

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

Sample footer

2

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.

Sample footer

3

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

Sample footer

4

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

Sample footer

5

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

Sample footer

6

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

Sample footer

7

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

Sample footer

8

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

Sample footer

9

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

Sample footer

10

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

11

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

Sample footer

12

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

Sample footer

13

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

Sample footer

14

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

Sample footer

15

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

Sample footer

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

Sample footer

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

Sample footer

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

20

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

Sample footer

22

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

Sample footer

23

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

Sample footer

24

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

25

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

Sample footer

26

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

Sample footer

27

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?

Sample footer

28

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

Sample footer

29

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

Sample footer

30

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

Sample footer

31

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

Sample footer

32

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?

Sample footer

33

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

38

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

39

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

41

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

42

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

43

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

44

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

45

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

46

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

47

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

48

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

49

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

50

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

51

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

Sample footer

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

56

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

57

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

58

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

59

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

60

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

61

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

62

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

63

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

64

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

65

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

117

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

119

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

120

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

122

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

124

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