

College of San Mateo

**Finance Committee Meeting Minutes**

Thursday, September 9, 2021

2:00 PM – 4:00 PM

Via Zoom

**Members Present:** Arianna Avendano, Tania Farjat, Stephen Heath, Stephen Lehigh, Teresa Morris, Micaela Ochoa, Ludmila Prisecar, Andreas Wolf

**Staff:** Stephanie Martinez

**Guests:** Jia Chung

Micaela called the meeting to order at 2:04 PM. The following members and support staff were present:

Arianna Avendano

Jia Chung

Tania Farjat

Stephen Heath

Stephen Lehigh

Teresa Morris

Micaela Ochoa

Ludmila Prisecar

Andreas Wolf

**Welcome and Review Agenda**

Micaela presented the agenda and all members present approved the agenda as presented.

**Review and Approval of May 13, 2021 Minutes**

The committee reviewed the minutes from the May 13, 2021 meeting. After their review, the May 13, 2021 minutes were approved as presented.

**Review Committee Bylaws, Membership, and Required Committee Replacements**

Micaela presented the current Bylaws, Membership, and Required Committee Replacements. The Finance Committee reports to IPC. Micaela reminded the committee members that minor modifications were made to the Functions and Membership sections during the previous meeting, noting that there are changes under Membership that need to be approved by IPC.

The committee reviewed the membership and vacant positions that need to be replaced. Classified Senate approved Arianna to serve for another two years. Associated Students had recently appointed student Tania Farjat to serve a one-year term. Andreas Wolf's term expired, and a new appointment (or reappointment) needs go to Management Council. Micaela explained that IPC needs to fill the vacancies. The revised membership would include 1 member from IPC, 2 members appointed by Faculty Senate, an 2 members appointed by Academic Senate.

Micaela suggested a discussion item for the revised committee structure at the September 15 IPC meeting and an action item for the revised membership at the October 6 IPC meeting.

The committee continued to discuss and clarify the Membership in adding additional members for equal representation.

### **HEERF I, II, and III Update**

Micaela presented the HEERF I, II, and III updates. Micaela mentioned that 50% of HEERF funding required that the funds be spent on direct student aid. She explained that 75% or approximately \$5,532,145 of HEERF I was spent on direct student aid, leaving \$510,715, or 25%, for the College's institutional spending for items such as hotspots, technology, and the AFT MOU.

HEERF I dollars have been spent. Approximately \$2,859,811, or 63%, of HEERF II funding, was allocated to direct student aid, including an initiative for non-resident students taking less than 6 units. Micaela mentioned that approximately \$1,711,791, or 37%, was left for institutional spending after direct student aid, noting that a portion was sent to the District Office to cover revenue losses, with the remaining slated to be spent by January/February 2022. Funds are required to be spent in full by May 2022. Plans are still in the works for HEERF III spending, with \$4,159,659, or 51%, going towards direct student aid, leaving \$3,3396,535, or 49%, with a large portion going to the District Office to help offset losses in fees collected such as early withdrawals. The remainder would stay at the College. CSM will use approximately \$900,000 towards hy-flex technology in various spaces at approximately \$30,000 per area.

The College also received HEERF III MSI funding of approximately \$509,010; however, those funds have not been planned.

Micaela presented the student allocations per HEERF funding category distributed to students, noting that in each HEERF funding category, the amount of student aid was increased per

student, with an additional increase planned with HEERF III funding.

### **2020-21 Year-End Actuals**

#### **Fund 1 Actual Expenditures vs. Budget**

Ludmila presented the College of San Mateo's 3-Year Actual Trends report, including FY20-21 budgeted spending compared to actual expenditures.

The College started the fiscal year with a carryover amount of \$8,363,012 from the previous year's (PY) ending balance, and part of the carryover amount is designated and restricted. Once the fiscal year opened, there were no changes to the PY's ending balance or site allocations, with fewer PY encumbrances and an additional \$807,576 in revenues for a total of \$62,316,878 of total revenues. The projected revenues were under-budgeted by approximately 1.43%.

The projected expenses for salaries, benefits, and other expenses were estimated at \$48,698,578; the actuals were \$48,813,835 with a difference of \$115,257, or .24%. Ludmila explained that the difference was due to AFT negotiations Cost of Living Adjustments (COLA) and an additional Step added to the AFT salary schedule.

The projected encumbrances were projected at \$1M for other spending categories such as projected COLA increases; however, the actual spend was \$70,019.

Ludmila explained that the Transfers Out of CSM Fund 1 captures the expenses paid out of Fund 1 to cover expenses in other spend categories. The projected transfers out were \$5,030,646, with actual spending at \$4,771,666.

Included in the projections were \$1.1 M for COVID-related expenses before being awarded HEERF funding, \$3,458,4111 towards College Contingency funds, and \$472,235 towards the Building 19 project.

As listed on the spreadsheet, the actual expenses include \$1,768,648 transferred to the District Office for the Free College initiative based on a particular calculation determining the amount contributed per College. Micaela added that San Mateo County Board of Supervisors also contributed approximately \$2M towards the initiative.

Ludmila mentioned that the District would also contribute \$2M towards the Child Development Services that are not noted on the spreadsheet.

### **Fund 4001 Ending Balances and Contingency**

Ludmila presented the current College Contingency amount and shared the 10-year history of the contingency fund. She shared the projected increase to \$18,461,906 was modified and maintained at the previous amount of \$15,361,906 due to spending shared in the prior discussion.

### **IPC Finance Committee Fall 2021 Report**

Micaela proposed moving the presentation of the Fall 2021 Report to the October 20 or November 3 IPC meeting. Stephen Lehigh reminded the committee members that the Program Review due date would be October 6. Teresa raised the concern of IPC members not having a good understanding of the budget if the presentation were postponed until November. The committee suggested presenting the Fall 2021 Report to IPC at the October 20 meeting. Teresa will confirm the date with IPC.

### **Agenda Items for October 14**

- Fund 1 Current Year and Multi-Year Projections (MYP\_
- HEER III Update
- Report out from constituent groups

Micaela adjourned the meeting at 3:37 P.M.

Next meeting date: Thursday, October 14, 2021