

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Wednesday, August 22, 2018, 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:

✓ Deedee Garcia, VP for Administrative Services
✓ Jeff Enz, Admin. Rep.(alternate)
_ Mary Lofgren, Academic Senate Rep
✓ Michael Heumann, Faculty Rep
✓ Zhong Hu, Faculty Representative
✓ Taylor Lyster, ASG Representatives

Recorder: Mary Carter

✓ **Matthew Thale, Classified Representative (Chair)**
✓ Melody Chronister, College Council Rep.
✓ Jeff Cantwell, Classified Manager/Confidential Rep.
✓ Mike Nicholas, Classified Representative
✓ Cecilia Duron, Director of Fiscal Services

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- A. Call to Order: The regular meeting of the Budget and Fiscal Planning Committee was called to order at 2:00 p.m. by Matthew Thale, committee chair
- B. Introductions: The committee members introduced themselves, and Chairman Thale welcomed Deedee Garcia, Vice President for Administrative Services.
- C. Review and Approval of Minutes: ***The minutes of the May 9, 2018 meeting were approved as presented.***
- D. Reports/Information:
1. Funding Formula: Vice President Garcia presented information on the Student Centered Funding Formula (SCFF) which took effect this fiscal year. The formula consists of three parts:
 - Part 1 – Base: 3 year average FTES minus special admits and incarcerated FTES
 - Part 2 – Supplemental Allocation: based on up duplicated head counts from the prior year. Students receiving Pell grant +\$919, Promise (BOG) +\$919, and AB540 +\$919. Individual students may count in multiple areas.
 - Part 3 – Student Success Allocation: Allocation is based on student outcomes from the prior year (degrees, certificates, courses completed, transfers to 4 year institutions, completion of transfer level math and English, achieving a living wage). IVC will need to concentrate on how the numbers are developed and be able to certify the data. Missing data on students could cost funding, and there is a small time frame to do a recalculation.

While the funding formula is good for IVC, some district that would be negatively impacted are being held harmless for three years. While the new funding formula is good for IVC, the college will need to be strategic with its growth targets

2. Sale of Bonds: Vice President Garcia reported that in July the College sold \$32.2 million in General Obligation bonds (there is \$21.7 left in bond authorization). The tax rate will increase to \$24 per \$100,000 of assessed valuation. The college's financial advisors, Caldwell Flores Winters will be making a presentation to the board on the bond sale at the September board meeting. The list of proposed bond projects includes building modernization (\$19.5 million), \$10 million for deferred maintenance, and \$1.2 million for a new bookstore modular building. Upgrading the Nursing Building is a priority due to upcoming nursing accreditation. DSP&S will be relocated to another building and the current nursing facilities will be upgraded and expanded. The College will receive \$7 million in state matching funds for the 200, 300 and 800 building modernization. Deferred maintenance items include: air conditioning, transformers, water plant, gym, painting, flooring, concrete repair and gym bleachers. A board retreat will be held this Saturday, August 25, and the board will be giving more direction on the additional projects.

E. Update on Previous Discussion Items: none

F. New Discussion: none

G. Action items:

1. Approval of 2017-18 Committee Self-Evaluation Form: ***M/S/C Heumann/Hu to approve the 2017-18 Committee Self-Evaluation Form.***

H. Other:

1. Draft Final budget: The Final Budget will be presented to the board for approval on 9/12/18.
2. OPEB (Other Post Employment Benefits) Liability: VP Garcia reported that the College is looking into creating an irrevocable trust for its OPEB liability and STRS/PERS contribution rate increases. The college currently has \$620,000 set aside for funding its OPEB liability. A trust would begin to address the unfunded OPEB liability, which now must be reported on the college's balance sheet per GASB 45 and 75. The trust would earn interest, which would help offset costs. IVC has a \$60 million OPEB liability, and its pay-as you-go cost is approximately \$2.1 million annually.
3. Review of Bylaws: Member Chronister suggested reviewing and updating the bylaws during 2018-19.

I. Next Meeting: The committee regular meeting time will be the 4th Wednesday, at 1:00 p.m. The next regular meeting will be September 26, 2018, 1:00 p.m. A special meeting will be held prior to the next board meeting to review the Final Budget.

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