

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Thursday, September 1, 2016, 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:

√ **John Lau, VP for Business Services, Co-Chair**
_ Dr. Nick Akinkuoye, Admin. Rep.
√ Dave Drury, Faculty Rep.
√ Mary Lofgren, Academic Senate Rep.
_ Zhong Hu, Faculty Representative
√ Kyle Deol, 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

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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 2:05 p.m. on Thursday, September 1, 2016. The meeting was held in the board room.
- B. Review and Approval of Minutes: none
- C. Reports: none
- D. Update on Previous Discussion Items:
1. 2016-17 Budget Update by Director of Fiscal Services Fletes:
 - \$639,285 in one-time money has been allocated to the college by the State.
 - The deficit is now \$401,000; the reduction is due in large part to the one-time monies.
 - The reserve is at 20%, with 10% undesignated reserve.
 - The college's budget will be revised in January when the first principal apportionment from the state is issued.
 - There is a possibility of additional one-time monies in the fall, but unknown at this time in what amount.
 - There is not a lot of change from previous budget drafts, the major change is the adjusted revenue
 - There are no enhanced requests in the budget

- The Final Budget will be presented to the Board of Trustees for approval on September 14, 2016.

Comments by John Lau, VP for Administrative Services:

- VP Lau cautioned the committee that 3 to 4 years out the college will be facing serious financial issues due to flat revenues and escalating costs.
- The college is not hitting its FTES targets. This semester FTES will be short at a cost of approximately \$500,000.
- The college cannot rely on one-time funding.
- The reserve the college has built up is due to one-time funding, in particular funding for STRS and PERS increases which has gone into a designated reserve fund.
- There is potential for revenue from dual enrollment, prison program, distance education, increased retention of existing students, and non-credit; however, there are a lot of unknowns.
- One-time money is bailing us out of the current deficit, but it is time to take hard looks at all areas of the college.
- How will the college address its unmet needs when there is no excess revenue/
- Next year, depreciation expense to address maintenance and replacement of equipment will be introduced into the budget.
- A budget workshop will be held for the Board of Trustees on September 7, 2016.
- VP Lau will discuss the Committee's letter with the board and propose creating a task force/Think Tank that will be geared toward action and results. Participation will be from all areas of the college and participants will be asked to be neutral (no agendas).
- The Think Tank will report both to Cabinet and to the board.
- Appropriate/realistic targets for enrollment management will be a goal of the Think Tank, but also accountability for results.
- VP Lau stated that succession planning will need to begin to address his retirement in two years.

E. New Discussion:

F. Action Items:

G. Other:

H. Next Meeting: September 7, 2016

I. Adjournment: Meeting adjourned at 2:45 p.m.