



SAC BUDGET MEETING
MINUTES – NOVEMBER 4, 2008
SAC FOUNDATION BOARD ROOM
1:30P.M. – 3:00P.M.

Approved 12/2/08

The mission of Santa Ana College is to be a leader and partner in meeting the intellectual, cultural, technological, workforce and economic development needs of our diverse community. Santa Ana College prepares students for transfer, employment, careers and lifelong intellectual pursuit in a dynamic learning environment.

Administrators	Academic Senate	CSEA	Guests
Paul Foster, co-chair	Steve Bautista	Tom Andrews	Martha Ramirez
Norm Fujimoto	Matt Beyersdorf	Judy Arroyo	Jose Velasco
Sara Lundquist (a)	Andy Gonis	Student Rep.	
Ed Ripley	Ray Hicks	Richard Santana(a)	
	Jeff McMillan, co-chair		
	Monica Porter		
	Susana Salgado		
	George Wright		

1. WELCOME		Meeting called to order – 1:35p.m.
	The committee was welcomed. Paul Foster was introduced as the co-chair of the Budget Committee	
2. MINUTES	DISCUSSION/COMMENTS	ACTIONS/OUTCOME/FOLLOW UPS
Approval of Minutes – 10/7/08		Motion to approve minutes as amended.(Fujimoto/Bautista)
3. BUDGET UPDATES	DISCUSSION/ COMMENTS	ACTIONS/OUTCOME/FOLLOW UPS
Budget Updates Paul Foster	<p>Mr. Foster presented a SAC 2008/09 Adopted Budget Summary to members. In addition, the following was highlighted:</p> <ul style="list-style-type: none"> ■ The overview outlined reductions as a whole as well as by division and object code. <ul style="list-style-type: none"> Academic Affairs <ul style="list-style-type: none"> • Over half of the reduction from Academic Affairs (\$3,163,724) came from the schedule. • Also reductions in: <ul style="list-style-type: none"> ▪ Supplies ▪ Equipment ▪ Hourly accounts. ▪ Reduction in Library hours ▪ Reducing labs ■ Mr. Foster pointed out that the reduction noted as Payment for Students (\$5,000) was due to an overmatch in grant funds. ■ Parking Lot Fund monies (\$363,850) were clarified. These monies were SAC's portion of an agreement to set aside \$500,000 dollars per year for Parking lot repairs. ■ In reviewing areas for reductions, Mr. Foster stated that what has been found is that some discretionary funds are in actuality fixed costs. 	Action: The SAC 2008/09 Adopted Budget Summary would be posted on InsideSAC as well as sent to all SAC email users.

3. BUDGET UPDATES (cont.)	DISCUSSION/ COMMENTS	ACTIONS/OUTCOME/FOLLOW UPS
	<p>■ Grants - SAC has \$10 million in matching funds attached to categorical programs. Some of the matching funds are fixed and some are discretionary. Mr. Foster noted that this is an area that will need to be carefully reviewed and evaluated. Examples were provided of match funds outside of the categorical programs. While considering the fiscal impact of grant match funding is important, a caution was noted regarding the effects to the culture of SAC should those options no longer be available or limited.</p> <p>■ The 50% law was explained to members. Specifically, 50% of your budget has to be spent for classroom instruction, does not include counselors or librarians. This is a state mandate that the college must adhere to.</p> <ul style="list-style-type: none"> ▪ Mr. McMillan noted that the district has never been far above the 50% minimum. <p>■ The committee's attention was brought to the ending balance history for the district. It was noted that despite the district's most recent efforts to preserve the ending balance, there were a combination of factors that affected the decrease in the ending balance. It was noted that RSCCD is in a lot better shape than most districts.</p> <p>■ Governor calling for an emergency session next week to discuss the budget. Possibility of increase sales tax and income tax.</p> <p>SAC has experienced 3 sets of cuts to date.</p> <ol style="list-style-type: none"> 1. Cuts in June for the Tentative Budget. (\$1,041,940) 2. Cuts in September for the Proposed Adopted Budget. (\$2,168,272) 3. Cuts in October for the Adopted Budget. (\$2,140,000) <p>\$5.3 million has been cut from the SAC budget to date.</p> <p>The October cuts were made in anticipation of a mid-year \$3 billion shortfall.</p> <ul style="list-style-type: none"> • Predictions are that the shortfall will be \$10 billion. <ul style="list-style-type: none"> ✓ Resulting in another \$5 million for SAC. <p>It is anticipated that 2009/2010 will be worse.</p> <p>Mr. Foster opened the floor for discussions and input regarding the vital services for SAC and what is needed to survive.</p> <p>Mr. Fujimoto emphasized the importance of reviewing all options. He strongly encourages input.</p> <ul style="list-style-type: none"> • Academic deans are working hard at conserving now in supplies, etc., with the idea of the more that can be saved now will make the cut more doable. <p>■ Contractual limitations in the FARRSCD and CSEA contracts as they relate to hourly and on-going part-time employees.</p>	

3. BUDGET UPDATES (cont.)	DISCUSSION/ COMMENTS	ACTIONS/OUTCOME/FOLLOW UPS
	<p>■ Chancellor is not recommending a reduction in full time employees.</p> <p>■ Vital services are being discussed by SAC Cabinet.</p> <ul style="list-style-type: none"> • Many items are coming to the forefront in these discussions. • Decisions will affect people, programs and students. <ul style="list-style-type: none"> ▪ Some areas are evident to maintain. • Important to be transparent in the decision making process. <p>Chancellor’s Cabinet all day retreat to discuss budget planning.</p> <p>■ The committee discussed cost saving options.</p> <ul style="list-style-type: none"> ✓ Based on the fact that the district is funded by FTEs, the importance of maintaining the FTE base was noted. It was suggested that areas should be reviewed on the basis of FTE production and cost of classes related to their FTS production and ways to combine among sites should be reviewed. ✓ Contracting Bookstore services. ✓ Golden Handshakes ✓ Progressive Salary reductions with the possibility of reimbursement if the funds are there. ✓ District offices moving back to the SAC campus and combine services. <ul style="list-style-type: none"> ▪ Important to consider the district as a whole when developing cost saving strategies. ▪ Last month’s recommendation was noted <i>District operations should be evaluated to what programs can be folded into existing campus operations to see where duplicate services could be eliminated.</i> ▪ District is taking measures to consolidate workforce. ▪ The reality of the idea may not be feasible within the time frame. <p>The committee made a recommendation that Jeff McMillan and Paul Foster discuss with Peter Hardash and John Didion the costs savings of the following:</p> <ul style="list-style-type: none"> ▪ Freezing step and columns ▪ Progressive pay decreases ▪ Golden Handshake <p>Members discussed communication strategies</p> <p>Budget Forums</p> <ul style="list-style-type: none"> ▪ Student participation at the forum is important. ▪ Mr. Fujimoto will take the idea back to Dr. Martinez. ▪ Importance of letting constituencies know the budget crisis impact on the college was stressed. <p>Survey</p> <ul style="list-style-type: none"> ▪ Send your recommended survey questions to Geni <p>It was recommended that the Budget Committee tentatively schedule an additional monthly meeting following the SAC Facilities Meeting, the 3rd Tuesday of the month from (3 – 4:30p.m.)</p>	<p>Motion: <i>Look at District headquarters and see what could be moved from the district to the campus sites in determining what will be more economical.</i> (Wright/Gonis) Unanimously approved.</p> <ul style="list-style-type: none"> • The recommendation will be addressed by the SAC Budget Committee co-chairs to the BAPR workgroup. <p>Motion: <i>Review every area that does not directly produce FTEs within the district first and then the college.</i> (Wright/Gonis) Unanimously approved.</p> <ul style="list-style-type: none"> • There recommendation will be addressed by the SAC Budget Committee co-chairs to the BAPR workgroup and College Council.

5. PERSPECTIVE OF WHAT IS GOING ON AT OTHER COLLEGES.		ACTIONS/OUTCOME/FOLLOW UPS
	The cost saving strategies at other colleges varies. It was reported that most are beginning to take a more proactive approach.	
Old Business		ACTIONS/OUTCOME/FOLLOW UPS
Better ways to quickly get Budget information to Employees Update.	Communication did follow last meeting. Dr. Martinez working on those efforts.	Action: Mr. Foster will follow up with Dr Martinez.
6. Other		ACTIONS/OUTCOME/FOLLOW UPS
	Budget Model Mr. Foster invited members to forward any concerns, questions, and/or recommendations regarding the budget model. Mr. Foster and Mr. McMillan will address those issues at the BAPR workgroup.	
Future Agenda Item	DISCUSSION/COMMENTS	ACTIONS/OUTCOME/FOLLOW UPS

Adjourned – 3:00 p.m.
Next Meeting –December 2, 2008
SAC Foundation Board Room