

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee Minutes
Wednesday, August 26, 2015
1:30 p.m.
Board Room

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.

Membership

John Lau, VP for Administrative Services, Co-Chair

Dr. Nicholas Akinkuoye, Admin. Rep.

Dr. Martha Garcia, Faculty Rep.

Dr. Michael Heumann, Academic Senate Rep.

Leticia Pastrana, Faculty Representative

ASG Representative

Matthew Thale, Classified Rep, Co-Chair

Melody Chronister, College Council Rep.

Jeff Cantwell, Classified Manager/Confidential Rep.

Mike Nicholas, Classified Representative

Carlos Fletes, Director of Fiscal Services

Recorder: Melody Chronister

Visitors: Mary-Jo Wainwright, David Zielinski, Kevin White, Dr. Ashok Nainpally, Jeff Enz

A. Call to Order

Co-Chair Thale called the meeting to order at 2:03pm on Wednesday, Aug. 26, 2015.

B. Review and Approval of Minutes:

a. May 27, 2015

M/S (Chronister/Lau) to approve the minutes of the May 27, 2015 BFP Committee, as presented.

Motion approved unanimously.

C. Reports: None

D. Update on Previous Discussion Items

a. 2015-16 Budget Update

The 1.1 million deficit has been reduced to a \$600,000 deficit. There were additional one-time monies (3.9 mil) in the form of a block grant provided to the District. Co-Chair Lau is going to recommend to the Board to use \$600,000 of these monies to balance the budget and then designate the rest to offset budget shortfalls from contractually obligated increases in PERS and STRS. Director Fletes played a recorded message from the Chancellor's Office regarding the lack restrictions on the funding – but reiterated that these are one-time monies and using to cover PERS and STRS is recommended. One recommendation was to also use some of these funds to invest in a marketing plan (contract with outside agency).

There are additional monies also in the works but we will not know this figure until the end of September. Co-Chair Lau is going to recommend that these funds (projected to be ongoing) to be dedicated to ongoing costs. It appears there will be monies available to hire new faculty – but there was a concern if this was going to be ongoing money, this was not yet known.

Co-Chair Lau reviewed the revenue versus expenses projection being shared with the Board at tonight's Special Board Meeting. The bottom line is our cost is projected to exceed our revenue. This is largely driven by the increased contributions to PERS and STRS as well as contractually obligated increases in salaries and benefits.

Reviewed the significant variances between FY14-15 Actual Budget and FY 15-16 Budget. It was asked what the savings were from the faculty that retired. Co-Chair Lau and Director Fletes both indicated they would research this. Significant increases were identified in Salaries (910,224 or 4%), Benefits (820,420 or 9%), Service Contracts (180,517 or 155%), Membership and Dues (67,896 or 60%), Contracts, Rents and Leases (127,309 or 33%), and Capital Equipment (223,547 or 533%), and Utilities (-41,524 or -5%). The detail was requested for the increases in Service Contracts, Membership and Dues, and Contracts, Rents and Leases. Co-Chair Lau indicated he would research and provide this to the committee.

A question was asked what the carry-forward was from last year. Director Fletes shared that it was approx. \$900,000 in the 4000 and 5000 accounts, or a little over 9%; and he believes that the earlier PO cut-off was a contribution factor.

Discussion ensued on budget accountability.

E. New Discussion:

- a. 2015-16 Mandated Costs Block Grant
Discussed under item D.a.

- b. 2015-16 Advanced Apportionment

Director Fletes provided a copy of the CCC 2015-16 Advance Principal Apportionment for ICCD. We are presently getting paid based on a 3% growth but we are giving a majority of it back as we have only budgeted (and are projecting) 1% growth this year. One point of concern is that we are leaving a lot of "money on the table" by not going after the maximum growth being provided by the State.

Revenue shortfall is being projected by the State at 0.997 or \$94,653— which is lower than it has been in a long time (has been around 4.0 in the past), but still a deficit nonetheless.

- c. 2015-16 Scheduled Maintenance/Instructional Equipment Block Grant

A total of \$890,791 has been allocated and divided between three areas (structured maintenance, instructional support, and technology funds). We must submit certification by September 15th and then complete and submit the Instructional Support 5-Year Plan by December 1st to be eligible to receive this money. These are restricted funds. It was asked how the funding is provided and Director Fletes confirmed that this is provided along with the monthly apportionment (so we are getting in advanced of certifying and submitting our plan).

F. Action Items: None

G. Other:

A presentation was given by member Chronister on FTES revenue projection and enrollment management concerns.

H. Next Meeting: Next Wednesday at 2pm in the Board Room to approve the final 2015-16 budget.

I. Adjournment

Co-Chair Thale adjourned the meeting at 3:25pm.