



Budget Committee

November 19, 2015, 2:00 pm, PDC 104

Attendance

Members Present – Jose Torres, Larry Strong, Yendis Battle, Walt Chatfield, Scott Stark, Girija Raghavan, Rosemarie Hansen, Denise Allen-Hoyt, Mike Strong, Tom Robles, Rhonda Prater, Achala Chatterjee

Members Absent – Esmeralda Vasquez, Steve Sutorus, Sheri Lillard, Ruby Zuniga, Cheryl Marshall, Debbie Bogh, Gloria Fisher, Lisa Norman, Matthew Isaac, Jeremy Sims

Guests Present – Tenille Alexander

Welcome/Introductions

Jose Torres started the meeting and self-introductions were made.

Approval of Minutes

Rosemarie Hansen made a motion, which Walt Chatfield seconded, to approve the minutes from October 15, 2015. The minutes were unanimously approved.

Update – Talking Points

- **FAQ on 15% Reserve Level:** Committee members were advised that this communication had been distributed districtwide. There were no other comments.
- **FAQ on Fiscal Services Terms & Acronyms:** Committee members reviewed the FAQ on Fiscal Terms and Acronyms, which had been prepared in response to their request. After some discussion, it was decided that the document, as a whole, was too large to serve as a quick reference. Therefore, a smaller document that contains only acronyms should be prepared. Once this more compact version is approved by the DBC, it will be sent out districtwide and the larger document placed on the DBC webpage where it could be updated if/when the committee decided it was beneficial. It was also decided that the following terms would be added: 75/25, BAM, and Fixed Cost.

Update – Accreditation

Jose distributed a handout entitled Accreditation Recommendation #3. He recapped that at the last meeting it had been decided this would become a standing item on the agenda. In his opinion, there has been a significant improvement in the areas of transparency and communication; however, the creation of an enrollment management plan and a staffing plan stills needs to be completed.

Jose also distributed material based on a recent survey from SBVC on this topic, which contained some very negative comments. It was mentioned that part of the DBC charge was to raise awareness of the budget and communicate budget issues to constituent groups. The group questioned if its efforts could be improved in this regard. Members stated that sometimes it was awkward to bring up the budget randomly to their coworkers. In addition, it was felt that the California community college system budget was a much more complex concept than people generally understood.

The committee discussed the survey results in depth and at length, touching on several issues, including the increase from the tentative budget to the final budget, recognition of the efforts to communicate details of the budget, improvements that have been made in transparency in recent years, and the need to get the word out to constituency groups, the timing of the budget process vs. faculty's absence during the summer.

It was felt that once the enrollment management and staffing plans were in place, there would be less question as to how any unanticipated additional state funding would be spent. Other suggestions for improvement were discussed.

- Contingency spending priorities be developed so that additional funding is basically pre-allocated. Therefore if/when it is received, everyone knows already how it will be spent.
- Mike Strong suggested that Jose take it upon himself to make sure that whenever additional allocations are brought up at Chancellor's Cabinet, Jose remind the group about the collegial process. Jose agreed and also reminded the committee that Cheryl was also part of DBC and Cabinet and he will share that responsibility with her.
- Jose suggested he conduct forums about the Resource Allocation Model at both campuses and advised that he would be tasking other DBC members to join him. Once established, the dates of the forums will be emailed to committee members.
- Walt suggested that instead of a budget, we try to communicate the concept that the state's funding of the District is always in a state of flux; he feels most people don't understand this.

Enrollment

Jose advised that quarterly enrollment meetings are taking place with each college. It appears that CHC is going to be about 150 FTES short. SBVC seems to be right in line with its goals and will be asked to grow an additional 150 if CHC can. The District Enrollment Management Committee had its first committee meeting this week and will continue to meet every other Monday.

Review of One-Time Expenditures

Jose recapped that the District was made aware in July or August that it would get \$8.2 million in one-time funds from the state. The expenditure of the funds was publicized in the FAQ document on the 2015-16 Resource Allocation Model. The following was put on screen.

How are we spending the \$8.2 million? The District has established a budget for the following:

1. Enterprise Resource Planning Solution (\$500,000)
2. HLS building at Valley & Generator for our districtwide technology equipment (\$1.5 million)
3. Non-Potable Water Conservation at CHC (potential future savings in water bills) (\$1.2 million)
4. Future increases in STRS & PERS rates (\$1.5 million)
5. Enrollment Management to ensure that our colleges meet the established goals (\$1 million)
6. Program Review (\$500,000 to address some very needed program review requests)

Additional detail can be found on slide 31 of the Board final budget presentation on September 8, 2015 at www.SBCCD.org/bfs/2015-16-budgetpresentation.

The committee discussed this information. The \$1 million for enrollment management has been distributed as follows: \$600,000 to CHC; \$300,000 to SBVC; and \$100,000 to district-wide marketing. Jose asked if the committee had any comments about wanting to see the money spent differently. He stated that there was \$2 million in reserve. Denise responded that there was no way she could answer this question at the present time as there were no service level options pre-identified. She suggested that a spreadsheet be developed that depicted available money. Mike said that CHC President's Cabinet had developed a prioritized list of items from their program review priorities.

It was decided that a FAQ on the prioritization of one-time money be developed by Jose with input from the colleges priority list.

Board of Trustees Ad-Hoc Budget Committee (BOT ABC)

Jose advised that this group met a couple times and is planning to meet again to discuss the Board directives for the 2016-17 budget.

Board Directives for 2016-17 Budget

The BOT ABC has discussed the board directives for 2016-17, finding that some of the directives are competing and may need to be prioritized. There will be an information item sent to the December Board meeting so that work can begin on these directives.

Adjournment & Next Meeting

The meeting adjourned at 3:41. The next meeting of the DBC is scheduled for December 17, 2015 at 2:00 p.m. in PDC 104.