

*Santa Ana College Mission Statement: Santa Ana College inspires, transforms, and empowers a diverse community of learners.*

Administrators	Academic Senate		CLASSIFIED	GUESTS	
Adam O'Connor co-chair	Ed Fosmire, co-chair	Gabe Shweiri	Omelina Garcia	Esmeralda Abejar	
Jim Kennedy	Elliott Jones(a)	Brian Sos(a)	Jimmy Nguyen	Brenda Serratos	
Madeline Grant	Roy Shahbazian	Monica Zarske		Yadira Rayo-Penalosa, ASG	
Ray Hicks(a)	John Zarske	George Wright(a)		Adriana Alvarez, ASG	
John Steffens		William Nguyen	<b>Student Rep.</b>		
			Pierre Tran(a)		
<b>1. WELCOME</b>				Meeting called to order 1:35p.m. Meeting adjourned – 3:05p.m.	
<b>2. PUBLIC COMMENTS</b>	<b>DISCUSSION/COMMENTS</b>			<b>ACTIONS/ FOLLOW UPS</b>	
	None				
<b>3. MINUTES</b>	<b>DISCUSSION/COMMENTS</b>			<b>ACTIONS/ FOLLOW UPS</b>	
	Approval of the Dec. 5, 2017 minutes.			<u>ACTION</u> Moved by Jimmy Nguyen to approve the Dec. 5, 2017 Planning & Budget Committee minutes, 2 <sup>nd</sup> by Madeline Grant. Motion carried.	
<b>4. BUDGET UPDATE</b>	<b>DISCUSSION/ COMMENTS</b>			<b>ACTIONS/ FOLLOW UPS</b>	
	<ul style="list-style-type: none"> <li>• SSC Community College Update – State Budget Trailer Bill Language Released</li> <li>• SSC Community College Update – California Online Community College Trailer Bill</li> <li>• SSC Community College Update – Preparing for the Next Storm</li> <li>• SSC Community College Financial Projection Dartboard 2018-2019 Governor’s Proposed State Budget</li> <li>• Governor’s 2018-2019 Budget Proposal – Student-Centered Funding Formula</li> <li>• DOF Simulation of “Student-Centered Funding Formula”</li> <li>• RSCCD Unrestricted General Fund</li> <li>• RSCCD Tentative Budget Calendar FY 18/19</li> <li>• RSCCD Adopted Budget Calendar FY 18/19</li> </ul> <p>Adam O’Connor reported that the state now has a new budget model beginning 18/19 fiscal year. At this time, there is no specificity to it, but more details forthcoming. The state will distribute a spreadsheet with formulas to help with the new budget model. Adam O’Connor discussed the</p>			<u>ACTION</u> Moved by Madeline Grant to approve the SAC Unrestricted General Fund 2018/2019 Tentative Budget Assumptions, 2 <sup>nd</sup> by Jimmy Nguyen. Motion carried.	

Student Centered Funding Formula handout. The handout shows the formula framework and how it has been split (50% Base Grants, 25% Supplemental Grants and 25% Student Success Incentive Grants). Based on the split, approximately 50% of the funding is based on the number of students (FTES). It is still important to grow our student population. The two other methods that we will be earning funds from are the 25% from Supplemental Grants the other 25% from Incentive Grants. We have the most effect on the latter 25% method. It is essential to get students, using Pathways, to complete their certificates or diplomas.

Regarding the District's Tentative Budget for 17/18, it appears from the Department of Finance handout that the District will earn \$3.8 million more from last year. This relates to FTES we claimed at the time of this snapshot, which was higher than actually reported. For purposes of our tentative budget, we are not expecting any new funds in the new model. If additional funds are received, the budget will be updated. COLA is the only new dollars that has actually been included in the tentative budget.

We currently have the option of shifting our summer FTES. However, in new funding model we will not be allowed to shift FTES. We will need to determine which year to claim the summer FTES. This is a strategic question for the district.

William Nguyen asked how the 25% Supplement Grants formula is calculated. Adam O'Connor explained that a credit FTE is worth a little more than \$5,000 (credit rate). Under the BOG Fee Waiver, 25.07% of the credit rate multiplied by the number of BOG recipients is how it is calculated. The same calculation works for the Pell Grant recipients, 40% of the credit rate multiplied by number of recipients. These percentages can change from year to year. It will be based on how many students we have in these categories. Adam O'Connor emphasized that we need to work harder on this incentive.

Roy Shahbazian asked how this formula would affect other district's strategies? The answer is again all districts need to work on the incentives to increase recipients. This is the area that the most money can be earned.

Jim Kennedy spoke to the non-credit side. He explained that they have been advocating for non-credits to be added to the proposal. They are hopeful that all students count for the income eligibility waiver so that the automatic 25% can be applied. Under the criteria of performance outcomes, Career Development College Preparation (CDCP) certificates do very well. Last year 35% of the State's CDCP certificates were earned at SAC. Adam O'Connor added that this is one area our district is doing differently because not all districts have a large non-credit program like ours. We are more than 1/3 in the State in terms of certificate programs.

William Nguyen asked that in the past, the funding was for each FTES. With then new model, how is the funding going to be distributed to each college? Adam O'Connor explained that we have a budget allocation model (BAM) that will be obsolete when this new model goes into effect. A subcommittee of FRC will need to get together to discuss appropriate changes to our BAM.

	<p>Adam O'Connor walked through the RSCCD Unrestricted General Fund Tentative Assumptions (attached). Under New Revenues, we are expected to get funding for COLA, Unrestricted Lottery, Non-Resident Tuition and Interest Earnings. Under New Expenditures, there is a \$3M Ongoing Budget Reduction. We are left with \$5.6M ongoing expenses and \$2M one-time expenses. The bottom line after making a \$3M cuts, the tentative budget shows a deficit of about \$2.5M. From the \$3M reduction cuts, SAC's portion would be \$1.7M. President's Cabinet have already begun discussing the cuts.</p> <p>A question was brought up - if we normally end up with a surplus, why do we need to make any cuts? Adam O'Connor explained last year we rolled over \$6.2M carryover reserves into the 17/18 budget. We estimate that we will end this year with only \$3.6M in reserves. We are spending more than we earn during this year. That is estimating all the budget that we have and all the expenditures. The last several years the State has bailed us out. But with the new model that has ended.</p> <p>The SAC Unrestricted General Fund, 2018/2019 Tentative Budget Assumptions dated 3/6/2018 was reviewed and approved.</p> <p>According to the RSCCD Tentative Budget Calendar FY 18/19 tentative budget development should be complete by April 18, 2018.</p>	
<b>5. ENROLLMENT UPDATE</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	<p>Jim Kennedy reported that for the year we are 234 ahead of what we had last year. However, we are 630 below our 15/16 base. For Spring credit, we are at about 100 below from last year and about 8 below compared to 15/16. Spring non-credit is tracking significantly below 15/16 about 200 below but compared to last year we are 38 below. This had to do with the scheduling shift moving FTES to Fall instead of the Spring. We should be able to borrow enough to get us back to the 15/16 base. We hope to get 350 FTES by June 30. Historically, we have about 800 FTES to borrow in the Summer to help us get back to our 15/16 base.</p>	
<b>6. STUDENT UPDATE</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	None	
<b>7. SACTAC</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	<p>Jim Kennedy reported that SACTAC is currently reviewing its committee goals. They should be approved at their next meeting. One of their major emphasize is mediation replacement and sticking to the computer replacement plan. They are also reviewing campus printing and how the district publications interact with campus printing services. One goal is to improve efficiency. For example, do we need to drive to the district when we can print on campus. Roy Shahbazian stated that improvement on turn-around is key and should be looked at. John Steffens added that he reported to SACTAC the ongoing technology projects. Such as outdated</p>	

	<p>software. Details will come later when request for purchases are created. He is planning on taking a texting system idea to SACTAC and then to this committee for recommendation on the review of the vendors and products.</p> <p>Adam O'Connor added that there are still about 140 machines that need to be deployed and there are 552 machines being ordered now.</p>	
<b>8. ACCREDITATION</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	The site visit for the Bachelors program was postponed until April 18, 2018. Our formal accreditation review will be in 2022 instead of 2020.	
<b>9. OLD BUSINESS</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	<p>Esmeralda Abejar reported that all the RARs were received by each Division in December 2018 and have been prioritized. They will be uploaded to the Planning and Budget Committee webpage. At this time, we are just posting the prioritization of the items not the funding of the items. Adam O'Connor added that very little will be funded out of the general fund carryover next year.</p> <p>We do anticipate an allocation for replacement of instructional equipment in 18/19.</p>	
<b>10. NEW BUSINESS</b>	<b>DISCUSSION/ COMMENTS</b>	<b>ACTIONS/ FOLLOW UPS</b>
	<ul style="list-style-type: none"> <li>• Committee Goals</li> </ul> <p>Esmeralda Abejar stated that the 16/17 Fiscal Year Planning and Budget Committee Goals one through three were met.</p> <p>Action taken to title the current goals as - <i>2017 – 2019 Proposed Goals</i>.</p> <p>New sub-goal added to the fourth goal: <i>Evaluate how budget process ties into program review and how to use technology to automate the process.</i></p>	<p><b>ACTION</b></p> <p>Moved by Monica Zarske to change the goals to 2017 – 2019 Proposed Goals and to add a sub-goal to the fourth goal, 2<sup>nd</sup> by Gabe Shweiri. Motion carried.</p>
<b>11. FUTURE AGENDA ITEMS</b>		
	<ul style="list-style-type: none"> <li>• Pathways</li> <li>• The April 3, 2018 meeting will be cancelled due to Spring Break.</li> </ul>	

Submitted by Maria Cardona  
Next Meeting – May 1, 2018