs that

15 we receive from grants. So the

16 bulk of our money is coming from

17 state resources so again in this

18 middle column broken down in a

19 little more detail of 81.4

20 million dollars. The next bulk

21 of our revenue comes from local

22 resources primarily this is

23 coming from property taxes, and

24 so we have an estimated of \$26.6

25 million of property tax and

Sample footer

93

1 gives a total local revenue

2 resource of nearly 34.1 million.

3 Add that with our transfers in

4 and we have a total revenue

5 source of \$115.6 million.

6 >> [Off Mic].

7 >> So if I am reading this

8 right the ratio of tuition to

9 overall cost of attendance is

10 about 20 to one -- 18 to one?

11 >> Yeah, so you're comparing

12 the 4.3 in enrollment fees.

13 >> Yeah.

14 >> Plus the 1.5, the non

15 tuition? Yes.

16 >> So an average student

17 across non resident tuition

18 versus total enrollment fees and

19 if you average that out the

20 average student or a student on

21 average pays about six to 7% of

22 the overall costs of attending  
23 Cerritos?  
24 >> Without having a calculator  
25 that sounds about right, so a

Sample footer

94

1 student pays \$46 per unit.  
2 Typically a class is a three  
3 unit class on average and so you  
4 know 46 per unit times three  
5 would be the cost of one class.  
6 Most of our students are part  
7 time students, so taking  
8 anywhere from one to two  
9 classes, in some cases maybe  
10 even three classes at a time.  
11 On average currently we're  
12 running about 21,000 students.  
13 I think last time I looked at  
14 the numbers around 20 to 21,000  
15 students.  
16 >> Okay.  
17 >> And so you know that seems  
18 about right.  
19 >> I mean this isn't a  
20 critique of the budget at all.

21 I just looking back through this  
22 it occurred to me when I  
23 attended Harvard the cost of  
24 attendance they advertised was  
25 about one in four, one in five

Sample footer

95

1 so the overall tuition covered  
2 25% of the attendance.  
3 >> Dr. Fierro: I know what  
4 you're trying to say.  
5 >> In this case the cost of  
6 attendance and the net benefit  
7 then --  
8 >> Dr. Fierro: Correct. So  
9 depending on the student could  
10 be anywhere from zero to 30% --  
11 >> I am talking an average and  
12 take the total aggregate  
13 average.  
14 >> Dr. Fierro: In our case  
15 the average could be 12, 15%  
16 based the number of students  
17 that attend the institution at  
18 no cost.

19 >> Right. In this particular  
20 budget we've got about short of  
21 \$6 million of tuition.  
22 >> Correct.  
23 >> Right for \$100 million  
24 institution.  
25 >> Correct.

Sample footer

96

1 >> So you're overall cost of  
2 attendance is about 6%.  
3 >> Correct.  
4 >> If you were to do an  
5 aggregate average.  
6 >> That is correct, Yes.  
7 >> Right. So we're only like  
8 what? Four times better than  
9 Harvard?  
10 [Laughter]  
11 >> Dr. Fierro: Only four.  
12 >> Four to five.  
13 [Laughter]  
14 >> President Lewis: Trustee  
15 Liu.  
16 >> Shin Liu: I have a  
17 question about the Vintage fund.

18 We have a program called Taiwan  
19 Experience Education Program.  
20 We had about 60 programs attend  
21 the program this year and they  
22 received a lot of you know  
23 benefit on that, and we have  
24 Student Trustee Raul Avalos came  
25 to present and hope we can

Sample footer

97

1 continue that, and I wonder is  
2 this appropriate and we will put  
3 this into the Vintage? And I  
4 thought that would be a benefit.  
5 Vintage is for students so can  
6 we -- is that possible to put a  
7 funding for the Vintage to  
8 support students for this  
9 project?  
10 >> Dr. Fierro: Any Vintage  
11 expenditures have to be approved  
12 by the board. We don't have the  
13 authority to spend without your  
14 preapproval.  
15 >> President Lewis: We would

16 need on to have an amendment I  
17 believe. Would it be proper to  
18 do now?  
19 >> Dr. Fierro: UM --  
20 >> President Lewis: Without a  
21 dollar amount but it's fixed.  
22 >> Dr. Fierro: You could  
23 request an amendment to the  
24 budget next time around and it's  
25 an item to place a line item

Sample footer

98

1 there to authorize us to spend  
2 whatever money you think needs  
3 to be spent there.  
4 >> Shin Liu: Okay.  
5 >> President Lewis: Perhaps  
6 at that time we can have a  
7 discussion about the spending  
8 cap and spent in the past and do  
9 for a year or two's worth of  
10 allocation.  
11 >> Shin Liu: All right. For  
12 next --  
13 >> President Lewis: All right.  
14 For the next board meeting.

15 >> Shin Liu: Okay. Thank you  
16 so much.  
17 >> Can we talk about other  
18 Taiwan too and I know there is a  
19 group a STEM professor trying to  
20 organize the Iceland trip and  
21 I'm the first person to sign up  
22 -- I wish.  
23 >> Florence  
24 >> And again I love the idea of  
25 being able to give our students

Sample footer

99

1 the opportunity to study abroad  
2 and expand the horizons and I am  
3 all for that but I know there  
4 are things for the faculty  
5 members and broaden the  
6 discussion to include those as  
7 well and they're all exciting  
8 >> And understand the capacity  
9 for the fund to actually  
10 deliver. I actually want to  
11 know what we can do  
12 sustainability and allocate the

13 resources accordingly.  
14 >> Dr. Fierro. Okay. We will  
15 bring something for the next  
16 business meeting with some sort  
17 of idea of how you could  
18 allocate money based on grant or  
19 limit based on applicant across  
20 all programs.  
21 >> President Lewis: With the  
22 avenue Vintage fund and as such.  
23 Keeping in mind that we need to  
24 go to closed session at  
25 9:00 o'clock could you give us

Sample footer

100

1 two minutes.  
2 >> Two more slides.  
3 >> President Lewis: Two  
4 slides in two minutes. That's  
5 what I heard.  
6 >> Dr. Fierro: One minute.  
7 >> The next column is a break  
8 down of the salaries and looking  
9 at the middle column and I can  
10 blow it up more so you can see  
11 it and total academic salaries

12 we have budgeted as listed here  
13 and with classified salaries  
14 broken down by totaling  
15 20.9 million. Total benefit  
16 packages cost of 29 and a half  
17 million. That provides a total  
18 salary benefit cost of budget of  
19 a little bit -- 100 million.  
20 219,000. We have non payroll  
21 expense what we call  
22 discretionary funds. This is  
23 the fund to all supplies,  
24 materials, any of our operating  
25 -- other operating costs,

Sample footer

101

1 contracts, and which totals in  
2 capital outlay which totals a  
3 little bit more than  
4 10.3 million and the budget  
5 expense a little bit about 110  
6 and a half million dollars.  
7 Gives us a operating surplus of  
8 nearly 5.1. However, we do have  
9 \$650,000 worth of one time cost

10 savings illustrated here which  
11 will give us an adjustments  
12 operating surplus of \$5.5  
13 million and estimated ending  
14 fund balance projected at 30 and  
15 a half million dollars for the  
16 2018-19 fiscal year.  
17 >> I know we're short on time  
18 President Lewis, but it seems to  
19 me in the projected budgets in  
20 the following years that amount  
21 is quickly decreasing 5.7  
22 million.  
23 >> Are you talking about the  
24 surplus?  
25 >> Right, the surplus is not

Sample footer

102

1 projected to be sustained.  
2 That's my point.  
3 >> Until you know -- so 2022  
4 we haven't ran the numbers on  
5 what that could be. We looked  
6 at the revenue source on there.  
7 We did take a pretty  
8 conservative approach on that

9 the revenues and so as we get  
10 further along in the year and  
11 see how the funding formula we  
12 could update our projected  
13 budgets in the outer years to  
14 reflect but in the next two  
15 years we won't have big of  
16 surpluses in the current year.  
17 Again the 650,000 vacancy is a  
18 one time cost savings with the  
19 intention to fill those  
20 positions so obviously that will  
21 eat into that surplus.  
22 >> Which is good because it  
23 benefits the students. I am  
24 looking at two years ahead and  
25 we have less than 1% margin.

Sample footer

103

1 Not that that's the end of the  
2 world but noting how we want to  
3 spend future moneys.  
4 >> Right.  
5 >> Dr. Fierro: It is  
6 important to mention in the out

7 going years our calculations are  
8 based only on our current  
9 revenue not including COLA or  
10 did you adjust for --  
11 >> We have not adjusted for  
12 COLA in the outer years.  
13 >> Dr. Fierro: So in the outer  
14 year we didn't project any COLA  
15 so the only thing we're  
16 projecting at this point is that  
17 the revenue stays flat so in the  
18 worse case scenario the revenue  
19 doesn't grow and stay the way it  
20 is that's will happen with the  
21 fund balance. We obviously hope  
22 that the state allocate COLA in  
23 the out going years so that will  
24 change our projection on revenue  
25 and obviously depending how we

Sample footer

104

1 adjust our funding formula  
2 variables that we're able to at  
3 the very least maintain or if  
4 not gain on revenue.  
5 >> Right. But we don't really

6 have 100% faith that two years  
7 from now we will have the same  
8 or that we're going to have  
9 better revenue -- [INAUDIBLE]  
10 than now. That seems somewhat  
11 reasonable to assume and  
12 consistent allocation from the  
13 state.  
14 >> For the next two years we  
15 have guaranteed formula so  
16 essentially we're funded at the  
17 same level as last time around  
18 so it is not -- even if we don't  
19 do well we will receive the same  
20 revenue hence our projections.  
21 We did not include COLA. This  
22 year was a significant debate  
23 whether to include COLA on the  
24 new funding formula so depending  
25 how the conversations happen the

Sample footer

105

1 subsequent years we will  
2 obviously make the adjustment  
3 but the new formula was released

4 with a hold harmless period in  
5 which regardless of your  
6 performance over the next two  
7 years you will not receive less  
8 than the last year's revenue.

9 >> But I guess the point I am  
10 trying to make that is true for  
11 everyone so under the new  
12 formula everyone receives in  
13 real effect either the same or  
14 better than they received in the  
15 years past.

16 >> For two years.

17 >> For two years. So there's  
18 no guarantee that beyond the  
19 2021 budget that the state is  
20 going to be willing to allocate  
21 more funding for community  
22 colleges than has ever  
23 historically.

24 >> Dr. Fierro: You're  
25 correct. So essentially at the

Sample footer

1 end -- it's a three year total

2 see we have two more years after

3 this year so at the end of the  
4 third year total of 2021 they  
5 take the training wheels so  
6 speak and you will be funded at  
7 whatever your enrollment, your  
8 grants, allocations and your  
9 performances upon help.  
10 >> I will put my economists  
11 hat on for one second. Most  
12 economists expect in California  
13 to plateau at 2021 so that means  
14 that we maybe reasonable in  
15 expecting the property tax  
16 income for the state to be  
17 plateauing around that same time  
18 so there's no reasonable  
19 expectation that we're going to  
20 see such a flush budget from the  
21 state for any of its allocation  
22 much less community colleges so  
23 I am trying to be aware of that  
24 --  
25 >> Dr. Fierro: Yes you're

Sample footer

1 completely correct on that.  
2 >> That's why in the projected  
3 years we would go with the  
4 minimum guarantee out in those  
5 years because there's a lot of  
6 variables in there. We have a  
7 new Governor coming on with a  
8 new budget. We don't know.  
9 Hopefully the new Governor has  
10 the same philosophies with the  
11 current Governor and supporting  
12 education and particularly in  
13 the community college world so  
14 there is no guarantee with that  
15 so we choose at a minimum this  
16 is what we would received based  
17 on the hold harmless in the  
18 funding formula. Once we get  
19 into 20-22 and we don't have a  
20 hold harmless. It will be  
21 interesting to see at the time  
22 and between now and then we have  
23 time to update the projected  
24 budgets so we kind of know more  
25 or less how we're going to track

Sample footer

1 on an early standpoint even  
2 before the state even releases  
3 its budget so that's the goal  
4 for us is develop a projected  
5 budget formula that we can  
6 actually adjust pretty you know  
7 simply on the fly so we're  
8 always aware of what the impact  
9 down the line is going to be.  
10 >> President Lewis:  
11 Absolutely. Anything else you  
12 have to say in 30 seconds or  
13 less?  
14 >> I have a couple comments.  
15 >> I can address comments.  
16 >> Yes, I have a question on  
17 fund 69 and I have talked about  
18 it over the last couple of  
19 years. I don't understand why  
20 it has such a large balance and  
21 I don't understand why we're not  
22 using it for to support our  
23 students? I mean we always talk  
24 about one of the factors for  
25 students is health care costs so

1 with that money I would like to  
2 see if you guys could put  
3 together a recommendation  
4 because I am looking at it --  
5 >> Which fund?  
6 >> This is student -- it is  
7 fund 69.0 -- student health  
8 services summary. Your expenses  
9 meaning your salaries, right,  
10 salaries and benefits and the  
11 costs are in line with how much  
12 we're collecting from that  
13 student health fee and we have a  
14 large balance and been that --  
15 right now it's \$2.6 million and  
16 I would like to see about asking  
17 Dr. Fierro and his staff to put  
18 together some recommendations on  
19 what we can use that money to  
20 help off set student health care  
21 costs and I don't know what  
22 health care benefits we offer to  
23 our students at our health care  
24 center so maybe start with that

25 and how we can use that money

Sample footer

110

1 because -- it's sitting there on  
2 the last six years and that's my  
3 first ask, and then my second  
4 ask would be to have a board  
5 discussion to talk about the  
6 three funds which continue to  
7 have a million dollar balance,  
8 the President's Innovation Fund,  
9 the Public Art Endowment Fund,  
10 and the sustainability fund  
11 summary. That money has been  
12 sitting there for three years  
13 too and I have always been  
14 welcome and anxious to hear from  
15 the campus community what we  
16 should be spending that money.  
17 I haven't heard anything so I'm  
18 not really sure what we need to  
19 get those funds moving and out  
20 the door into our community to  
21 support our students, so again  
22 that would be my I guess four  
23 requests is to have a discussion

24 over the next six months about

25 each of the four accounts and

Sample footer

111

1 what ideas does the campus have

2 for all of those because again

3 they're balances built in there

4 and we need to spend them for

5 the students.

6 >> Dr. Fierro: Correct. On the

7 funds on the [INAUDIBLE] funds

8 we spend roughly \$50,000 a year

9 and the interest will replenish

10 that so the committee made that

11 decision of essentially spend 50

12 or in some years a little more,

13 so the [INAUDIBLE] that was

14 that. This summer there was a

15 project in which the committee

16 and the Chair of the Committee

17 the Director of the gallery

18 visited galleries in the area

19 and put together a collection in

20 the next couple of months will

21 be coming to the Board of

22 Trustees to spend roughly  
23 \$25,000, \$30,000 on public art  
24 that is going to be displayed  
25 across campus. You will also be

Sample footer

112

1 seeing in the upcoming months --  
2 I don't want to call it an RFP.  
3 It's a variation of an RFP to  
4 have public art on campus so  
5 there will be a survey that is  
6 going to send out to students  
7 and to the whole campus  
8 community to determine what type  
9 of art we would like to see on  
10 the big walls of the student  
11 center, and the RFP is going to  
12 be -- it's not an RFP. I can't  
13 remember the name when you have  
14 artists for that type of work.  
15 To essentially do public art in  
16 the big four phases of the  
17 student services building. The  
18 next project after that that is  
19 coming up is the [INAUDIBLE] 2.0  
20 and happens within the

21 appropriate window it could  
22 potentially happen in the Health  
23 and Wellness Center coming down.  
24 It's a very narrow window of  
25 opportunity that we have to make

Sample footer

113

1 that building a walkable space  
2 for art. If not it will be two  
3 years until the next one but at  
4 this point we will need at least  
5 one year with expenses to bring  
6 the fund back up. They would  
7 like to maintain a balance  
8 greater than 900 and generate 50  
9 to \$100,000 to spend every year.  
10 The Innovation Fund -- the last  
11 couple of things that of funded  
12 are professional development and  
13 [INAUDIBLE]. This year  
14 unfortunately our application  
15 was not received in time so if  
16 we had run the event the  
17 applicants would not have been  
18 eligible to post videos and so

19 on so the decision was made to  
20 hold the event to the next year  
21 and the only one of those that  
22 is not necessarily touch side  
23 the sustainability fund. The  
24 sustainability fund there is a  
25 project that we have considered

Sample footer

114

1 which is essentially the  
2 improvement of the social  
3 sciences building from the green  
4 perspective in a partnership  
5 with SoCal Gas and Electric  
6 company in which we will  
7 essentially retrofit most of the  
8 aspects of the building to make  
9 it energy efficient. This  
10 building is not up for updates  
11 in a while so this could be a  
12 project in which we ask spend  
13 those dollars. The main reason  
14 we have not spent those dollars  
15 on other projects on campus is  
16 because during the construction  
17 process with the approval -- not

18 approval, but the -- well,  
19 eventual approval but with the  
20 consistency of the board making  
21 sure that we become a green  
22 campus many of the initiatives  
23 have been included within the  
24 facilities and the constructions  
25 so that money has been allocated

Sample footer

115

1 out of bond dollars to do a lot  
2 of our green improvements, so on  
3 that one obviously it's a lot  
4 more work to be done, but if  
5 we're going to go to the project  
6 for the social arts building  
7 that will be a little over a  
8 million dollars in cost but in  
9 rebates over a period of time we  
10 will receive roughly 100,000  
11 back from the energy companies  
12 and recover that cost and  
13 reinvest at the institution. On  
14 the health care I will speak  
15 with the Vice President and the

16 Dean Manila on some of the  
17 expenses going forward. I do  
18 know they have planned to  
19 continue to increase their  
20 support on mental health so they  
21 are tapping into that fund to  
22 hire additional hours on a  
23 school psychologist after we  
24 brought in Dr. Hernandez the  
25 need and the traffic to the

Sample footer

116

1 clinic has increased but I will  
2 bring specifics on this one to  
3 clarify what we need to do going  
4 into the future. Thank you.  
5 >> President Lewis: Seeing  
6 though as it's 9:00 o'clock I  
7 would like to get an agreement  
8 with the rest of the board to  
9 suspend the rules and continue  
10 on with this item and the next  
11 one seeing how we have a member  
12 of the public wishing to comment  
13 on the next agenda item so if we  
14 could swiftly and judiciously

15 take this item.  
16 >> So moved.  
17 >> President Lewis. No, I am  
18 done. Did you have a comment  
19 Mr. Birkey?  
20 >> Can I say so moved? Is  
21 that the appropriate --  
22 >> President Lewis: You may.  
23 >> [Off Mic].  
24 >> President Lewis: Well, you  
25 may choose to adopt the budget.

Sample footer

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1 You may choose to amend it.  
2 >> [Off Mic].  
3 >> President Lewis: Well yeah  
4 --  
5 >> [Off Mic].  
6 >> President Lewis: We can --  
7 I'm not postpone but I guess  
8 postpone within the meeting. I  
9 can't think of the exact word  
10 per se.  
11 >> [Off Mic].  
12 >> President Lewis: We can

13 table the motion for later in  
14 the meeting or table the adopt  
15 of the budget so there's a  
16 motion to table made by Trustee  
17 Avalos and is there a second?  
18 >> Second.  
19 >> President Lewis: There's a  
20 second. Seeing no objections  
21 the motion carries and we move  
22 on Item 20 which is the  
23 consideration of the Resolution  
24 in support of immigrant families  
25 and we have a members of the

Sample footer

118

1 public here who would like to  
2 speak on this item.  
3 >> Good evening everybody. I  
4 am a resident of Paramount. I  
5 am also an education advocate  
6 and I am wearing red in solidarity  
7 with all our great teachers. I  
8 wanted to speak in hopes that  
9 you guys support this Resolution  
10 and I also wanted to commend the  
11 board for all the great things

12 that are happening here in  
13 Cerritos College. For all the  
14 support you guys are giving our  
15 immigrant students, for the  
16 support you're giving to youth  
17 that are suffering right now  
18 with homelessness, with youth  
19 that are in the foster youth  
20 system. It's very commendable  
21 to see how you all collaborate  
22 and look to give the students  
23 the best education possible.  
24 >> Thank you.  
25 >> President Lewis: Thank

Sample footer

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1 you.  
2 >> Activist boards.  
3 >> President Lewis: Without  
4 any further public comments I  
5 will entertain a motion to adopt  
6 this Resolution.  
7 >> Motion.  
8 >> President Lewis: We have a  
9 motion. Is there a second?

10 >> [Off Mic].  
11 >> President Lewis: Is there  
12 any objection to the adoption of  
13 said motion? Seeing none the  
14 Resolution carries. We may  
15 refer back to Item Number 19 or  
16 go into closed session which I  
17 wouldn't recommend because we  
18 have -- do we have -- we don't  
19 have read outs for it but we  
20 should take it up now.  
21 >> Let's wrap up this last --  
22 >> President Lewis: Swiftly  
23 and judiciously, so was there  
24 any other discussion or  
25 amendments to be proposed or any

Sample footer

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1 other action to be taken on this  
2 item? Questions? Concerns? If  
3 not then I will entertain a  
4 motion to adopt the budget that  
5 has been proposed.  
6 >> [Off Mic].  
7 >> President Lewis: So moved.  
8 Is there a second?

9 >> [Off Mic].  
10 >> President Lewis: We have a  
11 second. Is there any objection  
12 to the said motion? Seeing none  
13 the motion carries and we have a  
14 budget. Next we move to reports  
15 and comments from student  
16 officials starting with Student  
17 Trustee Phil Herrera.  
18 >> I will make it brief. I  
19 had the pleasure of attending  
20 the Falcons football game on  
21 Saturday and we were victorious.  
22 Go Falcons and hopefully a sign  
23 for the season. Also besides  
24 they wanted to thank Trustee  
25 Perez for not forgetting about

Sample footer

121

1 the Sustainability Plan. I have  
2 been looking at that for the  
3 last three years now with my  
4 role as sustainability Director  
5 under the ASCC cabinet and then  
6 also my role with the go green

7 task force. I hope we can  
8 review and revise the  
9 Sustainability Plan that I know  
10 hasn't been revised for a few  
11 years and hopefully maybe look  
12 at that in a future meeting.  
13 Besides nay look forward to the  
14 Study Session coming up and have  
15 a great week.  
16 >> President Lewis. Thank  
17 you. Trustee Perez.  
18 >> Marisa Perez: I want to  
19 thank everyone involved in  
20 [INAUDIBLE] this year and  
21 appreciate everyone being here  
22 and good information and good  
23 data and hopefully the  
24 presentation is online and the  
25 data because it's fascinating.

Sample footer

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1 Thank you.  
2 >> President Lewis: Trustee  
3 Avalos.  
4 >> [Off Mic].  
5 >> President Lewis: Trustee

6 Liu.

7 >> Shin Liu: Welcome to the

8 new semester. That's all.

9 >> President Lewis: Dr.

10 Fierro.

11 >> Dr. Fierro: Hello Kim and

12 during the vacation days and has

13 nothing to do and speak with

14 Hillary about the health and

15 wellness and so thank you Kim.

16 Tomorrow 10:00 a.m.

17 Administration and see everyone

18 on the CSEA team for welcome

19 back. We have at 11:00 o'clock

20 the Inaugural President's circle

21 brunch and initiative to start

22 the fundraising campaign. We

23 going to honor a few of the

24 early donors and cultivate

25 others and continue to grow our

Sample footer

123

1 donor base and our

2 contributions. Tomorrow we will

3 have the group come into campus.

4 April Griffin our Faculty Senate  
5 President show you no good deed  
6 goes unpunished and the project  
7 for the Leadership Academy and  
8 took the training and she's  
9 looking for someone to take over  
10 the leadership of the project  
11 and not many hands have been  
12 raised so thank you for doing  
13 that and thank you for  
14 continuing to work on it but for  
15 the first time I ever they're  
16 coming to do the kick off event  
17 tomorrow at 6:00 o'clock. Some  
18 self promotion here. Tomorrow  
19 at probably around 8:00 o'clock  
20 I will be in the City of Bell  
21 giving the keynote speech for  
22 the Teacher of the Year award,  
23 so it will be a nice event and  
24 as always I am glad to represent  
25 Cerritos College. Thank you.

Sample footer

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1 >> President Lewis: Thank  
2 you. Trustee Camacho-Rodriguez.

3 >> No comment.

4 >> President Lewis: Trustee

5 birkie

6 >> James Cody Birkey: Welcoming

7 back to the semester and as a

8 former resident of Rwanda I am

9 glad they're here for the debate

10 team so that exciting.

11 >> President Lewis: Trustee

12 Salazar.

13 >> [Off Mic].

14 >> President Lewis: I had the

15 opportunity to go to the

16 convocation with Trustee Perez

17 and thank you to Miya Walker for

18 creating the skit that was

19 elegantly choreographed let's

20 just say so that was definitely

21 a lot of fun. I am looking

22 forward to tomorrow's Inaugural

23 brunch for the President's

24 circle and also looking forward

25 to the first Taste of Series in

Sample footer

1 the taste of northern Italy by  
2 the Culinary Arts department. I  
3 will be there with a La Mirada  
4 contingent and Dr. Fierro have  
5 you ever watched "The  
6 Incredibles" ?  
7 >> I --  
8 >> The first one.  
9 >> You remember if you had.  
10 >> Maybe.  
11 >> Do you recall the character  
12 "Edna mode" ? What did he say  
13 to Mr. Incredible.  
14 >> You're incredible.  
15 >> No capes. That's it. No  
16 case. But we will allow this  
17 one waiver but without --  
18 >> Second.  
19 >> Thank you Trustee Birkey  
20 for that support. We will be  
21 now going into closed session  
22 which says will begin no later  
23 than 9:00 p.m. but public  
24 employment consideration of the  
25 consideration of acting EOPs

Sample footer

1 Director and Operations Manager  
2 and Number 22 exposure to  
3 litigation and Number 23  
4 conference with Labor  
5 Negotiators. If there is no  
6 comment we will move to closed  
7 session and have three read  
8 outs. Thank you.  
9 [GAVEL]  
10 >> (closed session)  
11 >> (off mic)  
12 It is reported in closed session  
13 that the Board of Trustees  
14 approved the Operations Manager  
15 Facilities Department effective  
16 October, 2018. The Board of  
17 Trustees approved the claim of  
18 Michele Kingston in the amount  
19 as cited. That concludes the  
20 read outs. We will continue  
21 into closed session. There will  
22 be no further read outs at this  
23 time. Thank you.  
24 [GAVEL]  
25

Sample footer