



SAC SPECIAL BUDGET MEETING
MINUTES – AUGUST 28, 2008
SAC FOUNDATION BOARD ROOM
1:30P.M. – 3:00P.M.

Approved 10/7/08

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

Norm Fujimoto
 John Grindel, Co chair
 Sara Lundquist
 Ed Ripley

Academic Senate

Steve Bautista
 Matt Beyersdorf
 Andy Gonis
 Ray Hicks

Jeff McMillan, co chair
 Monica Porter
 Susana Salgado (a)
 George Wright

CSEA

Tom Andrews
 Judy Arroyo

Guests

Esmeralda Abejar
 Paul Foster
 Dan Goldmann
 Mark Liang

Student Representation

Richard Santana

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| 1. WELCOME | | Meeting called to order – 1:35p.m. |
| | Self Introductions were made and new members were welcomed. | |
| 2. MINUTES | DISCUSSION/COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| Approval of Minutes – 6/3/08 | | Motion to approve minutes as amended.(Gonis/Andrews) |
| 3. BUDGET UPDATES | DISCUSSION/ COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| John Grindel | <p>Mr. Grindel provided a brief overview on the status of the state budget:</p> <ul style="list-style-type: none"> • No state budget to date. • Projection for budget to be in place - Thanksgiving. • State will run out of monies before that. • Community Colleges are down \$300 million in payments from the state. • Possibility that RSCCD will have to borrow within the month to meet payroll and operating costs. <p>RSCCD has been working with tentative numbers and projections.</p> <ul style="list-style-type: none"> • 08/09 Tentative Budget reflected a \$19 million carryover. Due to discrepancies the actual carryover amount was approximately \$15.5 million. <ul style="list-style-type: none"> ▪ Some factors related to the shortfall. <ul style="list-style-type: none"> ✓ Datatel transitioning issues ✓ Posting delays - more expenditures than aware of ✓ Overspending in Part-Faculty salaries • District needing to cut \$3.5 million from the tentative budget. <ul style="list-style-type: none"> ▪ Impact to SAC - \$2.17 million <p>Detail presentations on how cuts will be addressed are to be presented to the Chancellor on September 2 by each college president.</p> <ul style="list-style-type: none"> • Special meeting called today to provide Dr. Martinez with input. Open to recommendations and ideas for cuts. | |

| 3. BUDGET UPDATES (cont.) | DISCUSSION/ COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
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| | <p>Mr. Grindel presented some proposals for cuts:</p> <ul style="list-style-type: none"> • District Parking Lot fund \$500,000 – depleting fund balance for this Year. Monies would be split between the two colleges based on the Budget Allocation Model excluding the district portion resulting in \$363, 800 for SAC. <ul style="list-style-type: none"> ▪ Student Services is proposing \$100,000 cuts or savings. ▪ Reduction in part-time faculty expenditures - \$750,000. ▪ 20% reduction in Intersession offerings. ▪ Continuing Education - \$100,000 or more by implementing the same approach to subs as the credit side. ▪ Reduction in Over Contract and Release Time accounts- \$100,000 ▪ Rents/Leases – reduced by \$100,000 or explore other means to cover that expenditure. ▪ Misc. - \$150,000 <p>Total projected savings - 1,768.800.00</p> <p>Mr. Grindel reminded members of the positive response and success to last year's approach of no "across the board" cuts and noted that will remain the goal. Members were reminded that last years cuts were from discretionary funds of which most were exhausted. Mr. Grindel noted that unfortunately the next area would be Personnel. In addition, he added that all avenues are being reviewed in an effort to keep as much of the impact away from students. He welcomed discussion and suggestions.</p> <p>Mr. Grindel presented two reports for member's review.</p> <ul style="list-style-type: none"> • RSCCD Combined General Fund Estimated Actuals 2007/08 Santa Ana College General Fund Estimated Actuals 2007/08 <p>Academic Affairs</p> <p>Mr. Fujimoto provided some input on behalf of Academic Affairs:</p> <p>Deans met and discussed options for reductions:</p> <ul style="list-style-type: none"> • With a \$2.1 million cut it was evident to the deans that keeping their original focus of last spring in administering cuts may not be possible. • The need to keep in tact Core Programs, along with services and needs was emphasized. • Conferences, food, supplies and equipment accounts were reviewed. It was determined that there is not enough money in those areas because of the cuts absorbed last spring to meet this year's cuts. • Not fair to cut Fall '08. <p>Intersession was discussed as an option.</p> <p>Mr. Fujimoto prefaced the discussion of trimming Intersession with the following:</p> <ul style="list-style-type: none"> ▪ SAC did not borrow from summer FTEs to meet the cap in growth numbers from last year resulting in a savings for the college. ▪ The college had a healthier than normal summer, college up approximatly 500 FTEs. <p>Good fall start, projecting a healthy semester.</p> | <p><u>Recommendation</u></p> <p>Freeze all new Sabbatical Leaves beginning Spring '08</p> |

| 3. BUDGET UPDATES (cont.) | DISCUSSION/ COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
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| | <p>In consideration of areas to trim from Intersession, Mr. Fujimoto provided an overview of the strategy being used by the deans.</p> <ul style="list-style-type: none"> ▪ The goal is to make cuts that <u>least</u> impact students and keep Intersession healthy. ▪ Intersession holds a much higher cost due to instructors rate of pay - Beyond Contract rate. ▪ Mr. Fujimoto is estimating that they will be able to cut at least \$100,000 from Intersession. <p>Reductions in part-time faculty for Spring as an option.</p> <ul style="list-style-type: none"> • Important to note that part-time faculty is not distributed evenly between divisions. He provided Math as an example. • Caution in reducing faculty in areas that would impact students. • Deans diligently looking at numbers, reviewing classes that run historically low. • Trimming offerings will affect FTEs. • Caution in proceeding in reductions and noted that reductions made in 2002 have taken 6 years to recover. <ul style="list-style-type: none"> ▪ Some areas still not fully recovered. • Deans focusing on running General Ed and transferrable course efficiently and at a high enrollment. • An enrollment of 20 does not pay for the class; however he noted the college's responsibility to students in running some classes at 20. • Before a decision is rendered to let a class under 20 go the following is required from the dean. <ul style="list-style-type: none"> ▪ Rationale for the request under Board Policy ▪ A list of already cancelled classes • Mr. Fujimoto is currently working with the chair of the Honor's program in regards to class size. • SAC is a comprehensive college, some programs more expensive. • Mr. Fujimoto noted to members that in the last two years, class efficiency has increased <u>without</u> increased cost. <p>Mr. Fujimoto will be having a follow up meeting with deans next week to share ideas and concerns from discussions in their areas. Reductions are being handled as an Academic Affairs group.</p> <p>Student Services</p> <p>Dr. Lundquist shared an overview of the Student Services strategy for reductions based on the status of the preliminary budget information received. At the Student Services Summer Retreat her team worked on a preliminary cut of \$105,514 and worse case scenario cut of \$205,000. Her team gathered recently to re-affirmed those amounts.</p> <p>The team is recommending the following areas be exempt from reductions. These recommendations total to \$100,000.</p> <ul style="list-style-type: none"> • Short-termed employees providing tutorial services – (\$20,000). • District funded Student Worker budget – (\$80,000). <p><i>(Dr. Lundquist confirmed that there has been no allocation made in this account to date pending consultation with the Budget Committee and</i></p> | <p><u>Recommendation</u> Student Services move forward with their proposed preliminary reduction of \$100,000.</p> <p><u>Recommendation</u> The student worker budget and the short-termed classified accounts supporting academic tutoring be allocated 30 – 40% of their budget at this time.</p> |

| 3. BUDGET UPDATES (cont.) | DISCUSSION/ COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
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| | <p><i>SAC Cabinet.)</i></p> <p>The team is recommending the following areas for reduction:</p> <ul style="list-style-type: none"> • Conference and professional development. • Value the spring and fall semester in terms of services more highly than the Intersession and summer. • LHE that supports faculty that deliver and supervise services in Intersession and summer. • Repair Contracts, Equipment • Short-term classified staff that supports various student service offices. <p>These numbers are based on district funding. She also noted the uncertainty of categorical monies at this time.</p> <p>Dr. Lundquist acknowledged the importance of the steps taken in light of the uncertainty of the budget, but did note the need to re-visit strategies once the budget has been approved.</p> <p>Continuing Education</p> <p>Mr. Ripley provided an overview of CEC funding:</p> <ul style="list-style-type: none"> • 40% of funding for CEC is from special projects. • Largest projects funds are received based upon benchmark from the previous years from pre-imposed CASA testing in ESL. <ul style="list-style-type: none"> ▪ Benchmark reduced by 20% estimating a deficit between \$500,000 and \$700,000. ✓ Strategy will be to reduce those funds out from carryover budget. Sufficient funds available to cover that shortfall. • There are a total of 21 special budgets, with 5 of those considered major. • Award letter received in December with a special augmentation in May. • Special Project funding has been used to expended the funds for the purpose of the project. <ul style="list-style-type: none"> ▪ In addition, those funds have covered the following district expenses, Leases, Classified staff, and Coordinators which has assisted the carryover balance. <p>Strategies</p> <ul style="list-style-type: none"> • No sub the first night will be implemented understanding the possibility of losing approximately 200 FTEs. • Classes will be reviewed for efficiency. <p>Mr. Ripley noted that Continuing Ed would move forward conservatively and proceed with their strategy plan. He will evaluate the effectiveness of those efforts.</p> | |
| <p>4. Update on Budget Allocation Model</p> | <p>DISCUSSION/ COMMENTS</p> | <p>ACTIONS/OUTCOME/FOLLOW UPS</p> |
| <p>Jeff McMillan</p> | <p>No update</p> | |

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| 5. UPDATE ON SEARCH FOR VICE PRESIDENT, ADMINISTRATIVE SERVICES | DISCUSSION/COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| John Grindel | <ul style="list-style-type: none"> • The first search was not successful. A recommendation was not made to the Board. • Position is being re-flown due to close September 2. <p>Mr. Grindel reported that the selection committee for the plant manager will be on September 8.</p> | |
| 6. Other | DISCUSSION/COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| | <p>✓In response to a question whether SCC had more full-time counselors than SAC, Dr. Lundquist provided the following response:</p> <ul style="list-style-type: none"> • Santa Ana College receives more Categorical funding than SCC that underwrites permanent faculty in Counseling. • In regards to District Funded counselors, it would be necessary to review that information for comparison with Micki Bryant. <p>Overall, she confirmed that Santa Ana College has more full-time counselors than SCC.</p> <p>✓A question was raised regarding the district's efforts to address the budgetary problems that have resulted from the Datatel implementation. It was noted that the district has scheduled 2 training sessions that will focus on budget numbers, status changes, etc., in an effort to resolve the issue in the future. Managers and appropriate staff will be attending.</p> <p>✓Campus expenditures not part of the budget. There are specific monies for those purposes.</p> <p>✓The overall budgeting of part-time faculty was also noted as an issue related to the deficit.</p> <p>✓Bringing an awareness to faculty regarding what they can do in light of the current budget crisis will be address by the Senate.</p> <p>✓Classified representation was assured that all full time classified as well on-going part-time positions were secure.</p> | |
| Future Agenda Item | DISCUSSION/COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| | Datatel Implementation | |
| Next Meeting | DISCUSSION/COMMENTS | ACTIONS/OUTCOME/FOLLOW UPS |
| | <p>The regularly scheduled September meeting will be cancelled in light of the August 28th meeting.</p> <p>The committee will meet again on Tuesday, October 7.</p> | |

Adjourned – 3:06 p.m.
Next Meeting – October 7, 2008
SAC Foundation Board Room