

Meeting Minutes

April 11, 2013, 2:00 pm, ATTC 120

Members Present – Charlie Ng, Cheryl Marshall, Denise Allen-Hoyt, Ed Millican, Girija Raghavan, Karen Peterson, Kathy Crow, Matthew Isaac, Mike Strong, Susan Ryckevic, Rhonda Prater, Rosemarie Hansen, Scott Stark, Sheri Lillard, Patrick Kirk Dorsey, Yendis Battle

Members Absent – Tanya Rogers, Glen Kuck, Kellie Barnett, Steve Sutorus, Ferny Arana Garcia, James Dulgeroff

Guests Present – Cassandra Thomas, Christie Gabriel-Millette, Keith Wurtz

Welcome/Introductions

Charlie welcomed everyone.

Approval of March 14, 2013 Minutes

The committee approved the minutes by consensus with the following changes made to page 2:

After much discussion, ~~the~~ Ed Millican ~~motioned~~ moved that the Budget Committee recommend the District split the 3.60% between Growth and COLA for purposes of budgeting. Scott seconded the motion. The motion carried 13:3.

State Budget Update

Charlie reported that according to the State Controller, state revenues are up 7.2% (\$395 million) over their budgeted amount. He also mentioned that California's job growth surpassed the national average this year.

Development Budget Memo, Addendum & Attachments

Charlie presented the development budget instructional memo to the committee for its edification. He highlighted the new District procedure of documenting salary savings, as well as the following directive.

Mission, Goals, and Long-range Institutional Plans

Please review your site's mission, goals, and long-range plans and develop your budgets in a way that integrates and supports all institutional planning at your site.

Charlie asked committee members to review the budget development instructions and provide any thoughts or feedback for next year.

School Services of California Dartboard

Charlie reviewed with the Committee some financial projections from School Services of California. He advised that SBCCD will be using some of this information to assist in the development of a long range fiscal plan. Charlie and the two VPs of Administrative Services will begin work on the plan and as it takes shape, present it to the Budget Committee for review and feedback.

CHC Growth Proposal

Charlie announced that Cheryl Marshall was going to give a presentation that she had previously given at Chancellor's Cabinet. As that group is responsible for deciding the allocation split between campuses, it discussed Crafton's growth proposal, and directed that it be presented to the District Strategic Planning Committee to get a temperature check on the notion of SBCCD's becoming a two comprehensive college districts vs. having one college that is three times the size of the other in the service area. The DSPC, after viewing the presentation and having some discussion, passed a motion recommending that SBCCD ought to move toward becoming a two-comprehensive college district. The Chancellor further directed Charlie to introduce this topic to the Budget Committee for discussion.

After Cheryl's presentation, Scott advised that there has been considerable discussion at the Valley campus, and that the sentiment exists that even though the shift in allocation revolves around growth money, it is still a move that limits Valley's ability to restore some of the significant losses of recent years. He went on to say that this move felt more like an imposed process vs. a collegial consultation one, and that a joint committee from both campuses should be appointed by the Chancellor to review that process and then make a recommendation to the chancellor. Scott mentioned that the Valley campus would like to defer the decision to allow them this opportunity.

Ed Millican advised that he had developed a resolution based on the sentiment at Valley; he then distributed that resolution to the committee for consideration. Basically, the resolution proposes that the District NOT change the allocation formula for a period of at least three years, which would get SBVC past the accreditation process and provide them an opportunity to focus on the proposal. A task force should be constituted with representation from both campuses and the District to do an in-depth analysis of how to proceed. Ed then formally moved that this resolution be adopted. The motion was seconded, and Charlie called for a discussion of the motion.

Ed enumerated five factors that, he advised, really resonated with most people at SBVC.

1. The "growth money" really isn't growth for SBVC; it's restoration. In 2007, Valley College had 173 full-time faculty; today they have 142, down 18%. The ratio of full-time faculty to full-time enrolled students is up by 32%, which is not good. The number of sections is down by 12%. Valley College doesn't have a budget deficit like Crafton, because they have managed to balance their budget by making cuts they didn't want to make.
2. Two campuses of the same size may not be desirable. Such a scenario could indicate duplication and wastefulness, which is counter to the current trend. Also, the District is a poor one and the concept of two large colleges may not be realistic given the available resources.

3. If this is just pushed through, Valley College is going to “go up in smoke”. The people don’t like this idea and they are going to protest. Faculty and students look upon this as “abandoning the community where the population is poor—the population needs help, in order to serve the rich kids of Redlands and Yucaipa.” Ed advised that he knew this wasn’t the intention, but felt that this is the perception that exists.
4. If the District does decide to move toward two comprehensive colleges, then it needs a plan so that CHC can grow in ways that complement SBVC and not duplicate it. Such a strategy would require that the campuses to collaborate and this process, he said, would take a lot of time.
5. There does not seem to be any emergency or reason to rush. The change in the formula should be deferred. The District should take a good, hard look at everything, and if it chooses to move forward, it should do so on the basis of a comprehensive plan.

Charlie requested that the group ask any questions it might have regarding its understanding of Crafton’s proposal. However, arguments for or against the material should be reserved for another time and place. He went on to say that the process for making a recommendation on the allocation or proposal would be discussed within the Budget Committee. He pointed out that the committee was comprised of constituents from both colleges as well as the District office, and has in its charge the ability to make such a recommendation.

Cheryl Marshall advised the committee that CHC has been asking for approximately three years for a forum in which to have these discussions. In her past role as Vice President of Instruction, she asked about altering the 70/30 split and was advised that the resource allocation percentage determination was the purview of Chancellor’s Cabinet.

Denise asked about the history of the resource allocation model and Charlie advised that it was developed two and a half years ago. Prior to the model, development budgets had been distributed to the colleges by former Vice Chancellor Bob Temple with the instructions that the allocation was based on the 4s, 5s, and 6s, and the 13- and 14-hundreds, or hourly contract for instructional and classified. There was no declaration of 70/30. To Charlie’s recollection as Vice President of Administrative Services at Crafton, the District made its calculation with zero consultation. The advent of the resource allocation model was the first time that the budget process was made transparent.

Scott postulated that if, as indicated in the proposal, the split remains 70/30 and Crafton’s deficit grows, this may impact SBVC, as well. Sheri mentioned that some of the factors that applied to Crafton’s projected deficit also apply to Valley, such as moving soft money allocations to general fund balances, i.e. counseling, student success, and grant funded positions that must be institutionalized. Denise brought up that CHC will, within two years, have an additional 85,000 square feet of building space which, having been built by the taxpayers, needs to be filled.

Charlie suggested a special meeting of the Budget Committee to identify the process by which these issues can be addressed. Keith requested that if and when there is a request for data, he and James be afforded the opportunity to work on the development of such data ahead of time. Ed agreed that that this sounded like a good way to move forward although genuine buy-in would require a much more extensive process. Charlie indicated that the Budget Committee’s task was to identify what the process ought to be and determine the specifications for what the buy-in will be.

Ed referred once again to the resolution before the committee and Charlie made the comment that, just as the resolution requires that the District not rush to change the allocation split, he is leery about adopting a resolution that limits the flexibility for both colleges for three years. He suggested that the committee postpone the motion to adopt this resolution for the time being. Ed was agreeable to holding off on the resolution for at least one meeting; other committee members concurred.

It was decided that a Special Budget Committee meeting would be scheduled, hopefully within the next two weeks.

District Budget Revenue & Expenditure Summary

This report was reviewed and there were no questions.

Policies & Procedures

This subcommittee met about three weeks ago and is working to develop something for the committee's review by the next meeting.

Promote Budget Awareness/Training

There were no updates for these subcommittees.

Adjournment

Charlie adjourned the meeting. The next regular meeting is scheduled for May 9, 2013 at 2:00 p.m. in PDC 104. There will be a Special Budget Meeting scheduled in the interim.

Kelly Goodrich, Recorder