

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

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Fiscal Resource Committee Meeting

Executive Conference Room

1:30 p.m. – 3:00 p.m.

Meeting Minutes for April 17, 2013

FRC Members Present: Peter Hardash, Ray Hicks, Steve Kawa, Sylvia LeTourneau, Raul Gonzalez del Rio, Diane Hill, Esmeralda Abejar, Michael Collins, Jeff McMillan and Michael DeCarbo

FRC Members Absent: Adam O'Connor, Morrie Barembaum

Guests Present: Bart Hoffman, Juan Vazquez and Jose Vargas

The meeting was called to order by Mr. Hardash at 1:40 p.m.

Mr. Hardash informed the committee that alternates should be appointed for each member committee. Please take information back to the college Presidents for these appointments. Alternates are encouraged to attend future meetings.

State/District Budget Update

- Education Protection Account (EPA) Accounting Advisory – April 3, 2013. Prop 30 created this new EPA account, the theory is that new revenues during the period of the new Prop 30 would go to community colleges. This is an accounting transaction; money cannot be used for administrative costs. RSCCD will claim faculty and in classroom costs for these funds. This is not extra money. Prop 30 EPA report will be placed on the district web site under Fiscal Services Audit Reports page as details develop.
- Adult Education: Townsend Public Affairs will be updating the Board on the advocacy visit to Sacramento at the next Board meeting and what is being done in support of adult education.
- May Revise: Teresa Tena's memo on the 2012-13 state budget and fiscal issues was distributed. The League put together three scenarios. Scenario 1 would result in \$10.3 million to RSCCD in the current year but a \$4.9 million loss to next year. Scenario 2 would result in \$7.3 million to RSCCD in the current year and \$825,000 next year. Scenario 3 would result in \$10.9 million to RSCCD in the current year and \$4.1 million next year, all based on the assumption that we receive the funds on an FTES basis.
- Prop 39: Governor proposed it all go to education, however, the ballot language is being challenged. Zero dollars have been distributed, still waiting to see how it will be allocated and how much RSCCD will get. Originally to be distributed by FTES, however, that has changed, no final ruling as of yet. If energy is included RSCCD will use funds for energy retrofitting, boiler replacements and chiller plants at both colleges.
- Tentative Budget Calendar: Distributed as information. Mr. Hardash informed the committee that the Chancellor met with both Presidents to discuss the FTES split. Based on their discussion, the split between both campuses will be SAC 70.80% and SCC 29.20% for the Tentative Budget. Discussion needs to take place on future growth, the Chancellor expects a transition plan, who would receive what share.

P2 Attendance Report CCFS-320

- Report shows RSCCD is below target. Using the data provided by the colleges, RSCCD is about 220 – 270 FTES short to restoring to our base. We will fall about 300 FTES short of our restoration base, about a \$1 million loss immediately and at P-2 it becomes our base for next year resulting in a \$2 million loss for next year. If there isn't more positive attendance, we will have to borrow from summer, however, that causes an issue for next year. The Chancellor plans to have discussion with the CIO's on the process of borrowing. Dr. McMillan said this is the second year in a row that the enrollment management group has failed to do what they are charged to do. This will have to go back to the Senate for discussion to figure out what the issues are with enrollment management. Mr. Hardash suggested speaking to the CIO's about the details. Mr. Vazquez suggested using the stabilization fund to keep the colleges whole and will make a recommendation to the Chancellor that he consider keeping the district whole by utilizing the stabilization fund. Discussion ensued on strategies for FTES funding.

Budget Allocation Model Narrative (BAMIT recommendation) – First Reading

- Please share with campus budget committees, collect feedback for second reading at the next FRC meeting. If necessary, BAMIT committee will reconvene to work through suggested language. The evaluation of this implementation document will happen yearly.

Information Handouts

- The following documents were distributed and discussed:
 - District-wide expenditure report link: <https://intranet.rscgd.edu>
 - Vacant Funded Position List as of April 9, 2013
 - Measure "E" Project Cost Summary as of April 3, 2013
 - Monthly Cash Flow Statement as of March 31, 2013
 - Membership of Fiscal Resources Committee

Approval of BAPRC Meeting Minutes – March 20, 2013

Mr. Hardash called for a motion to approve the FRC Minutes of the March 20, 2013 meeting. The motion was moved by Mr. DeCarbo and Mr. Kawa seconded the motion to approve the minutes as presented. Dr. McMillan abstained. Mr. DeCarbo asked that the Minutes reflect that approving the Minutes is not an approval of the additional handouts in the packet.

Meeting Schedule FRC Meeting – 1:30 – 3:00, Executive Conference Room #114 – District Office

May 29, 2013.
June 5, 2013 will be held only if necessary.

Adjournment

Mr. Hardash adjourned the meeting at 2:55 p.m.