



# Budget Committee

April 15, 2016, 2:00 pm, Board Room

## Attendance

**Members Present** – Larry Strong, Scott Stark, Mike Strong, Yendis Battle, Matthew Isaac, Jeremy Sims, Jose Torres, Rosemarie Hansen, Steve Sutorus

**Members Absent** – Walt Chatfield, Girija Raghavan, Cheryl Marshall, Thomas Robles, Esmeralda Vasquez, Sheri Lillard, Ruby Zuniga, Debbie Bogh, Lisa Norman, Denise Allen-Hoyt, Achala Chatterjee, Gloria Fisher, Rhonda Prater

**Guests Present** – Tenille Alexander, Keith Wurtz

## Welcome/Introductions

Jose Torres opened the meeting at 2:05 p.m. No introductions were necessary.

## Approval of Minutes

Committee members reviewed the minutes from February 18, 2016. Scott Stark made a motion, which Rosemarie Hansen seconded, to approve the minutes. The committee unanimously approved the motion.

## 2016-17 Budget Tasks & DBC Schedule

Committee members reviewed the schedule. There were no questions or concerns.

## District Office Program Review

Keith Wurtz addressed the group on the work of the [District Services Planning & Program Review Committee](#) (DSPPRC) and presented a graphic representation of the process followed in developing program review priorities for district services. The DSPPRC was comprised this year of managers and classified staff from district services. Next year it is planned to supplement that committee with faculty. Keith then presented a spreadsheet of district services priorities. He invited DBC members to review the list and, if they had suggestions, to make a recommendation to Chancellor's Cabinet for consideration.

Rosemarie questioned the addition of an emergency preparedness position and Jose explained that this permanent position would be funded by the professional expert budget now in place. He further clarified that none of the program review priorities had yet been incorporated into the 2016-17 budget.

Rosemarie discussed the importance of priorities 15 and 26 which applied to the Print Shop. She felt it might be beneficial to move these priorities up to the top of list because printing issues can often have a major impact on college operations. Some discussion ensued about the method of making recommendations to project priorities. Jose voiced his opinion that the prioritization had

been developed and vetted by the members of the DSPPRC and should be respected. The same would hold true for the prioritized lists developed by the colleges. It was mentioned that the DBC's role in this new process had not yet been defined. Tenille Alexander asked if the college and district services lists would be combined at any point and was advised that they would not.

Scott echoed the sentiment that the DBC should not reprioritize the lists – SBVC and CHC staff have already been through the process. He explained that the Valley budget committee does not alter its program review committee priorities; rather, it determines what resources are available. Those determinations are then forwarded to the SBVC College Council to make decisions on implementation of projects based on different categories such as ongoing, one-time, faculty, equipment, etc. The College Council can decide to skip one large project in favor of funding several lower priority (but lesser expensive) projects, or it can decide to fund only a portion of a project.

It was felt that SBVC's model was a good one and that the District Budget Committee should focus on developing a process/framework for recommending approval of program review items. Scott mentioned that a lot of the projects on the DSPPRC list seemed to require ongoing funding. Jose advised that, based on his knowledge of the preliminary budget, it would be very difficult to approve ongoing expenses. He felt that a good benchmark would be approval of projects that don't impact the general fund budget, i.e. approval of a position funded by the elimination of a professional expert cost, or an expense funded by a source other than the unrestricted general fund.

The committee also discussed the need to develop a formula to use if and when additional one-time state funding is identified for program review needs. Jose suggested that a percentage could be developed based on budgeted expenditures, i.e. given the preliminary SBCCD budget of \$89,250,888 the percentage distribution would be 54, 27, and 19 to SBVC, CHC, and district services, respectively.

Jose made a motion to draft a DBC recommendation to Chancellor's Cabinet regarding the development of a framework to address program review priorities in accordance with the committee's discussion. The points of the recommendation would be:

- The DBC will receive and publicize annual program review priorities for each of the colleges and district services; however, DBC will not reprioritize the work of the program review committees.
- Barring any major concerns, program review requests that do not negatively impact the unrestricted general fund budget (i.e. projects funded by expenses eliminated from the previous year's budget) could be implemented by following each site's collegial process.
- Program review requests that are funded by resources other than the unrestricted general fund could be implemented by following each site's collegial process.
- If and when one-time unrestricted funds become available and identified by Chancellor's Cabinet for program review needs, those funds shall be divided between the two colleges and district services on a percentage to be recommended by DBC to Chancellor's Cabinet.

Some discussion followed the motion and its points were repeated for the committee. Keith expressed concern that the DBC's action was not what he had initially anticipated within the DSPPRC's process. It was clarified that this motion would only serve to construct a draft recommendation which would then be reviewed at the DBC's May 12 meeting. Scott seconded the motion and it was unanimously approved.

## Review of 2016-17 Preliminary District Services Budget by Program

Larry Strong reviewed the preliminary district services expense budget and explained that the numbers were being presented in a comparative summary to illustrate changes from FY 2015-16. It was clarified that the budget spreadsheet sent out to DBC members via email contained 42 pages of detail broken down by department and object code. It was mentioned that the Board of Trustees would be receiving a budget update at its April 21, 2016 study session and that an in-depth Board presentation was planned for the May 26 study session.

Mike Strong joined the meeting in progress.

Matthew Isaac expressed extreme disappointment at the reduced funding to EDCT. He maintained that the EDCT provides an important educational service to the community and that the director of this operation should not have to be concerned about funding his or her own position. He requested Jose reconsider this issue. Matthew believes that funding to EDCT for the associate vice chancellor and the administrative assistant was to have been reduced by 25% each year to give the entity time to become self-sustaining. However, the first year it was 80% and then 50%, and now only 25% support is proposed. As Matthew is retiring after this fiscal year, he is concerned that SBCCD will be unable to secure a qualified replacement given this scenario. Rosemarie agreed that this could be a concern.

Mike felt it was important to let the colleges complete their budgeting process leaving the current assessment in place. Scott, too, would like to see how the tentative budget develops. Matthew asked that this be made a part of the DBC agenda for discussion but Scott felt it might be more of a strategic decision. It was mentioned that the reduction of the assessment on the colleges for the support of the EDCT originated with the January 2014 [College Brain Trust - SBCCD Resource Allocation and Utilization Review](#). Jose advised Matthew that he will bring this issue before Chancellor's Cabinet in his role on that committee.

There were no further questions on the budget.

## Changes to FTES Projections & DBC Recommendation 2016-03, Revised

Committee members reviewed DBC Recommendation 2016-03, Revised. Mike and Scott explained the need for the more conservative projections. Scott made a motion to ratify it which Rosemarie seconded. Mike mentioned that this projection could change again in the future. The recommendation was unanimously ratified.

## DEMC Recommendation 2016-02 – Concerns Regarding FTES Growth

DEMC Recommendation 2016-02 was reviewed. Jose mentioned that if and when one-time funding became available, this recommendation should be considered.

## Updates

This topic was tabled until the next meeting in the interest of time.

## Adjournment & Next Meeting

The meeting adjourned. The next meeting of the DBC is scheduled for May 12, 2016 at 2:00 p.m. in PDC 104.