

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Wednesday, September 2, 2015, 1:30 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:

- ✓ **John Lau, VP for Business Services, Co-Chair**
- _ Dr. Nick Akinkuoye, Admin. Rep.
- ✓ Dr. Martha Garcia, Faculty Rep.
- ✓ Dr. Michael Heumann, Academic Senate Rep.
- ✓ Leticia Pastrana, Faculty Representative
- ✓ Kristian Ruiz, ASG Representative

Recorder: Melody Chronister

- ✓ **Matthew Thale, Classified Representative (Co-chair)**
- ✓ Melody Chronister, College Council Rep.
- ✓ Jeff Cantwell, Classified Manager/Confidential Rep.
- _ Mike Nicholas, Classified Representative
- ✓ Carlos Fletes, Director of Fiscal Services

Visitors: Bill Gay, Dave Drury and Mary Jo Wainwright

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- A. Call to Order: The special meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Matthew Thale at 2:35 p.m. on Wednesday, September 2, 2015. The meeting was held in the board room.
 - B. Review and Approval of Minutes:
 - a. ***The minutes of the August 26, 2015 meeting were approved unanimously as presented.***
 - C. Reports: none
 - D. Update on Previous Discussion Items: none
 - E. New Discussion: None
 - F. Action: 2015-16 Budget: ***M/S/C Lau/Cantwell to approve the 2015-16 budget as presented.***

Co-chair Lau indicated that he is now confident that we will get \$1.6 million in block grants that should be ongoing, so we are going to treat it as ongoing. He noted that it is an "unusual thing to get." The present budget reflects current contracts, so major amendment can be expected in the future. We will also get an additional \$378,000 for new faculty that is also ongoing funding.

Discussion ensued on the \$890,000 in restricted funds for maintenance, instructional support, and information technology. An allocation meeting will take place next week with one representative from each area to provide their request and justification. The outcome will be shared at the next BFP meeting.

It was asked about the risk of what is being labeled as ongoing money ceasing in the future. Co-chair Lau shared that this is indeed a risk if the state faces another financial crisis in the future (via state-wide deficit factor).

The budget is based on 1% growth, not 3.59% growth (eligible) due to the projected FTES revenue being no more than 1%. The remaining 2.59% will need to be paid back to the state since those funds were already incorporated in our apportionment funding. The plan is not to spend this additional money so that it can be returned.

Discussion took place regarding how and where COLA is reflected on the 2015-16 Advanced Principal Apportionment Report.

Continued discussion on the District Revenue Source (section VIII) and the impact property taxes, student enrollment fees, and estimated EPA have on the District's revenue. The additional revenue expected in September is not yet reflected in the budget as this number has not yet been confirmed by the Chancellor's Office. When these funds are incorporated we will be presenting a budget that reflects an 18% reserve when the additional monies come in because many planned one-time expenses were not incorporated in the budget (as they are not ongoing expenses). A large portion of this reserve will be designated to cover the STRS and PERS over the next five years.

It was recommended to the Board that some of the remaining \$107,000 (of the one-time monies) be used to grow our FTES revenue by investing in an in-depth market analysis. Conversation ensued on adult education and AB86 funding and how it could potentially impact our revenue stream. Another summit will be held in Sacramento at the end of September on adult education that will hopefully provide additional information. A question was asked how we got from a \$1.2 million deficit to a \$300,000 deficit over the summer. The information was provided. It was also expressed that there are additional requests not in the budget that will be reflected in the amendment, including reinstating some of these cuts.

It was expressed that there is no training on budget processes for Department Chairs and Deans. It was agreed upon by the committee that budget training and accountability are ongoing issues. Suggestion was also made to include the faculty in the budget development process, not just the Department Chairs.

It was acknowledged that there were some errors discovered in part-time faculty salary budgets since the budget was developed based off the schedule and additional classes were scheduled following the initial extraction. It was suggested that this could have been caught sooner if Department Chairs and Deans further analyze their budgets during the review period. It was pointed out that modifications were requested by the Department Chairs that went unnoticed.

It was pointed out that we were within 3% of our expenditures, so we are getting better about budgeting.

A conversation began on the program review process and how it impacts the budget process. Program review is more important now than ever as the District will finally have money to cover enhancement requests produced from the program review process. It was requested to bring this topic up again at a future meeting.

Motion approved unanimously. Member Pastrana was not present for the vote.

G. Other: None

H. Next Meeting:

I. Adjournment: Meeting adjourned at 3:35 p.m.