

Meeting Agenda

February 19, 2015, 2:00 p.m., PDC 104

- I. Welcome & Introductions
- II. Approve January 15, 2015 Meeting Minutes
- III. DBC Recommendation 2015-04 – Budget Committee Recommendations for Chancellor’s Cabinet on 2015-16 Budget
- IV. Review of BP/AP 6200 Budget Preparation Comments
- V. Review of Accreditation Results
- VI. 2015-16 Budget Development Tasks for February – April

February
<ul style="list-style-type: none"> • Campus Position Control Budget process finishes • Budget/Forecasting Software Solution Training • Budget/Forecasting Software Solution implementation finishes
<ul style="list-style-type: none"> • Projected funds for fiscal year and tentative distribution to campuses determined at Chancellor’s Cabinet. • Feb 24: Prior and current year line budgets, instruction packet, and due dates are forwarded to Campus Presidents and Chancellor for distribution to responsibility centers.
March
<ul style="list-style-type: none"> • Feb 25-Mar 26: Campus budget processes determine priorities and reallocation of funds. Responsibility center managers prepare budget forms for submittal to District. • Mar 27: Development Budget reports to establish Preliminary Budget due at District.
April
<ul style="list-style-type: none"> • District Budget Committee reviews Preliminary Budget and develops recommended adjustments, if any, for Chancellor’s Cabinet. • Chancellor’s Cabinet is updated on status of Preliminary Budget. Reviews recommended adjustments as necessary.

- VII. Adjournment & Next Meeting

The next meeting of the Budget Committee has been scheduled for March 19 at 2:00 p.m. in PDC 104.



BUDGET COMMITTEE

Meeting Minutes
1/15/2015, 2:30 pm, PDC 104

Attendance

Members Present – Cheryl Marshall, Denise Allen-Hoyt (left at 2:55 pm), Mike Strong, Rosemarie Hansen-Barnes, Matthew Isaac, Larry Strong, Girija Raghavan, Yendis Battle, Rhonda Prater, Walt Chatfield, Jose Torres, Gloria Fisher, Scott Stark

Members Absent – Stacy Meyer, Ruby Zuniga, Vanessa Osorio, Glen Kuck, James Dulgeroff, Jack Miyamoto, Steve Sutorus

Guests Present – Bryan Reece (left at 2:55 pm), Greg Allred

Welcome/Introductions

Jose called the meeting to order. No self-introductions were necessary. Greg Allred and Bryan Reece identified themselves as guests; Jose asked them not to vote. Bryan and Denise Allen-Hoyt left the meeting at 2:55 pm.

Approval of Meeting Minutes

Matthew Isaac made a motion, which Denise seconded, to approve the minutes of the December 18, 2014 meeting. The motion was unanimously approved.

DBC Recommendation 2015-03

Jose projected DBC Recommendation 2015-03 onto the screen and read the revised text. He advised that the recommendation had been approved by Chancellor's Cabinet with the addition of the sentence, "The Board of Trustees may take action to utilize the fund balance for other purposes as it deems necessary and appropriate for the benefit of the District." A request to revise the 2015-16 Budget Directives will be submitted at the February 19 meeting of the Board of Directors.

2015-16 State Budget Update

Jose, Mike Strong, Scott Stark and Larry Strong reported that they had all attended the ACCCA/ACBO Budget Workshop on January 14, 2015. The committee listened to Jose's presentation (attached to these minutes), and discussed the 2015-16 governor's budget.

DBC Recommendations for 2015-16 Projected Funds

The committee reviewed projections for the general and categorical funds. Scott made a motion, which Mike seconded, to approve a DBC Recommendation regarding the following assumptions about projected funds for 2015-16.

General Fund

- o Funded Growth – 2%
- o COLA – 1.58%
- o Base Allocation (base rate) – use 2014-15 figures for budget development purposes
- o FTES Allocation – TBD
- o Deferrals – plan for no deferrals

Categorical

- o Additional \$100 million for student success and support program
- o Additional \$100 million for student equity plans
- o Proposition 39 -Year 3 – \$326,974 (per Prop 39 memo)
- o Mandated Claims /Block Grant – use 2014-15 amounts for budget development purposes

Based on the most recent information available from the State the committee unanimously approved the motion. Gloria Fisher commented that it is important to let people in the District know that a COLA increase does not necessarily translate into an increase in employee earnings. Jose advised he would follow up on this.

2015/16 Budget Development Tasks

Jose updated the committee on its budget development tasks. The District is moving forward with implementation of Questica. He advised that there is a lot of work and setup to be done. The following timeline was forwarded to DBC members via email prior to the January 15 meeting.

- o Freeze on Position Control (January 22, end of day)
- o Position Control Training from HR to Fiscal (in EPICS) (between January 22 and February 6)
- o Open Position Control (February 6)
- o Communication of New Process to Campus (week of February 9)
- o Train the Trainer for Administrative Staff (week of February 9)
- o Training for End Users (by district staff) (week of February 16th)

Adjournment & Next Meeting

The meeting was adjourned at approximately 3:20 pm. The next meeting of the Budget Committee is scheduled for February 19, 2015 2:00 p.m. in PDC 104.



To: Bruce Baron, Chancellor

Date: 1/20/2015

From: Jose Torres, District Budget Committee Chairperson

Re: District Budget Committee Recommendation #2015-04 on Projected Funds for 2015-16 Budget

At its **January 15, 2015** meeting, the District Budget Committee (DBC) approved a recommendation to Chancellor's Cabinet to use the following projections going into the 2015-16 budget development process.

General Fund

- o Funded Growth – 2%
- o COLA – 1.58%
- o Base Allocation (base rate) – use 2014-15 figures for budget development purposes
- o FTES Allocation – TBD
- o Deferrals – plan for no deferrals

Categorical

- o Additional \$100 million for student success and support program
- o Additional \$100 million for student equity plans
- o Proposition 39 -Year 3 – \$326,974 (per Prop 39 memo)
- o Mandated Claims /Block Grant – use 2014-15 amounts for budget development purposes

Chancellor Cabinet Response:

Chancellor's Cabinet agrees with these budget assumptions for 2015-2016 budget development. We want to stress the importance of developing and maintaining a balanced budget over the next five years. Please look at the numbers in the short-term and long-term -timeframes. There are a number of costs that must be considered when creating multi-year forecasts including contractual step-and-column increases, and rising health benefit costs. In addition, we have a number of unknown costs that will impact our District such as the Affordable Care Act and AB1522 which permits sick leave time for part-time employees. Any COLA and unrestricted revenues we receive from the State above our existing base must be first considered to cover all costs of providing a long-term operating budget that is balanced.

Chancellor

1-23-15

Date