



SAC PLANNING & BUDGET MEETING
 MINUTES - APRIL 16, 2013
 SAC FOUNDATION BOARD ROOM
 2:00P.M. - 3:00P.M.

Approved 5/7/2013

The mission of Santa Ana College is to be a leader and partner in meeting the intellectual, cultural, technological and workforce development needs of our diverse community. Santa Ana College provides access and equity in a dynamic learning environment that prepares students for transfer, careers and lifelong intellectual pursuits in a global community.

Administrators	Academic Senate			CLASSIFIED	Student Rep.		
Mike Collins, co-chair	Chris Cannon(a)	Michael Kelcher(a)	Jeff McMillan, co-chair	Tom Andrews			
Jim Kennedy	Ray Hicks		Monica Porter	Angela Guevara(a)	Guests		
Sara Lundquist	Elliot Jones		George Wright	Denise Hatakeyama	Esmeralda Abejar	Bart Hoffman	
Linda Rose			John Zarske	Leslie Wood-Rogers	Tom Bonetati	Rhonda Langston	
1. WELCOME						Meeting called to order 1:40p.m.	
2. PUBLIC COMMENTS		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS		
		No public comments					
3. MINUTES		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS		
		Approval of the March 5 Planning and Budget minutes The March. 5 minutes were presented for approval.			ACTION Motion was moved by J. Zarske to approve the March 5 th Planning & Budget Committee minutes. 2 nd - M. Porter Motion unanimously carried.		
4. BUDGET UPDATES		DISCUSSION/ COMMENTS			ACTIONS/ FOLLOW UPS		
		<u>State Revenue</u> <ul style="list-style-type: none"> • State tax collections for March were up significantly...following a trend of above average revenue for our state since January. • Allegedly, there is an estimated \$5 billion increase in current year GF revenue above what the Gov. forecasted in January, which could help our College- and kind of points to the strengthening of our economy (income tax increases, but sales and use taxes down in March). • Still pretty fuzzy, in terms of math...and its impact on higher education is yet to be seen or even really talked about...just hopes and dreams still.... • Gov.'s May revise happens mid-May, and the Gov's revised budget proposal will take into consideration the changes (positive or negative) with the State's revenue picture. Right now, things are looking ok. • Truly, the May revise will provide more insight on the push-pull of negotiations on the Governor's desires to overhaul higher education- but we won't know exactly how much new funding we have until the Gov. gets through his adopted budget. • We will have to stand-by and wait on how the Governor deals with the recommendations on his proposed budget. Once again, the devil is in the details and in essence, his May Revise! 					

BUDGET UPDATES (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>SAC Budget</u></p> <ul style="list-style-type: none"> • So many missing holes in the SAC tentative budget, not knowing exactly what revenue will look like, tough to build a tentative budget that is anything but a placeholder. • Currently, we are building the 13-14 SAC tentative budget- basically a roll over from 12-13 at this point. We are sending out revision sheets for part-time and reassign time for the areas. • We are working under the assumption that there will not be much extra revenue in 13-14, and what new revenue we have will go towards funding our new faculty to make progress on our FON and support our students' needs, budgeting for our contractual obligations, and our fixed cost increases. • May revise will tell us a lot, and hopefully the District can provide us with more numbers prior to the mid-May. REMINDER- the TENTATIVE BUDGET IS A PLACEHOLDER WHILE THERE ARE SO MANY REVENUE UNKNOWNNS. <ul style="list-style-type: none"> ○ Closer to year end closing to tell us how much we estimate in carryover funds (est. of \$2.8-\$3 million, but not sure how it will shake out) ○ May revise informs us of any revenue increases/cuts from January- and how the revenue will be allocated to us (COLA, restoration/growth, etc.) • 13-14 SAC Tentative Budget assumptions will be presented today, which will be the foundation for our tentative budget development. • Resource Allocation Request (RAR) process is in progress and the outcome is a listing of prioritized needs campus-wide, in technology/facilities/equipment/personnel...that can be used to plan our budget in accordance with our College Mission and established budgeting priorities set forth by the P&B committee. • We have made the total list available in order for the campus community to see what the total list of requests (\$16.5 million!) • The process is driven out of our Program Review process, where our resource requests support our intended outcomes at the Program level. All campus teams were asked to provide requests that aim to meet the intended outcomes of the departments/divisions/programs, were prioritized by the requestor, by the Dean/Director, then prioritized requests are presented to the President's Cabinet for prioritization prior to being presented to the SAC Planning & Budget Committee for review and discussion. • While we don't know exactly how much new revenue we will have until the May revise and ultimately the state budget is adopted- the process does allow us to PLAN what to do with the budget when the money is or isn't available in accordance with our College Mission, goals, and budgeting priorities. 	

BUDGET UPDATES (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> The process is new, as is the new budget allocation model (SB 361). We will have to first build the process, then evaluate the effectiveness of the process and to identify potential improvements. The process is a dynamic one that aims to include the feedback of our College community for continuous improvement. 	
5. STUDENT UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	No report.	
6. OLD BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>SAC Vacant Positions</u> The vacant faculty position lists that included projected costs.</p> <ul style="list-style-type: none"> Costs projected were at the highest rate and included benefits. There will be savings in the adjunct accounts by funding the full time positions. <p><u>Resource Allocation Requests update</u> Members were provided with a “Top 5 Priorities list” for each area. Each vice president was asked to briefly outline their process in initiating and establishing the Resource Allocation Requests (RAR) for their areas.</p> <p>It was noted that the Resource Allocation Requests were developed based on the following criteria:</p> <ul style="list-style-type: none"> SAC Mission statement General and Specific Priorities that had set and approved by the Planning and Budget committee. Program Review <p>The RAR process has allowed significant progress to be made in identifying the needs of the college.</p> <ul style="list-style-type: none"> It was noted that the college has finally realized a process where program review is driving the budget planning process. <p>Members were reminded that the college has a collective responsibility on how funds are spent.</p> <p>It was also that the college is early in the implementation of the new SB361 budgeting model. The importance of developing a process that matches the way the revenue is allocated was stressed.</p> <p>Members were advised that the complete lists of Resource Allocation Requests that total to the 16.8 mil could be found online at http://sac.edu/AdminServices/budget/Pages/default.aspx under <u>FY13/14 College-wide Resource Allocation Requests</u></p> <ul style="list-style-type: none"> Members were reminded that the college does not have the money for these requests; however, the RARs will guide the allocation of funds as they are received. <ul style="list-style-type: none"> As funds are available, the highest priorities from the “Top 5 Priorities list” for each will be determined and moved forward to the Planning and Budget committee for review. Facility needs will be brought forward to the SAC Facilities committee. <p>Members were reminded that the compilation of this information was done by hand.</p>	

OLD BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	Appreciation and acknowledgement to the college accountant, Esmeralda Abejar was given for her diligent efforts with this task.	
7. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>13/14 SAC Tentative Budget Assumptions</u> The 13/14 SAC Tentative Budget Assumptions (attached) were provided for member's review.</p> <p>Members were reminded that the tentative budget assumptions will be the base for building the Tentative budget.</p> <p>It was also noted that the Tentative Budget is a placeholder budget and the assumptions are placeholder assumptions.</p> <p>The importance of establishing an emergency rainy day fund was stressed.</p> <ul style="list-style-type: none"> • It is anticipated that those funds will be carried over year from year. • It is an expectation of the district that the colleges will have a contingency reserve. • Important and prudent to have a rainy day fund set aside in carryover that is not touched. <p>Members were advised that the district will assist the colleges in an emergency situation. The example of a dramatic facility issue was provided.</p> <p>A discussion ensued regarding the funding details of the following areas as outlined in the assumptions:</p> <ul style="list-style-type: none"> • Sabbatical and Load Banking • Technology • Professional Development • Accreditation activities <p>Members were advised that the intent of the college is to establish and fund these areas in an effort to meet the campus needs; however it is not known how those funds will look at this time.</p> <ul style="list-style-type: none"> • It was noted that the technology needs are greater than what could be funded within the next 2 - 3 years; nevertheless, the importance of developing a funded reserve to meet the college's technology needs was stressed. <p>SB361 - Budget Allocation Modal "draft" revision The membership had been provided the RSCCD Budget Allocation Model draft based on SB 361 revision prior to the meeting for their review.</p> <p>The draft reflects the latest language. Final recommendation will be made by the Fiscal Resources committee (FRC).</p> <p>The FTE split between the two colleges was the biggest stumbling block in delaying the progress of the document. The final determination was made by the Chancellor and the college presidents.</p> <ul style="list-style-type: none"> • The split was determined as follows: <ul style="list-style-type: none"> o 70.80% - SAC o 29.20% - SCC <p>19.4% will be allocated for district operations expenditures before allocations are made to the colleges.</p>	<p>ACTION</p> <p>Motion was moved by R. Hicks to approve the 13/14 Tentative Budget Assumptions as revised. 2nd - S. Lundquist Motion unanimously carried.</p>

NEW BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> o Members were reminded that the model calls for a review of the district buyback services. o Are they meeting our expectations or not? o FRC will be conducting that review. o The document states that in the fall an assessment will be done of the services. • It was clarified that the FTES are reported as a district. • FTE targets are set to coincide with the allocation split. <p>An inquiry was made regarding stabilization.</p> <ul style="list-style-type: none"> • If the college does not meet their CAP target there will a one year stabilization period. • During that Stabilization year, the college will be funded for that year to get back to CAP. • After the year, if the college was not able meet the CAP target, they will be funded but at the lower level. • It was noted that Stabilization will be treated similar to the State's process for Stabilization. <p>There was a brief discussion regarding concerns for the process or lack thereof in which the new budget model was revised.</p> <ul style="list-style-type: none"> • Work was conducted outside the original BARR work group that had been charged with this task. • Process delayed for over 1 year. • Concerns were expressed directly to the Chancellor. • Important to consider a strategy to avoid and/or address this in the future. <p>The issue will be handled through the Senate.</p>	
8. FUTURE AGENDA ITEMS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> • Review and evaluate 2012/2013 Planning and Budget Committee Goals • End of Year Report • Resource Allocation Requests update. 	
9. OTHER BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS

Adjourned - 2:55p.m.
 Next Meeting -Tuesday, May 7, 2013
 1:30p.m. - 3:00p.m.
 S-215
 Submitted by G. Lusk 4/23/2013