

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Wednesday, April 13, 2016, 2:00 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
- ✓ Karina Lyn Madrigal, ASG Representative

Recorder: Mary Carter

- ✓ **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
Alternate, Dave Drury for Michael Heumann

Visitor(s): Bill Gay, Jeff Enz, Betty Kakiuchi, Efrain Silva, 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 2:07 p.m. on Wednesday, April 13, 2016. The meeting was held in the board room.
 - B. Review and Approval of Minutes:
 - 1. ***M/S/C (Chronister/Fletes) to approve the minutes of the March 23, 2016 meeting as presented.***
 - C. Reports: none
 - D. Update on Previous Discussion Items:
 - 1. 2016-17 Budget – Director of Fiscal Services Fletes reported that the updated budget is available on-line and has been sent to the campus community via all-users email.
 - Revenue is projected at the same level as 2015-16, assuming the FTES target is achieved. The one-time money has been allocated to current and future increases of PERS and STRS. Last year, part of the one-time money was used to balance the budget (\$300,000). More information on the 2016-17 revenue budget will be received in the May budget revise.

- Salaries: summer and winter salaries are included based on the schedule and new rates. Adjunct and overload are based on the 2015-16 schedule, but on current salary rates. Not all classes are staffed, so final costs cannot be determined.
- Very “soft” total for expenses is \$39.2 million and \$39.4 million for revenue. VP Lau and Director Fletes expressed concern that the \$200,000 “surplus” is not solid.
- VP Lau noted that legally required budget enhancements have not yet been addressed. How will they be funded if revenue total is exceeded? Will existing expenses be reduced or reserve funds used?
- Per VP Lau the key is revenue generation versus cost containment.
- Per VP Lau, departments need to investigate \$0 budgets. A bottom line budget review is needed before it reaches the level of committee review. It appears there may be errors of omission (\$0 budget requests and negative variances). VP Lau stated that he will be very disappointed if 8 weeks from now, omissions are discovered.
- Committee members asked about repercussions for departments omitting to input budget requests. VP Lau, stated that the college must rely on the chain of command – department heads – deans – vice presidents. It takes a collective effort for effective budgeting. The budget should be a management tool used by departments to achieve objectives. VP Lau stated that accountability is at the core of budget development.
- Member Chronister suggested that departments sign off when their budgets are submitted.
- The timeframe for budget trouble shooting starts now, with a follow-up budget meeting in two weeks.
- Purchase order deadline? Per VP Lau, the purchase order cut-off date has not been effective in cutting spending. Realistically, all PO’s are approved, and the PO cut-off is not enforced.
- Mary Jo Wainwright emphasized that training is needed for department chairs, especially the new ones with no budget experience. VP Lau stated that one-on-one hands on training is more effective and he will schedule meetings. It was suggested that training involve support staff.
- VP Lau stated that global college objectives need to be addressed by the budget. Program Review captures isolated objectives. There needs to be pathway for funding global strategies, such as student retention
- VP Lau stated that 7200 FTE may be the college’s new reality. The college has granted 3% salary increases, but revenues are not increasing. Reacting to a new environment requires planning. We can’t rely on the state giving us more money. Student Success and CTE are receiving more funds, but the monies are earmarked. Categorical funds must be spend in an effective manner based. Planning is a critical part of stability.
- It was the consensus of the committee that a letter to the Superintendent/President is needed to address its concerns and make recommendations. VP Lau will share the committee’s concern with cabinet. He is concerned with the revenue projections and he is not willing to sacrifice reserve funds for short term stability.

E. New Discussion: none

F. Action Items:

1. Recommendation regarding enhanced budget requests: no action taken

The committee will make its recommendations and be prepared to discuss at the next meeting. Per Member Chronister, the committee need to see the overall picture of all enhanced requests. There are still a lot of questions as to what is actually legally mandated.

G. Other: None

H. Next Meeting: TBA

I. Adjournment: Meeting adjourned at 3:30 p.m.