



ACTION

MT. HOOD COMMUNITY COLLEGE DISTRICT BOARD OF EDUCATION

DATE: *May 20, 2020*

ITEM TITLE: **4.1b**

CONTACT PERSON: *Laurie Popp, Executive Assistant to the Board of Education*

SUBJECT: APPROVAL OF MINUTES – April 8, 2020

Session 1003

A meeting of the Mt. Hood Community College District Board of Education was held on April 8, 2020, with a Budget Committee meeting at 6:00 pm held via a Zoom Meeting.

1.0 CALL TO ORDER

Members present: Diane McKeel, board chair, Jim Zordich, board vice chair, Annette Mattson, Andrew Speer, LaVerne Lewis, Kenney Polson, Diane Noriega

Additional Attendees: Dr. Lisa Skari, president, Jennifer DeMent, chief operations officer, Ben Rowe, director of Financial and Auxiliary Services, John Hamblin, executive dean of Student Development, Doctor Abio Ayeliya, director of Student Life and Civic Engagement, Kazu Lewis, ASG president, Akoda Tilmant, ASG vice president, Danny Zelaya, ASG representative

Andrew Speer, budget committee chair, called the Budget Committee meeting to order.

2.0 PROPOSED BUDGET 2020-2021

2.1 ASG Budget Presentation

Speer introduced Kazu Lewis who presented the ASG Budget to board members. Lewis provided some background information about the ASG budget and the general guidelines the ASG followed during the decision-making process.

Lewis stated the ASG budget contained different co-curricular and athletic programs at MHCC, and all of those programs work to provide different opportunities and resources to benefit many students. Some examples are Barney's Food Pantry and the Advocate Student Publication Group. He stated that during the budget process, ASG followed different guidelines



and assumptions with some information from the Business Office and other sources, such as the 7% decrease due to the enrollment projection. The budget decision also considered whether to increase the student activity fee this year, which is the main revenue source for the ASG budget. The student activity fee was increased during the previous year, so they voted not to increase it this year.

Lewis introduced Ben Rowe who provided more in-depth financial details about the ASG budget. Rowe presented an overview of the following four documents, which are attached to the meeting minutes:

- Summary Proposed Budget Comparison
A comparison between the Initial Proposed Budget presented at the April 1 Budget Committee meeting and the Revised Proposed Budget presented tonight.
- Summary Revised Proposed Budget
The revised Fund 52 Proposed Budget for 20-21 that will replace pages 56 and 57 in the original 20-21 Proposed Budget document.
- Detail Resources – Revenue and Networking Capital Resources
Includes both networking capital, the savings account coming over from the prior year, and the current revenues, which are any revenues generated or received in that actual fiscal year.
- Detail Requirements – Expenditures and Fund Balance Requirements
Includes both the athletic programs and improvements budgeted for next year, and all the co-curricular programs.

Rowe stated that the biggest changes relate to the carryover of what was forecast to be spent in the current year, and how spending less money carries over to next year in the form of a beginning fund balance. He referenced the difference of \$32,752, which reflected two programs that ASG spoke about at the meeting, KMHD2 and Forensics program. He stated those budgets were originally kept in the proposed budget for discussion with the board, but the revised proposed budget removed the funding for those programs. Rowe provided a brief overview of the changes to the beginning and ending fund balance, and a few highlights about the proposed budget. He added that the 7% reduction was due to the 7% decrease in current year enrollment, and they are forecasting flat enrollment for next year. It is still unknown how the COVID-19 pandemic will affect enrollment next year. He pointed out that Fund 52 represents not just ASG, but also the Athletics program.

The ASG budget presentation was followed by several questions from budget committee members.



- DeMent responded to a question about capital improvements and contingency. Why are they not in the 2017-18 and 2018-19 budget, but do appear in the revised 2019-20 budget, and what is ASG doing in terms of capital improvements? She stated the ASG fee funds athletic and co-curricular programs, as well as ASG programs. The fund also includes revenue generated from renting out the athletic facilities to third parties for events, such as the Highland Games. The revenue generated is retained by the athletics programs for capital improvements, maintenance, and repairs to the athletic facilities. DeMent added that this year the visitor bleachers were replaced at the stadium.
- DeMent responded to a question about the current year contingency amount of \$51,532 and what it represents. She stated the funds in contingency are only a budget item and actual expenditures are not spent from contingency. To access the funds in contingency, board approval is required.
- DeMent responded to a question about why contingency funds show up under Fund 52 and not all the other funds? She stated funds are set aside in contingency, often in Fund 52, due to uncertainty regarding the actual level of revenue that is generated. If revenue is generated, students can request to spend the contingency funds with a resolution sent to the board for approval.

There was a brief discussion regarding the budget and the cancellation of programs, activities, and athletics due to the COVID-19 pandemic, and how it might affect carry over funds. Hamblin stated the actual amount carried over is determined after the end of the fiscal year, in July.

Danny Zelaya provided an overview of the process ASG took regarding their budget. He stated the Finance Council met several times with representatives of each program to discuss their budgets and requested budgets with a 5% cut. Several weeks later, the Business Office provided a projection of a 7% decrease in the current year, so he communicated to everyone by email to proceed with a 7% cut. At the same time, ASG voted not to raise the student fees and to keep at \$4.25 per credit. They provided time for everyone to present their budgets to ASG. After all of the budgets were presented, ASG met and discussed the information shared during the budget presentations and voted to approve the 7% cut to the budget. Zelaya stated two decisions stood out.

The first decision was to suspend funding to Forensics for the 2020-2021 year and to give them a chance to rebuild a team. Currently, they have low to no student involvement in the program, but they wanted to give Forensics a year to rebuild the program. He stated that Forensics can access contingency funds to rebuild, as previously mentioned, and present their case to next year's ASG administration. Zelaya stated that both he and Kazu Lewis would pass on this information to the next ASG administration so they are aware of their intentions during the budget planning and decision-making process for next year.



The second decision was to eliminate funding for KMHD2, which took into consideration a previous decision made by the Board of Education to phase out programs including Broadcasting. Zelaya shared that ASG wants to prioritize programs that provide benefits to the maximum number of students, and focus efforts on increasing student involvement at events, and help with retention efforts at the College. He stated the funds not being used for those two programs would be put into a contingency account to save money for future needs.

- Abio Ayeliya responded to a question about funding for KMHD2 and stated any money not spent goes back into the ASG contingency fund.
- Hamblin responded to a question about both programs ending and that he is working through the details regarding release time for faculty members in these programs.
- DeMent responded to a question about funding for Women's Softball. She stated many of the variances between the year-to-year funds for programs are indicators of whether or not they went to playoffs or championships. The costs go up significantly when they go to out-of-state regional playoffs or championship competitions. To be more accurate, in addition to the actual funds needed for the regular season, they set aside contingency funds so teams that go to playoffs or championships have the funding to go.
- Hamblin responded to a question about what the contingency draw would be for the revitalization of the Forensics program. He stated they have flexibility next year with funds put into contingency in anticipation of the potential for modifications or updated programming to rebuild the program.

Abio Ayeliya thanked Lewis, Tilmant, Zelaya, and the ASG team for the hard work and time spent working together on the ASG budget. He praised the wonderful job they did prioritizing resources to support the college goals of student success, student retention, and engagement. Hamblin acknowledged the tough budget decisions made and commended the ASG team for building some reserves and sustainability for the future.

Budget committee members thanked Lewis and Zelaya for the budget presentation, and thanked the ASG team and students for all their work on the budget.

3.0 ADJOURN BUDGET COMMITTEE

Speer motioned to adjourn. Zordich seconded the motion and it passed unanimously. The motion carried and the meeting was adjourned.

Clerk

Board Chair

Minutes recorded by Laurie Popp, Executive Assistant to the Board of Education.