

**IMPERIAL VALLEY COLLEGE**  
**Budget and Fiscal Planning Committee**  
**Wednesday, February 25, 2015, 2:30 p.m.**

Accreditation Standard III: Financial Resources -- Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. The distribution of resources supports the development, maintenance, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. Financial resources planning is integrated with institutional planning.

Mission: Coordinate and integrate college plans and establish budget priorities consistent with the college's vision and mission statements, with recommendations, expressed in dollars, made to the Superintendent/President. Review the Tentative and Adopted budgets for consistency with annual institutional goals and objectives, college plans, and the planning and budget philosophy.

### Minutes

√ Members present:

Recorder: Mary Carter

√ **John Lau, VP for Business Services, Co-Chair**

√ **Matthew Thale, Classified Representative (Co-chair)**

√ Dr. Nick Akinkuoye, Admin. Rep. (2:45 p.m.)

√ Melody Chronister, College Council Rep.

√ Dr. Martha Garcia, Academic Senate Rep.

√ Jeff Cantwell, Classified Manager/Confidential Rep.

√ Dr. Michael Heumann, Faculty Representative

\_ Mike Nicholas, Classified Representative

√ Dave Drury, Faculty Representative

√ Carlos Fletes, Director of Fiscal Services

√ Lidia Zambrano, ASG Representative

Visitors: Eric Lehtonen, Jose Carrillo, Mary Lofgren, David Zielinski, Sheila Dorsey-Freeman, Mary Jo Wainwright, Sidne Horton, Kevin White, Frank Hoppe and Jeff Enz

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- A. Call to Order: The regular meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Matthew Thale at 2:34 p.m. on Wednesday, February 26, 2015. The meeting was held in the board room.
- B. Review and Approval of Minutes:
- a. ***M/S/C Fletes/Chronister to approve the minutes of the December 3, 2014 meeting as presented.*** Frank Hoppe noted that the library position on the prioritization list is non-teaching. Member Chronister responded that the information was received from the staffing committee as shown.
- C. Reports:
- a. **Review of Spring FTES Revenue (Target to Actual):** Member Chronister reported that as of today, the Spring FTE target is at 92%, or 2837 FTE. The number may go down a little at census. The cost of Spring is less than expected.
- b. **Weekly Student Contact Hours (WSCH) to Full Time Equivalent Faculty (FTEF):** Co-chair Thale stated that productivity was one factor mentioned in the FCMAT report: "average productivity" is 525 for an 18 week semester and 595 for a 16 week semester. Historically, IVC has been around 473 for Fall and 452 for Spring. The formula for productivity is WSCH (Weekly Contact Hours) X enrollment/FTEF (full time equivalent

faculty). For a 3 unit class, 3.4 weekly contact hours, 0.2 FTEF, 35 students = 119 WSCH (3.4 x 35) divided by FTEF (0.2) = 595.

Member Thale gave an example of the impact of an increase in classroom caps based on Fall 2014 productivity numbers in four courses: ART 100, ART 102, MUS 100 and MUIS 102. Increasing the cap from 30 to 35 (assuming the same fill rate), would result in 124 additional seats spread across the sections, and would increase productivity to 475.18, which would result in additional revenue of approximately \$117,068.

The committee discussed the effect of mandated smaller classes such as nursing, and other factors such as room size. Melody Chronister reported that in the 200, 400 800, and 2700 buildings, the average room size is 40, and some are larger than 40. Mary Jo Wainwright stated that in the 400 building additional seats in small classrooms may be a safety issue. Student member Zambrano stated that in room 201 the desks are really small and uncomfortable. Co-chair Lau acknowledged the challenges and limitations of the size of facilities. He stated that the college should not chase unrealistic targets, but set realistic goals. Co-chair Thale stated that another factor to consider is FTEF. Eric Lehtonen suggested looking at the productivity numbers from comparable schools.

The committee discussed the FTE for Winter, and why enrollment may have been less than expected. One factor could be students not being aware of Winter since it has been awhile since it was offered. Dr. Nick stated that short term classes (8 weeks) may be a way of recruiting more FTE efficiently. Additionally, Friday and Saturday offerings could be considered.

- c. Prioritization of Program Review Resource Requests by President's Cabinet: VP Lau stated that it is important to follow the resource request process and avoid exceptions. He reported that President's Cabinet has prioritized the staffing list, but will wait until June, when it is known if there are any excess funds, to decide what budget enhancement requests to approve. Member Garcia expressed concern about meeting budget deadlines. The committee asked for clarification on replacement faculty. VP Lau stated replacement of existing positions is already in the budget. In terms of hiring, the Instruction labor matrix is the highest priority because the schedule must be staffed in order to generate revenue. Dr. Nick stated that President's Cabinet need to know what can be funded before the prioritization process can be completed. He stated that replacement faculty has been prioritized, but focus is being shifted to areas of high priority such as math and science.

Director Fletes stated the key to success budget development is having accurate salary information in Banner. Eighty-five percent of the budget is salaries and benefits. Positions must be accounted for and budgeted in Banner through position control. VP Lau reiterated that Banner is the master database and internal control for the budget.

#### D. Update on Previous Discussion Items

- a. State Budget update: Director Fletes reported that the Governor's 2015-16 budget is proposing more money for categorical and general unrestricted programs, reducing deficits, and the growth factor is 2% (2.75% this year). He cautioned that the college is struggling to meet its FTES base, and is not able to tap into growth funds, only restoration. COLA is 1.58% (.58% this year). More funds are being allocated to Student

Success, Equity and Energy sustainability (all categorical). If deferrals are eliminated, it will improve the College's cash flow. Other factors affecting next year's budget include increases to STRS, PERS, health care, and utility costs. Mary Jo Wainwright stated that additional funds are also being proposed by the state to help deal with the retirement cost increases. Director Fletes further reported that Prop 30 is scheduled to sunset.

VP Lau stated that the college spends about \$800,000 per year on utilities, and the IID is proposing a rate increase of 7.5% for electricity. The College is considering a solar project that could supply 1/3 of its energy needs and help mitigate escalating costs. He stated that a six acre solar farm is the most feasible option. Member Garcia stated that Prop 39 funding is being used for energy saving measures, but is not enough to fund a solar project. VP Lau stated that the board will have to first approve requesting proposals for the solar project, and then there will be an open discussion on options.

- b. 2015-16 Budget: Director Fletes reported that the College is behind schedule according to the budget timeline, and it is a concern that there does not seem to be a sense of urgency.

Salaries must be finalized in order to have a first draft in March. All approved positions need to have complete, accurate information in Banner on base salaries. Co-chair Thale asked how salaries can be finalized when negotiations have not been completed. VP Lau stated that the budget will be based on approved contracts.

Dr. Nick stated that there is a disconnect on how to make sure approved positions are in the budget. He proposed that Human Resources and Business Office personnel be invited to an upcoming Deans meeting. VP Lau stated that a follow-up meeting is also needed on position control and salary budgeting with Human Resources and Academic Services. Member Chronister stated that account codes for positions also needs to be re-visited.

E. New Discussion: none

F. Action: none

G. Other: VP Lau reported that the College recently obtained one of the highest credit ratings for short term borrowing for its upcoming TRANs (Tax Revenue Anticipation Notes) issuance.

H. Next Meeting: March 25, 2015, 1:30 p.m.

I. Adjournment: Meeting adjourned at 4:04 p.m.