



SAC PLANNING & BUDGET MEETING

MINUTES - MARCH 5, 2013

SAC FOUNDATION BOARD ROOM

1:30P.M. - 3:00P.M.

Approved 4/16/2013

*The mission of Santa Ana College is to be a leader and partner in meeting the intellectual, cultural, technological and workforce development needs of our diverse community. Santa Ana College provides access and equity in a dynamic learning environment that prepares students for transfer, careers and lifelong intellectual pursuits in a global community.*

Administrators	Academic Senate			CLASSIFIED	Student Rep.		
Mike Collins, co-chair	Chris Cannon	Michael Kelcher	Jeff McMillan, co-chair	Tom Andrews	Michael Burris(a)		
Jim Kennedy	Ray Hicks		Monica Porter	Angela Guevara(a)	Guests		
Sara Lundquist	Elliot Jones		George Wright	Denise Hatakeyama	Esmeralda Abejar	Bart Hoffman	
Linda Rose (a)			John Zarske	Leslie Wood-Rogers	Tom Bonetati	Rhonda Langston	
1. WELCOME		Self introductions were made.				Meeting called to order 1:40p.m.	
2. PUBLIC COMMENTS		DISCUSSION/COMMENTS				ACTIONS/ FOLLOW UPS	
		No public comments					
3. MINUTES		DISCUSSION/COMMENTS				ACTIONS/ FOLLOW UPS	
		Approval of the February 5 Planning and Budget minutes The February 5 minutes were presented for approval.				ACTION Motion was moved by J. Zarske to approve the February 5 <sup>th</sup> Planning & Budget Committee minutes. 2 <sup>nd</sup> - R. Hicks Motion unanimously carried.	
4. BUDGET UPDATES		DISCUSSION/ COMMENTS				ACTIONS/ FOLLOW UPS	
		<p>STATE BUDGET</p> <ul style="list-style-type: none"> <li>Not much new on the 13-14 State budget front. Trailer bill language is out and being analyzed by the Legislative Analyst Office. Really, the proposal is in the negotiation process.</li> <li>Proposals that appear to have some legs include:</li> </ul> <p><u>BOG Fee Waivers</u></p> <ul style="list-style-type: none"> <li>Governor Brown proposes a requirement that students seeking a Board of Governors (BOG) fee waiver include both parent and student income to determine waiver eligibility and fill out a Free Application for Federal Student Aid or California Dream Act Application, whichever is applicable. Family income will be calculated by federal law for determining a student's dependence or independence.</li> </ul> <p><u>Cap on Credit Units</u></p> <ul style="list-style-type: none"> <li>All three higher education systems would have caps placed on the number of units a student can take—in the case of community colleges, the cap would be at 90 semester credit units. Students who exceed this cap would be required to pay the nonresident tuition fee on a per-unit basis for each unit above 90. The following course units would be excluded: Remedial courses, Advanced placement or international baccalaureate units obtained in high school, Dual enrollment, college-level units obtained before high school graduation.</li> </ul>					

BUDGET UPDATES (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> <li>• Many concerns remain about this proposal, including a lack of statewide data on the total number of units a student has taken. Districts may also feel shortchanged if a student is granted a waiver—therefore triggering standard fees and no apportionment—if they were not the college that couldn't provide access to classes leading to the waiver.</li> </ul> <p><u>EPA and RDA Backfills</u></p> <ul style="list-style-type: none"> <li>• As we have heard from the Department of Finance, Governor Brown proposes to backfill any shortfall from the Education Protection Account (EPA) and the elimination of redevelopment agencies (RDAs). Budget trailer bill language provides for a backfill for EPA funds in the current and budget year and a backfill for RDA funds in the budget year (an RDA backfill for the current year was provided for in the 2012-13 State Budget Act).</li> </ul> <p>POTENTIAL POLICY CHANGES</p> <p><u>Census Date Reform</u></p> <ul style="list-style-type: none"> <li>• Governor Brown is proposing that the BOG amend the attendance accounting regulations to ensure that full-time equivalent student (FTES) calculations are based on enrollment at the end of the term. It is proposed that this change be phased in over a five-year period with full implementation in 2017-18. However, the FTES for students with more than 90 units would be eliminated starting in 2013-14.</li> <li>• The "savings"—or reduction in revenues—due to this census date change is proposed to be allocated by the BOG to the same districts that generated the savings. This allocation is to be used in accordance with the Student Success Act of 2012 (Senate Bill 1456).</li> <li>• The governor's budget trailer bill proposes to shift the responsibility for all K-12 adult education programs to California community colleges. The community college system would receive \$300 million in new funding to be used to administer adult education programs for the 2013-14 fiscal year. The proposal, however, eliminates all reference to non-credit and career development/college prep courses.</li> </ul> <p><u>Adult Education Proposal</u></p> <p>There is a new proposal that would shift the responsibility strictly to the Community Colleges in the state. Members were updated that currently the responsibility for Adult Education falls to the K-12 and Community Colleges systems. Discussion ensued.</p> <ul style="list-style-type: none"> <li>• It proposes to eliminate Career Development College Prep and College Credit categories and replace with a 300mil grant.</li> <li>• They are proposing to distribute the 300mil based on FTES to all the 72 districts in the state.</li> <li>• Most districts don't even offer Adult Ed. programs thus they would be receiving funds for program they don't offer. They may be required to initiate the programs.</li> <li>• Districts like SAC with robust programs could be badly affected by this.</li> <li>• Currently RSCCD receives 25mil in apportionment and other revenues related to the program. This could be reduced to 8mil.</li> <li>• This is a critical concern for the district and the community.</li> <li>• The district will be advocating for the apportionment based funding model. The district has the data to show accountability.</li> <li>• There are coordinated efforts with the Chancellor, SCC and with NOCCD in</li> </ul>	

BUDGET UPDATES(cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>advocating against this.</p> <ul style="list-style-type: none"> <li>• The ten largest districts will be speaking out against this proposal.</li> <li>• The Academic Senate will draft a resolution for the Spring Plenary.</li> </ul> <p>SAC:</p> <ul style="list-style-type: none"> <li>• 12-13 year-end budget forecast was conducted- expenditures are for the most part in line with our revenue..... remember that about \$2.4 million was infused back into our 12-13 budget from carryover funds that helped fund unbudgeted instructional, compliance, and physical facilities needs.</li> <li>• Anticipated that between \$2.8-\$3.1 million carryover from 12-13- good news but we appear to have an unbudgeted liability for sabbaticals (potential \$500k) for 12-13, and the need to fund about \$500k in new faculty in 13-14.</li> <li>• Currently identifying budget shortfalls and negative balances- working with our campus partners to remedy them now instead of waiting until the end of the fiscal year to clean it up- more effort now, but gives a more clear idea as to how we will end the year- helps plan for 13-14.</li> <li>• PI apportionment was just reported out by the Chancellor's office- SAC is above our FTES target (significantly above for credit). SAC won't be earning much revenue on these FTES over cap, even if there is growth funding available....most likely they will be unfunded FTES- but good news is we met our Cap!</li> <li>• PI also showed a reduction in 12-13 of Basic Skills funding for SAC of about \$13,500 (Credit <i>reduced by \$5,383</i> and Non-Credit <i>reduced by \$8,075</i>). The budgets have been adjusted to account for the reduction in revenue.</li> </ul>	
5. STUDENT UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	Student rep was not present. Members were updated that Michael Burris did meet with Dr. Collins for an overview. Michael shows a strong interest in the committee work and becoming involved.	
6. OLD BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>SAC Vacant Positions</u> Members were provided with an overview (handouts) regarding vacant positions. SAC Vacant Faculty defunded and currently funded positions FY 12/13</p> <ul style="list-style-type: none"> <li>• The overview provided detailed documentation of the defunded and currently funded positions for 12/13.</li> </ul> <p>SAC Vacant funded positions as of 3/04/2013.</p> <ul style="list-style-type: none"> <li>• It was noted that most of the vacancies savings along with the utilities savings made up the 12/13 carryover. <ul style="list-style-type: none"> <li>◦ It is expected that this will be a significant part of the 13/14 carryover.</li> </ul> </li> <li>• It is also anticipated that these vacant positions will be funded and hired in 13/14.</li> </ul>	
7. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>FON</u></p> <ul style="list-style-type: none"> <li>• The goal is to hire 11 new faculty members moving towards the college's faculty obligation number.</li> <li>• The expectation is that with the increase in funding (2014/15) the faculty obligation number requirement will be reinstated and colleges will be expected to make progress toward that end.</li> </ul>	

NEW BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> <li>• Efforts are being made to identify other resources to fund the Faculty Obligation Number.</li> </ul> <p><u>Resource Allocation Request Process</u>  The Resource Allocation Request process was outlined for members.  The request process was outlined as follows:</p> <ul style="list-style-type: none"> <li>• The requestor will prioritize their needs.</li> <li>• The dean will work within their depts./divisions to prioritize the needs as a unit.</li> <li>• The department/division priorities will be provided to the respective VP.</li> <li>• The VPs will prioritize the college needs from all of the college areas.</li> <li>• The college prioritized list will come to the Planning and Budget committee for review.</li> </ul> <p>The Goal for the college in establishing the process is as follows:</p> <ul style="list-style-type: none"> <li>• Identify the college needs.</li> <li>• Prioritize college needs.</li> <li>• Tie college needs to the college mission and intended outcomes.</li> <li>• Align college needs to the Budget Priorities as established by the Planning and Budget committee.</li> <li>• Fund the college needs in a systematic way.</li> </ul> <p>This process will allow the college to plan and work together as an institution to achieve greater student success.</p> <p>Important to have this process in place, as we will be ask to prove how we tie planning to budget.</p> <p>The college is and has considered other colleges that are working with the SB361 model.</p> <p>Focus will be to utilize best practices and fine tune how they work for SAC.</p> <p>The Resource Allocation Request Process does align with Dr. Rose’s 12mons. planning process outline.</p> <p>The process will need to be evaluated, refined and timelines will need to be outlined properly. This will be done by the Planning and Budget committee.</p>	
	<p><u>District Tentative Assumptions</u>  District Tentative Assumptions were presented to the members. At the next meeting the SAC tentative budget assumptions will be presented. This work will allow the college to build the college ten budget stay in alignment with the district tentative budget as well as SAC budget assumption.</p> <p>It was noted to members that the projected COLA and Restoration/Growth percentages serve as a placeholder for the tentative budget.</p>	
	<p><u>SB361 Budget Model Allocation Review</u>  There will be a review of the completed draft. Discussion ensued.</p> <ul style="list-style-type: none"> <li>• The colleges not living in the model.</li> <li>• There needs to a lot more discussions.</li> <li>• Controversial issues have not been addressed. <ul style="list-style-type: none"> <li>o Evaluation of district operation services? What are we spending? Does it meet the college needs?</li> </ul> </li> </ul>	

NEW BUSINESS (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> <li>o Stabilization not being addressed in the document.</li> <li>• There has been a re-write outside of the BAPR workgroup.</li> <li>• The process has been drawn out.</li> </ul> <p>Overall concern regarding the process was noted.</p>	
8. FUTURE AGENDA ITEMS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	Resource Allocation Request Process SAC Tentative Budget Assumptions	
9. OTHER BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p><u>Budget Stabilization Fund</u> There was an inquiry regarding the budget stabilization fund. Discussion ensued.</p> <ul style="list-style-type: none"> <li>• The fund's intended purpose was to help in the transition from the old budget model to the new budget model. Specifically so that neither campus would be impacted during the transition.</li> <li>• Concern was noted that what had occurred was not the design or the spirit of the plan that had been agreed to in the initial committee discussions.</li> <li>• There was concern that the implementation of this particular piece of the model was not at the college level.</li> <li>• It was also noted that because this was a rollover year the college was funded at a higher level than what the model calls for.</li> <li>• The FTE reduction could affect SAC in future years.</li> </ul>	<p>ACTION It was moved by J. Zarske to reaffirm the original intent of the transition to the Budget Allocation Model to hold the campus harmless though the period of transition. 2<sup>nd</sup> - R. Hicks The motion passed with one abstention.</p>
	<p><u>Bond Process inquiry</u> There was an inquiry regarding the bond monies and the process for them.</p> <ul style="list-style-type: none"> <li>• The bond has a Citizen Oversight Committee that oversees the accounting of the funds as well the projects all of which is funneled through the district's Facilities Planning department. The college does have input on the details of the projects.</li> </ul>	

Adjourned - 3:01p.m.  
Next Meeting - Tuesday, April 16, 2013  
2:00p.m. - 3:00p.m.  
S-215  
*Submitted by G. Lusk 3/18/2013*