

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Monday, June 16, 2014, 1:00 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**

√ Kathy Berry, Administrative Rep. (1:25 p.m.)

√ Dr. Martha Garcia, College Council Rep.

_ Michael Heumann, Faculty Representative

√ Dave Drury, Faculty Representative

_ ASG Representative

√ **Kevin White, Academic Senate Rep., Co-Chair**

_ Carlos Fletes, Director of Fiscal Services

√ Jeff Cantwell, Classified Manager/Confidential Rep.

√ Mike Nicholas, Classified Representative

√ Matthew Thale, Classified Representative

Recorder: Mary Carter

Visitors: Bill Gay, Mary Lofgren and Mary Jo Wainwright

- A. Call to Order: The special meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Kevin White at 1:10 p.m. on Monday, June 16, 2014. The meeting was held in the board room.
- B. Review and Approval of Minutes:
 - a. ***M/S/C Drury/Garcia to approve the corrected minutes of the June 9, 2014 meeting.***
- C. Reports: none
- D. Update on Previous Discussion Items
 - a. 2014-15 Budget update/Planning for financial stability:
 - i. 2014-15 Budget Update: VP Lau reported that the budget deficit is now over \$800,000. The committee expressed concern about the increase, asked whether the number was final, and asked how to ensure that the budget does not contain surprises. VP Lau stated that all of the increases were in labor costs, and the key is getting the position control module in place.

ii. Variance Analysis:

The committee identified the following ORGs for further review/ explanation. VP Lau will e-mail the departments.

- 101 – Superintendent/President: \$27,090 increase
- 103 – Human Resources: \$365,981 reduction
- 151 – Board of Trustees: \$39,574 increase
- 211 – Arts and Letters: \$157,695 increase
- 221 – Beh/Soc Science: winter and summer may be under budgeted

VP Lau reported on the following ORGs in his area:

- 801 – Business Services: the increase is due to a final balloon payment on Certificate of Participation debt
- 851 - Custodial Department – 70,000 square feet (CTE building) have been added to the campus without the addition of any custodians; therefore, services may have to be reduced
- 855 – Water Treatment - \$78,000 reduction to account 2119 (error in amount of salary cost)

Member Drury stated that some ORGs do not look sufficiently funded for summer and winter sessions. Member Cantwell noted that departmental budgets may be balanced as a whole, but have ORGs within the department with variances. The committee will continue its review of variances at the next meeting.

- iii. Review of FCMAT recommendations: The committee reviewed a list of the FCMAT recommendations and the status to date. Dr. Martha Garcia, chair of the START committee, reported that 58 action plans have been completed. The action plans are available if the committee would like to review them. There are 16 action plans still to be completed.
- b. Categorical Funding: VP Lau stated that instead of categorical, the term “restricted” should be used. Information on DSPS matching funds since 2003-04 was presented. VP Lau stated in the future use of general funds for restricted programs should be discussed during the budget process. Member Garcia stated that there are 51 funds that can be considered “restricted”. She is working on a spreadsheet showing the match requirements for each program. VP Lau stated that the use of General Fund money outside the core mission of the college should also be discussed during the budget process.

E. New Discussion: none

F. Action Items: none

G. Other:

- a. President's Letter of Transmittal – 2014-15 Tentative Budget: The committee reviewed the President's letter which is included with the 2014-15 budget.
 - Co-chair White noted that increasing reserve was not listed under significant obligations.
 - Member Garcia asked if the 3.95% reserve was included the deficit; VP Lau stated that it was.
 - VP Lau stated that the goal is to have a balanced final budget without the use of reserves.
 - VP Lau will report back with an estimate of the 2013-14 ending balance at the next meeting. The actual ending balance will not be known until the books are closed in August. VP Lau noted that departments are making budget transfers and continuing to spend.

Co-chair White noted that this is VP Berry's last BFPC meeting. VP Berry stated that there are tough decision ahead, that BFPC is an important committee, and wished everyone good luck.

H. Next Meeting: Tuesday, June 24, 2014, 1:00 p.m.

I. Adjournment: Meeting adjourned at 2:50 p.m.