



# **Santa Ana College**

## Planning & Budget Meeting

February 4, 2014

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SAC Planning and Budget Committee  
February 4, 2014  
1:30 p.m. - 3:00 p.m.  
S-215

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**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)*

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## Agenda

1. Welcome and Introductions
2. Public Comments
3. Approval of Minutes for December 3, 2013 ACTION
4. Budget Update INFORMATION
5. Student Update INFORMATION
6. Old Business ACTION
  - 13/14 Committee Goals - Action
7. New Business ACTION
  - SAC Quarterly Budget Performance Report (Oct., Nov., Dec.) ACTION
  - Mid-Year Expenditure Report INFORMATION
  - FTES Target Performance - P1 report INFORMATION
8. Future Agenda Items
9. Other Business

Next Meeting – March 4, 2014

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*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.*

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SAC PLANNING & BUDGET MEETING  
MINUTES - DECEMBER 3, 2013  
SAC FOUNDATION BOARD ROOM  
1:30P.M. - 3:00P.M.

DRAFT FOR APPROVAL

**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)	Monica Porter	John Zarske	Greg Chamness for Tom Andrews		
Jim Kennedy	Ray Hicks co-chair	George Wright		Angela Guevara(a)	GUESTS	
Linda Rose(a)				Denise Hatakeyama	Esmeralda Abejar	Nicholas Quach
Lilia Tanakeyowma(a)				Leslie Wood-Rogers	Rhonda Langston	
1. WELCOME					Meeting called to order 1:31p.m.	
		Committee was welcomed and self introductions were made.				
2. PUBLIC COMMENTS		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS	
		No public comments				
3. MINUTES		DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS	
		The November 5, 2013 Planning and Budget minutes were presented for approval.			<b>ACTION</b> Motion was moved by J. Zarske to approve the November 5, 2013 Planning & Budget Committee minutes. 2 <sup>nd</sup> - G. Chamness Minutes were unanimously approved as amended.	
4. BUDGET UPDATE		DISCUSSION/ COMMENTS			ACTIONS/ FOLLOW UPS	
		<u>State Update:</u> LAO 2014-15 California Fiscal Outlook was released on Nov. 20 <sup>th</sup> . In short, the budget outlook is far better than we have become accustomed to in recent years, but significant debt and other deferred obligations will make seemingly large augmentations as insufficient to meet the programmatic needs of our colleges.  Below are some highlights: <ul style="list-style-type: none"> <li>As expected, tax revenues for 2012-13 and 2013-14 are above the levels projected when the current year (2013-14) budget was adopted in June. These revenues drive up the Proposition 98 guarantee by \$4.4 billion, which will need to be provided to K-12 and community colleges at some point. (Prop 98 funding =combo of GF revenue and property taxes).</li> <li>While this amounts to \$483 million for community colleges, it is not required that the governor and Legislature provide the entire amount as programmatic funding. Instead, it could be used to further pay down outstanding liabilities--including deferrals and the CalSTRS actuarial deficit.</li> <li>For the 2014-15 budget, which will be proposed by the governor in January and enacted by the Legislature by July 1, the LAO projects a \$7.7 billion increase in the Proposition 98 guarantee. This is because the increased tax revenues in 2014-15 are built on top of the projected inflation of the "current year" revenues.</li> </ul>				

4. BUDGET UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> <li>• Again, it's important to note that it is highly unlikely community colleges would be provided programmatic funds equivalent to the system's "share" of the increased Proposition 98 guarantee. Instead, significant funds will likely be used to pay down debt, as promised to the voters in the campaign for Proposition 30.</li> <li>• LAO recommends continued caution needed. The estimates are a product of economic growth and steady market growth.</li> </ul> <p><u>District Update:</u></p> <ul style="list-style-type: none"> <li>• 2012/13 Prop. 98 Minimum Guarantee is \$1.7 billion higher due to increase in state revenue <ul style="list-style-type: none"> <li>◦ Community colleges share is 11% = 187 million</li> <li>◦ RSCCD FTEs share- 2.56%</li> <li>◦ RSCCD will get 4.8 million dollars; yet, the predicted apportionment deficit was about 4.8 million dollars, so potentially no new revenue in 12/13. We will know at the end of February.</li> </ul> </li> <li>• 2013/14 Prop. 98 Minimum Guarantee is projected to be 2.7 billion higher than the budget act estimate. <ul style="list-style-type: none"> <li>◦ Community colleges share is 11% = 297 million</li> <li>◦ RSCCD FTE's generation 2.56%</li> <li>◦ RSCCD estimated portion 7.6 million dollars</li> </ul> </li> <li>• Prop 39- energy efficiency projects <ul style="list-style-type: none"> <li>RSCCD is receiving \$1.2 million</li> <li>LED lighting project at SAC</li> <li>5 year promise funding- we have project lined up for the next 2-3 years right now</li> <li>At SAC, goal is to lower utility costs and get rebates back from the utilities- go right to SAC.</li> </ul> </li> </ul> <p><u>SAC Update:</u></p> <ul style="list-style-type: none"> <li>• Current 13/14 SAC budget performing well through November, under allocated budget at this time.</li> <li>• RAR process is underway for FY 14/15, Dec. 18<sup>th</sup> is the due date for RARs to VPs from Deans and Directors <ul style="list-style-type: none"> <li>◦ Holding a RAR open forum on Dec. 9, 3-4pm</li> <li>◦ Program areas are to be prioritizing RARs- 1st</li> <li>◦ Then sent to the President's Cabinet for final prioritization in concert with P&amp;B committee's budget development priorities</li> </ul> </li> <li>• In the process of purchasing the instructional equipment and facilities needs that came from the RAR process and were funded in 13/14. -Check the P and B website for funded RARs for FY 13/14 so you know <ul style="list-style-type: none"> <li>◦ Developing some guidelines for purchasing instructional equipment for 14/15 P and B manual</li> </ul> </li> <li>• Estimates have been established for bringing on the new faculty due to retirements and the reinstatement of the FON in FY 14/15. <ul style="list-style-type: none"> <li>◦ 28 new faculty (with current funded vacancies, and savings in the 1300 accts) \$1.6 million</li> </ul> </li> </ul>	

4. BUDGET UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> <li>o 26 new faculty \$1.4 million</li> <li>o 24 new faculty \$1.2 million</li> <li>o SAC has not identified where the funding will come from at this point, but it is important to remember that these are ongoing costs, that escalate, not one-time.</li> </ul> <p>There was an inquiry if the Planning and Budget committee could review the RARs prior to February. After discussion, the RARs review by the Planning and Budget committee members will remain consistent with the 2014/15 budget development calendar approved on 11/5/13.</p> <p>It was clarified that “unfunded” requests are not rolled over within the RAR process for the following year. When a request is not funded and the need is still present then it would be the responsibility of the requestor to prioritize the request on their RAR for the upcoming cycle.</p> <p>The importance of communication within departments when requests are unfunded was noted.</p>	
	<p>Cash Flow Report</p> <p>A cash flow report through November. A quarterly report will be provided in January.</p> <ul style="list-style-type: none"> <li>• The budget is being tracked on a local basis.</li> <li>• It was reported that the budget is performing well and under budget at this time.</li> <li>• Still waiting for the benefits to be posted.</li> <li>• The report reflected a reduction of utilities costs.</li> <li>• Departments and divisions on the instructional side have been trained on how to run their own cash flow reports and monitor their budgets. <ul style="list-style-type: none"> <li>o Training will be initiated on the Student Services side as well.</li> </ul> </li> </ul>	
5. 13/14 COMMITTEE GOALS (first reading)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Members were provided with a draft of 13/14 goals.</p> <p>Discussion ensued:</p> <ul style="list-style-type: none"> <li>• Important that the goals reflect the planning piece of the budget process.</li> <li>• Communication strategies were discussed in an effort to encourage information sharing, meeting participation. <ul style="list-style-type: none"> <li>o Bullet points of the meeting included in meeting reminder was suggested as an option.</li> </ul> </li> </ul>	<p><u>FOLLOW UP</u></p> <p>The 13/14 committee goals will be presented at the February meeting.</p>
6. OTHER	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Members were asked to fill out an Accreditation Survey on behalf of Teresa Mercado Cota.</p>	<p>Adjourned – 2:28p.m.</p> <p>Next Meeting Tuesday, Feb. 4, 2014 1:30p.m. – 3:00p.m. S-215</p> <p>Submitted by G. Lusk 1/16/14</p>

**SAC PLANNING & BUDGET COMMITTEE GOALS:** The committee shall establish goals that are measureable and achievable; review, adjust, modify, or otherwise change, on an annual basis, the goals of the committee; establish criteria for determining the effectiveness of achieving the stated goals.

**BASIC AND ONGOING GOALS:**

- Clarify and communicate the planning and budgeting process within the committee and across the campus.
- End the fiscal year with a positive balance and a contingency reserve.
- Perform an annual self-evaluation of the effectiveness of the committee's recommendations in the context of achieving the goals and supporting the missions of the college and committee.

**SPECIFIC OBJECTIVES FOR 13-14**

1. Develop and revise, as needed, the planning process related to the budget development procedures, guidelines and timelines in accordance with the implementation of SB 361 budget allocation model.  
**(Measured by committee work to develop, update, and revise procedures, etc.)**
2. Report quarterly to College Council on current budget performance and any budget recommendations that originate from the Planning & Budget Committee.  
**(Measured by number of quarterly budget performance reports to College Council)**
3. Integrate the Resource Allocation Request process with the program review cycle to facilitate a smoother submission process to ensure that budget requests are aligned with institutional planning documents.  
**(Measured by an analysis of funded RARs and associated PR documents)**
4. Define appropriate equipment life cycles in order to plan, fund and implement a systematic updating of equipment and technology to support college-wide effectiveness.  
**(Measured by a P&B Committee recommendation to College Council related to funding equipment and technology college-wide)**
5. Originate an evaluation to the greater campus community to identify the effectiveness of the planning and budget process.  
**(Measured by the undertaking of a qualitative analysis to identify the effectiveness of the planning and budget process)**