



Santa Ana College

Planning & Budget Meeting

May 5, 2015



SAC Planning and Budget Committee
May 5, 2015
1:30p.m. - 3:00 p.m.
S-215

THE PLANNING AND BUDGET COMMITTEE is the participatory governance committee responsible for recommending budget priorities, procedures, and processes to the College Council. The Planning and Budget Committee also functions as a community liaison for fiscal affairs with the college community.
Santa Ana College Participatory Governance Structure Handbook

(May 8, 2013)

Agenda

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| 1. Welcome and Introductions | |
| 2. Public Comments | |
| 3. Approval of Minutes for April 14, 2015 | ACTION |
| 4. Budget Update | INFORMATION |
| 5. Enrollment Update | INFORMATION |
| 6. Student Update | INFORMATION |
| 7. SACTAC | INFORMATION |
| 8. Marketing Update | INFORMATION |
| 9. Old Business | INFORMATION |
| 10. New Business | INFORMATION |
| 11. Future Agenda Items | |
| 12. Other Business | |

Next Meeting – June 2, 2015 (if needed)

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.



SAC PLANNING & BUDGET MEETING

MINUTES – APRIL 14, 2015

SAC FOUNDATION BOARD ROOM

1:30P.M. – 3:00P.M.

Draft for Approval

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Administrators	Academic Senate		CLASSIFIED	GUESTS	
Mike Collins, co-chair	Ray Hicks co-chair	Monica Porter(a)	Tom Andrews	Esmeralda Abejar	Rhonda Langston
Jim Kennedy	Pat Mansfield	John Zarske(a)	Denise Hatakeyama		
Lilia Tanakeyowma(a)			Jimmy Nguyen(a)		
Omar Torres	Student Rep.		Leslie Wood-Rogers		
	Briana Brennan				
1. WELCOME					Meeting called to order 1:31p.m.
2. PUBLIC COMMENTS		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS
		Ms. Brennan announced the Public Safety Town Hall meeting hosted by the SAC ASG on April 21, 2015 in the Spot. All were invited to attend.			
		The committee remembered President Abraham Lincoln and his contribution to the shaping of our country. He was assassinated 150 years ago on April 14.			
3. MINUTES		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS
		The March 3, 2015 Planning and Budget minutes were presented for approval.			<u>ACTION</u> Motion was moved by T. Andrews to approve the March 3, 2015 Planning & Budget Committee minutes. 2 nd – R. Hicks Minutes were unanimously approved.
4. BUDGET UPDATE		DISCUSSION/ COMMENTS			ACTIONS/ FOLLOW UPS
		STATE: <ul style="list-style-type: none"> For the first two months following the revised current-year forecast released with Governor Jerry Brown's State Budget in January, General Fund revenues are tracking \$633 million above estimates according to the Department of Finance. Therefore, adding the March totals for the personal income tax and the corporation tax to the \$633 million results in revenue collections of almost \$1.3 billion above the January estimate. 			

BUDGET UPDATE(cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>The LAO's report, <u>The 2015-16 Budget: Possible May Revision Scenarios</u>, explains that many current-year and budget-year spending requirements are already locked in place by:</p> <ol style="list-style-type: none"> 1. Proposition 98—Under the LAO's hypothetical revenue scenarios, schools and community colleges could see a two-year, constitutionally-required gain of between \$4.8 billion and \$7.3 billion above Governor Jerry Brown's Budget proposals. 2. Proposition 2—Higher assumed revenues increase required deposits into the Rainy Day Fund of up to \$1.8 billion. 3. 2014-15 State Budget requirements—Mandate reimbursements to cities, counties, and special districts would be repaid under last year's State Budget provisions. <ul style="list-style-type: none"> • The statutory cost-of-living adjustment (COLA) for 2015-16 is likely to be lower than the 1.58% contained in Governor Jerry Brown's January Budget, according to preliminary data compiled by the U.S. Department of Commerce. The COLA—the Implicit Price Deflator for State and Local Government Purchases of Goods and Services—will likely be lower than the Department of Finance's estimate as a result of a drop in the index in the fourth quarter of 2014. Up until that point, the index had been rising at a modest annual rate of about 1.6%. The index is not unique to California, but rather is a compilation of the costs of goods and services purchased by state and local governments nationwide. • The new school CalPERS employer rate of 11.847% is subject to Board approval at the April 14, 2015, CalPERS Finance and Administration Board Committee meeting. Starting in 2016-17, the employer contribution rate is expected to increase more dramatically because of a change in the CalPERS amortization and smoothing policy. The cost of these new assumptions will be spread over twenty years. The employer contribution rate increases are phased in over the first five years (2016-17 through 2020-21) and then ramped down over the last five years. • The Governor's new growth formula will be unveiled at the May revise. Not real good for our District as it constrains us to potentially under 2% growth. Under the draft funding allocation model, CCC would determine a district's enrollment growth funding using five factors: (1) percent of district's adult population without a bachelor's degree, (2) percent of district's population that is unemployed, (3) percent of district's enrolled students receiving Pell Grants, (4) percent of district's college-age population enrolled in the district, and (5) unfunded FTE students as a percent of funded FTE students. For each of the first four factors, CCC would compare the district rate with the statewide rate. A difference of 1 percentage point or less would count as 1 whereas a difference of 10 percentage points or more would count as 10. Each of the five factors would be weighted equally, accounting for 20 percent of the index. The index itself would range from 1 to 10 and represent the percent growth to be 	

BUDGET UPDATE(cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>allocated to the district. This growth rate would be applied to the district's current-year funding level to derive an enrollment growth dollar amount.</p> <ul style="list-style-type: none"> Statewide enrollment is still tracking at around 2%. <p>DISTRICT:</p> <ul style="list-style-type: none"> Still waiting for the May-revise to come out and explain a bit more on the revenue side. FY 15/16 budgets are being built at the campus level and are due May 8th. Building the budget in accordance with the DIST budget assumptions. Health and welfare cost negotiations appear to be going well. Dist is still stating the structural budget deficit is between \$8-11 million. <p>COLLEGE:</p> <ul style="list-style-type: none"> FY 15/16 budget build is happening, with budget sheets out to the divisions/departments to verify expenditure account strings and amounts in the non-personnel accounts. Personnel accounts will be rolled, with the increases in step/column, health and welfare budgeted in- COLA will sequestered until the May revise. Biggest challenge for SAC in FY 15/16 is building a budget that covers the cost of the new faculty we brought on in FY 14/15 and those we will bring on in 15/16. We have already defunded most of SAC's vacant classified positions (\$1.237 million), shifted GF positions to categoricals where appropriate (\$640,000), and cut management positions (\$248,813). We are still between \$400-600,000 short. In order take make up the difference, the college will be : <ol style="list-style-type: none"> Identifying efficiencies from the schedule, while fully funding the 15/16 schedule that is built. Identifying GF savings in IE, instructional supplies, and potentially more categorical shifts where appropriate. Reducing significantly non-contractual or non-categorical release time Further ongoing defunding of the classified and management vacant positions Reduction in the number of non-contract "instructional associates" RARs are completed, have been prioritized, and will be posted on the Planning and Budget Committee website for campus-wide review. <p>Speaking of the RAR process, we will be conducting a campus-wide evaluation of the planning and budget process, and will be using the feedback to guide continuous improvement. SAC has always conducted a campus-wide evaluation of the process as part of our program review activities, but this year it will be more focused to ensure <i>"financial resource planning is integrated with institutional planning"</i> and that <i>"the institution systematically assesses the effective use of financial resources and uses the results of the evaluation as the basis for improvement of the institution"</i>.</p>	

5. ENROLLMENT MANAGEMENT	DISCUSSION/ COMMENTS	
	<p>Omar Torres provided a brief update to the membership.</p> <ul style="list-style-type: none"> • Late start class enrollment very robust. • Some classes had wait lists. • Online classes very popular with students. <ul style="list-style-type: none"> ○ Important to encourage faculty to consider online certification. ○ Online instruction does not produce as much revenue as face to face instruction. • FTES revised target is 7,000, based on projection the college will come in at 7,101 FTEs. • The YTD growth as of the week of 4/13 is at 1.2%. This includes the late start classes and the projected positive attendance. • Statewide there is not a lot of growth. <ul style="list-style-type: none"> ○ SAC's growth at 1.2% is not bad. ○ SCC is struggling. ○ The districtwide projection is at 1%. 	
6. STUDENT UPDATE	DISCUSSION/ COMMENTS	
	<p>Briana Brennan presented her student update report (see attached). Additional comments as noted.</p> <ul style="list-style-type: none"> • There is a fear of arms and weaponry on campus. • Students are concerned about feeling safe on campus. • SAC feels like a safe place. <ul style="list-style-type: none"> ○ This safe feeling has elevated the reputation of SAC in the eyes of students at neighboring community colleges. • There is an interest amongst the students that officers wear body cameras. 	
7. SACTAC	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>The following was reported:</p> <ul style="list-style-type: none"> • The committee is working on updating the Technology Plan. • The committee is establishing some broad goals. <ul style="list-style-type: none"> ○ All classrooms on campus mediated with projectors and audio equipment. ○ Computer replacement plans. ○ Website and mobile app. ○ Additional ways to market <p>Planning and Budget committee has dedicated resources towards these goals.</p> <ul style="list-style-type: none"> • Working with the district in getting the classrooms mediated. <ul style="list-style-type: none"> ○ This was rolled out as a two year plan, however have been advised that monies must be spent this fiscal year. ○ 225, 000 was budgeted for this year. ○ Working hard to get this completed. • The committee will be reviewing and prioritizing the RARs requests for next year and will be bringing them back to the Planning and Budget committee. • There has been discussion of running a few pilot class labs using the LED projection instead of the LCD projection. 	

SACTAC (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> ○ Initial investment larger for the LED lamps however the lamp life is considerably longer than the LCD. ○ Important to get student and faculty feedback. <ul style="list-style-type: none"> • The committee was also advised that a subcommittee is exploring options in regards to our current Distance Management Learning systems, Blackboard. Discussion ensued. • State may provide a tool for the colleges free of charge. <ul style="list-style-type: none"> ○ It was noted that regardless if a free tool would be offered, there would be still some functionality concerns to be considered in determining if this would be a viable option. <p>A recommendation will be made if the college should stay with Blackboard or make a change.</p>	
8. MARKETING UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>The following information was noted:</p> <ul style="list-style-type: none"> • SAC website will be updated at the end of this week to focus on our summer offerings. • Registration begins on May 15 with the start of classes on June 15. • Important to get the information out letting students know of the robust offerings SAC has for summer and get classes filled. <p>Members were advised that efforts are underway to provide a marketing pamphlet regarding the Baccalaureate program.</p> <ul style="list-style-type: none"> • The pamphlet will outline the program. • Goal is to have the pamphlet ready to distribute to for the Early Decision students. <p>The program will begin in fall of 2017.</p> <ul style="list-style-type: none"> • Discussions are beginning regarding curriculum development and what is needed to support the upper division Anatomy and Physiology that will be offered. • Working on the details of the fee structures and changes to Title V. <ul style="list-style-type: none"> ○ In state students will be charged an <u>additional fee</u> of \$84.00 per unit. <p>Mr. Torres noted his appreciation for the support of the Academic Senate as the college moves forward with the baccalaureate program.</p> <p>It was mentioned that a big draw for students are the Student Support Services and resources offered at SAC such as the transfer articulation programs, etc.</p> <ul style="list-style-type: none"> • Important to advertise as these are services not offered at all community colleges. 	
9. OLD BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>ASG Survey</p> <p>Due to technical difficulties the student survey has not moved forward.</p>	
10. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>RARs Preliminary Prioritization</p> <p>RARs have been submitted and have gone through preliminary prioritization. They</p>	

NEW BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>will be posted on the SAC Planning and Budget website for review. They will come back to the committee for review.</p> <ul style="list-style-type: none"> • These RARs are for the 15/06 fiscal year. • RARs are tied to department's Program Review. <ul style="list-style-type: none"> ◦ This is where department identify the following needs: <ul style="list-style-type: none"> ▪ Instructional Equipment ▪ Specific supplies ▪ Facilities needs ▪ Technology needs ▪ Personnel needs <p>Quarterly Budget Performance Report It was reported that the budget is doing well.</p> <ul style="list-style-type: none"> • 73% of the budget has been spent. We are 2% under our expected budget target. • Still within limits of the 1310 accounts. • Utilities are at 81%. <ul style="list-style-type: none"> ◦ The March expenditures reflect half of January and February. ◦ Electrical and water usage are being tracked. ◦ Set points have been established to control heating and cooling costs. <p>It was noted that the budget team has been working on forecasting the end of the year performance. That information will be shared with the committee.</p>	
11. FUTURE AGENDA ITEMS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
12. OTHER BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>There was an inquiry into the revenue for online classes.</p> <ul style="list-style-type: none"> • Online classes only bring in a fraction of the revenue as compared to face to face instruction. <ul style="list-style-type: none"> ◦ Important for the college to consider the revenue piece when adding online classes. • Online classes very important to offer as we compete for enrollment, as online instruction is very popular with today's students. <p>Campus Budget building process Ms. Abejar provided an overview of the budget building process for the membership.</p> <ul style="list-style-type: none"> • A budget change is in process to defund all the 15/16 vacant positions. • The district is currently working on budgeting for all Classified and full-time positions. <ul style="list-style-type: none"> • Working with Resource Development in the following areas: <ul style="list-style-type: none"> ▪ Budgeting for all grant match budgets. ▪ Moving unrestricted general fund positions to categorical programs. • Overload and Hourly accounts will be budgeted based on the 15/16 schedule. • Summer and Intersession 2016 will be budgeted based on the 14/15 schedules. 	

OTHER BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> • Part-time and Overload costs will be estimated using 13/14 as a projection tool for CJ and Fire Academies and School of Cont. Ed. • Working with CJ and Fire Academies and Athletics on determining a cost for Instructional Associates costs. <ul style="list-style-type: none"> ▪ Anticipating a costs savings in Athletics. • Instructional Assistants for large group instruction will be based on last year's expense and new requests. • Working with the departments to identify long term instructors for 15/16. • Short term and Overtime accounts will not be funded for 15/16. • Reassigned time will be budgeted in accordance with mandates and contractual agreements. • Each department will receive a spreadsheet of their 4000 – 6999 non-personnel accounts for review and will be able to make any changes within those existing accounts for their 15/16 budgets. <p>Members were advised that the 15/16 budget is being built carefully and as lean as possible in light of budgetary constraints. The importance of bringing this information to the membership for discussion was noted.</p> <p>Enrollment Flattening</p> <p>There was an inquiry on how the college plans to manage should the campus suffer enrollment flattening despite their efforts to increase enrollment. The membership was advised of the precautionary steps being taken by the campus. Discussion ensued.</p> <ul style="list-style-type: none"> • College is being more realistic in setting their growth targets but still doing everything to exceed the 1% growth. • Looking at having the right marketing plans in place. • Properly managing resources through enrollment management. • 15/16 Budget Assumptions revenue built at 1% growth. • Efforts continue in meeting our students' needs, financial aid scholarships, Baccalaureate degree program, CTE programs, etc. <p>Plans are being made for worst case scenario.</p> <p>■ There was an inquiry regarding the work in Russell Hall and the funding source for it.</p> <ul style="list-style-type: none"> • Funds coming from Scheduled Maintenance. • Project is being scoped out. <ul style="list-style-type: none"> ○ Upgrade lab environment. ○ Important that plumbing fixtures are efficient and aligned with the energy standards set forth. ○ Will be looking at the restrooms. ○ Not sure how far the funds will take us. <p>The building is in need of a lot of attention and will be around for a while. Steps are being taken a year at a time to care for the building.</p>	<p>Adjourned – 3:01p.m. Next Meeting Tuesday, May 5, 2015 1:30p.m. – 3:00p.m. S-215 Submitted by G. Lusk</p>