



SAC PLANNING & BUDGET MEETING
MINUTES – OCTOBER 4, 2011
SAC FOUNDATION BOARD ROOM
1:30P.M. – 3:00P.M.

Approved Nov. 1, 2011

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	Academic Senate			CLASSIFIED	Student Rep.
Paul Foster, co-chair	Steve Bautista	Elliot Jones	Monica Porter	Tom Andrews	Fernando Antunez
Jim Kennedy	Matt Beyersdorf	Michael Kelcher	George Wright	Judy Arroyo (a)	Guests
Sara Lundquist(a)	Ray Hicks	Jeff McMillan, co-chair	John Zarske	Vacant (2)	Christina Ripley
Linda Rose					
1. WELCOME				Meeting called to order 1:34p.m.	
				The committee welcomed Fernando Antunez as the ASG representative. Introductions were made.	
2. PUBLIC COMMENTS		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS
		No public comments.			
3. MINUTES		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS
		The September 6, 2011 minutes were presented for approval.			FOLLOW UPS The meeting minutes will be forwarded to members for review in preparation for approval at the Nov. 1 meeting.
4. Budget Update		DISCUSSION/ COMMENTS			ACTIONS/ FOLLOW UPS
Paul Foster		<p>It was reported that the board adopted the 2011-12 budget that included a \$3.6 million reduction to SAC.</p> <p>The committee's concerns expressed at last month's meeting regarding the ending fund balance and what it is used for have been shared with President's Cabinet.</p> <p>Paul provided a 5-Year (2006/2007 -2011/2012) Ending Fund Balance History for Fund 11 and 12 (unrestricted and restricted).</p> <p>The state mandates a 3% ending fund balance. RSCCD board of trustees have adopted a resolution requiring a 5% ending balance reserve.</p> <ul style="list-style-type: none"> The document presented reflected that since 2006/2007 the district's ending balance reserve has fluctuated between 14 and 30%. <p>Apportionment dollars are being deferred by the state. To maintain a positive cash flow necessary to pay on-going district expenses, the district is now maintaining an additional \$25m in reserves above the normal 5% amount.</p> <p>The document showed \$14m remaining after the 5% reserve (\$8m) and the \$25m for the cash deferral.</p> <p>A discussion ensued regarding the excess reserve. There is a need for a local reserve at the site level for emergencies and contingencies and to pay mandatory program costs such as Deaf & Hard of Hearing.</p>			

Budget Update(cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>The committee discussed proposed percentages of the \$14m that could be split amongst SAC, SCC and DO.</p> <p>Concerns were shared that the cuts SAC has made are not giving students the support that they need.</p> <p>The district should release a portion of the excess reserve to meet current student needs.</p> <p>Important to consider how the college will meet categorical requirements that are part of the grant mandates.</p> <p>The committee was also provided with a 5 year overview of Benefits and Utilities accounts.</p> <ul style="list-style-type: none"> • The report showed that there has been a consistent pattern of over budgeting. <ul style="list-style-type: none"> ◦ There was as inquiry as to why the Benefit and Utility budget were budgeted each year on the previous year's adopted budget instead of the actual. The budgets for those accounts are created by the district. ◦ It appears Benefits and Utilities accounts are over-budget by \$4.8m. ◦ Discussion ensued regarding the overage and the need to operationalize these monies for college needs. <p>It was clarified that the committee's recommendation would be brought to College Council.</p>	<p><u>ACTION</u></p> <p>The motion was made by Ray Hicks that a recommendation be made to College Council that 40% of the \$14mil of the "Excess District Reserve" be operationalized for SAC, SCC and the District Office according to the percent distribution in the Adopted Budget.</p> <p>2nd – J. Zarske</p> <p>The motion carried with 1 opposed.</p>
3. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Year-End Report</p> <p>Committee members reviewed and discussed the Planning and Budget End of Year report. The following changes were made to Goal #1 of the Recommended Goals for 2011/2012.</p> <p>2011-2012 COMMITTEE GOALS</p> <p>Goal as stated.</p> <ol style="list-style-type: none"> 1. Facilitate divisions and departments to explore options, prepare recommendations, and/or develop mechanisms for potential budget reductions in the event that Santa Ana College is further impacted by the state budget crisis. <p>Modification</p> <ol style="list-style-type: none"> 1. <i>Assist divisions and departments by facilitating the exploration of options and the preparation of recommendations, and/or develop mechanisms for potential budget reductions in the event that Santa Ana College is further impacted by the state budget crisis.</i> 	<p><u>ACTION</u></p> <p>Motion was moved by M. Kelcher to approve the 2010/2011 Planning and Budget Year End Report as modified.</p> <p>2nd – S. Bautista</p> <p>The motion carried with 1 abstention.</p>
NEW BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Goal Implementation Strategy</p> <p>The committee discussed strategies on how to implement the goals.</p> <ul style="list-style-type: none"> • Department Portfolio Process is the official planning document. • Modifications are being made with department chair training to follow. • What are other options? • Cannot continue to be making cuts are on the backs of the students. 	<p><u>FOLLOW UP</u></p> <p>Efforts will continue to communicate with the deans and department chairs.</p>

OTHER	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>There was a concern shared that departments were not informed before cuts were made. In the future the district should allow the campuses sufficient time to review the information and provide input prior to the cuts being made.</p> <ul style="list-style-type: none"> • It was noted that once SB361 is implemented that discussion would be irrelevant. • There was a concerned raised that the district has imposed cuts without sufficient time for campus feedback <p>Future Agenda Items</p> <ul style="list-style-type: none"> • Hiring freeze savings. How is it affecting our budget? • Further discussion of account findings as accounts are further examined. • More discussion on a recommendation to Peter Hardash regarding the cost to the district if we borrowed from ourselves vs. keeping the \$25m reserve to offset the state apportionment deferrals. 	

Adjourned – 3:03 p.m.
Next Meeting –Tuesday, November 1, 2011
1:30 – 3:00p.m.
SAC Foundation Board Room