



**SAC BUDGET AND PLANNING MEETING
MINUTES
JANUARY 29, 2008**

Approved 3/4/08

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

Administrators

President Erlinda Martinez
Norm Fujimoto
Noemi Kanouse, Comm. Chair.
Sara Lundquist
Sergio Sotelo

Academic Senate

Dan Goldmann (absent)
Andy Gonis
Ray Hicks
Jeff McMillan
Renee Miller
Al Siddons
George Troxcil, faculty co-chair
George Wright

CSEA

Denise Phillips
alternate: vacant

Student Representation

Elliot Roca

Guests:

Jan Eldridge	Terri Hawn	Virginia Witmer
Paul Foster	Pete Paolino	
Sue Gibson	Lucy Sims	

1. Welcome and Introductions

The meeting was called to order by Mr. Troxcil at 1:40 p.m. Self introductions were made. Mr. Troxcil recognized the work and commitment of Mr. Roca, student representative.

2. Approval of Meeting Minutes – December 4, 2007

The minutes were amended as follows:

5. SAC Budget Calendar

In preparation for 2008/09, each *constituency* should look at planning priorities. Budget requests should come after a review of progress. We should review 2007/08 priorities prior to establishing priorities for 2007/08. We should have conversations with our shared governance committees. How *classified staff* participates in the process was questioned.

6. Other

- A request was made to add Safety officer staffing to be included as a future agenda item.

The approval of the December 4th meeting minutes was tabled in order to confirm and clarify if a vote was taken regarding contacting CSEA for a list of priorities. The information will be researched and brought back to the March 4th meeting. *It was determined that there was not a call for a vote.*

3. Budget Updates

Community College League Update – January 10, 2008

Mrs. Kanouse presented the update to committee members highlighting the following areas:

- The governor is proposing a 40 million dollar reduction for community colleges for 2007/08. This would present a 1.42 million cut for RSCCD.
- For 2008/09 the governor is proposing a 483.5 million dollar reduction in apportionment and categorical funds. The plan outlines zero dollars for COLA, 1% for Growth and a 10% cut in Categorical funding.

Also presented were a budget comparison between the 2007/08 Budget, 2008/09 System Budget and the 2008/09 Governor's proposed budget. The document identified the change in dollars as well as percentages.

Chancellor's Office Update – January 16, 2008

Mrs. Kanouse brought the committee's attention to the Declaration of Fiscal Emergency. She provided a brief history on the Declaration noting that the legislature is currently working with the governor's proposed budget solutions in an effort to try to find alternatives to the 40 million mid-year reduction.

In addition she noted the Fiscal Policy changes being proposed specifically the changing of the COLA (cost of living) factor to reflect the Consumer Price Index adjusting the COLA from 4.94% - 3.65% and the 200 million deferral payment from July to September. Mrs. Kanouse explained that the district is paid for Apportionment in installments. A delay in payment would mean that the district would manage salaries and account payables from the cash reserve.

Mr. Troxcil reminded members that these are just proposals from the Governor.

Chancellor's Office Update from Erik Skinner

The update from Mr. Skinner noted the work between the Legislative Analyst and the Department of Finance in finding 40 million in unspent funds.

RSCCD Update

Information was presented that outlined the impact to the district based on the proposed budget and mid-year cuts. Mrs. Kanouse noted that any short fall in tax collection will result in a deficit for this fiscal year. Mrs. Kanouse reported that 4 million was built into the reserve in anticipation of a deficit for 2006/07. The information regarding the deficit is expected to be known in February. The district update also provided a detailed line item overview of the proposals.

Mrs. Kanouse provided an overview for members on the proposed reduction in categorical funding. It was clarified that Categorical funds are outside of General Fund distribution and do not affect unrestricted monies.

Dr. Martinez shared with members the following precautionary measures taken by the district in light of the budget situation.

- Slowdown of classified hiring.
- All classified vacancies are being closely reviewed at the local college level.
- The slowdown does not pertain to adjunct faculty. She stressed the importance of the college being efficient in class offerings. The district could qualify for additional growth monies.
- Dr. Martinez clarified the process for the hiring of the PIO assistant for SAC. The position was identified and went through the re-org process, specifically all district re-orgs go through district council. The position was approved and flown. It was not part of the slowdown as it was not considered a vacancy. The selection process has been completed and the recommendation is going for board approval.

There was a discussion regarding an understanding from the district, specifically that the district would hold on in regards to district growth and the colleges would continue to be efficient in class offerings thus focusing on enrollment growth.

Mr. Troxcil requested that the following statement be reflected in the meeting minutes: That we are really disappointed that under these conditions and these times that the district would continue to move forward on a position that is questionable as far as the need in this point and time, especially when we are going to be funded for less and our colleges are growing. The need needs to support growth for the whole institution.

In response to information regarding the status of vacancies, Dr. Martinez will forward members the list of vacancies that are occurring along with the decisions that have been made. When new positions are being requested, members will also be provided with that information.

- Slowdown of purchasing.
- Currently all Purchase Requisitions must receive approval from the district as opposed to being approved at the local level. This is a concern of both colleges. Dr. Martinez has already been working to address this issue.
- The issue of Categorical monies and timelines was also discussed.

Dr. Martinez was pleased to note that the district continues to be diligent in building an ending balance in anticipation of a shortfall. The slowdown in classified hiring and purchasing will assist in those efforts. In addition she noted that district's enrollment is growing.

Mr. Troxcil also added that although there has been some concerns regarding the ending balance in the past, the district is fortunate to have the reserve as it will help to offset a shortfall.

4. FTES Update

An FTE update was provided dated January 17, 2008. It reflected almost a 3% growth for the district. Mrs. Kanouse noted that most of the state's community colleges are in a declining enrollment. In addition, she noted that if there is a possibility that the district could receive additional funding for growth should there be leftover growth monies at the end of the year.

Along with the FTE report, members were presented with 320 Report (Apportionment Attendance Report). The report is submitted to the state as a district and the district in turn is paid based on number of FTEs reported on the 320.

5. 2008/09 Budget Assumptions - Draft

A draft copied of the 2008/09 Budget Assumptions was presented and reviewed for members by Mrs. Kanouse. A discussion ensued regarding the Expenditures Assumptions as they relate to growth and the needs of a multi college district.

It was recommended that this issue be discussed at the upcoming meeting of the Academic Senate Executive Board and SAC Cabinet.

Mr. Troxcil noted that the Finance Accreditation committee has begun work on the planning agenda of Standard III.D – Financial Resources. The information that will be discussed at the aforementioned meeting would be helpful in establishing a process by incorporating it into the planning agenda.

6. RSCCD 2008/09 Budget Calendar (Draft)

A draft of the 2008/09 was presented to members for their review.

7. Other

- Agenda Items for next meeting to be emailed by Jeff McMillan and Denise Phillips.

- 08/09 Priorities

Member discussed setting priorities for next year. Concern was shared regarding the importance of discussing areas to preserve and cut if necessary. The committee will continue to move forward in setting priorities and will re-visit this approach should there be a budget shortfall that requires them to do so.

Next Meeting:

March 4, 2008 – SAC Foundation Board Room