



SANTA ANA

C O L L E G E

Santa Ana College

Planning & Budget Meeting

October 4, 2016



SAC Planning and Budget Committee

Oct. 4, 2016

1:30p.m. - 3:00 p.m.

S-215

THE PLANNING AND BUDGET COMMITTEE is the participatory governance committee responsible for recommending budget priorities, procedures, and processes to the College Council. The Planning and Budget Committee also functions as a community liaison for fiscal affairs with the college community.

Santa Ana College Participatory Governance Structure Handbook

(May 27, 2015)

Agenda

1. Welcome and Introductions
2. Public Comments
3. Approval of Minutes for Sept. 7, 2016 ACTION
4. Budget Update INFORMATION
 - Funded RARs
5. Enrollment Update INFORMATION
6. Student Update INFORMATION
7. SACTAC– Update on Canvass INFORMATION
8. Marketing Update – Teresa Mercado Cota INFORMATION
9. Accreditation - Evaluation Process 15/16 – Survey Review INFORMATION
10. Old Business ACTION
 - Division/Department one-time allocation ACTION
 - One-time Innovation Grants
11. New Business
12. Future Agenda Items
13. Other Business

Next Meeting – Nov. 1, 2016

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.



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Administrators	Academic Senate		CLASSIFIED	GUESTS	
Mike Collins, co-chair	Ray Hicks co-chair	John Zarske	Omelina Garcia	Esmeralda Abejar	Carlos Lopez
Bart Hoffman(a)	Elliott Jones	Monica Zarske(a)	Denise Hatakeyama	Noemi English	Teresa Mercado-Cota
Jim Kennedy	Brian Sos(a)	George Wright(a)	Jimmy Nguyen	Eve Kikawa	
Lilia Tanakeyowma	Student Rep.		Leslie Wood-Rogers(a)		
	John Olivares(a)				
1. WELCOME				Meeting called to order 1:35p.m. Meeting adjourned - 3:07p.m.	
	Self-introductions were made.				
2. PUBLIC COMMENTS	DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS	
	There were no public comments				
3. MINUTES	DISCUSSION/COMMENTS			ACTIONS/ FOLLOW UPS	
	The following meeting minutes were presented for approval: March 1, 2016 April 12, 2016 May 3, 2016			<u>ACTION</u> Motion was moved by L. Tanakeyowma to approve the March 1, 2016, April 12, 2016 and the May 3, 2016 Planning & Budget Committee minutes. 2 nd – J. Nguyen The minutes were approved unanimously.	
4. BUDGET UPDATE	DISCUSSION/ COMMENTS			ACTIONS/ FOLLOW UPS	
	State: <ul style="list-style-type: none"> • State budget is not performing well so far this FY. <ul style="list-style-type: none"> o State General Fund revenues for the first month of the 2016-17 fiscal year fell short of the forecast by \$330 million, or 5%. Coupled with the shortfall for the fiscal year that ended June 30, 2016, which saw revenues miss the mark by \$706 million, the state is now \$1.036 billion below the May Revision forecast. o The Department of Finance’s (DOF) <i>Finance Bulletin</i> shows that personal income tax collections came in \$278 million below forecast for July, or 6%, with both withholding receipts and capital gains falling short. Similarly, the corporation tax fell short by \$57 million. • Increase in FTES rate for FY 16/17- great (\$4724 to \$5004/FTES), but we aren’t collecting any new FTES! 				

BUDGET UPDATE (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>District:</p> <ul style="list-style-type: none"> • Adopted budget sent to FRC and recommended to District Council for Board of Trustees approval on Sept. 12 • Our budget is currently frozen at Tent Budget levels- a mound of BCs awaits us on Sept. 13! • 16/17 adopted budget is a balanced one, with the FTES revenue split 70.36% (SAC) & 29.64% (SCC)- how P3 closed out. • We are not growing as a district; we are actually borrowing from summer '16 just to stay even. <p>SAC:</p> <ul style="list-style-type: none"> • 15/16 budget performed really well • Strong ending balance (one time funds) • Invest back into FTES generation and student success <ul style="list-style-type: none"> ○ Carryover is our lifeboat...as the future looks bleak according to the Districts multi-year projections ○ Goal is to keep our current campus human resources together, in our boat, as we can't lose any people...frankly currently have a minimum level of staffing ○ Our investments in innovation will make the difference in attracting and retaining new students/best faculty and staff ○ Currently, our adherence to the budget model and diligent monitoring and expending of our SAC budget over the last 4 years has allowed us to have a strong contingency reserve • We do have the ability to invest directly in our students' success by funding our RARs, which originate in our dept./division program review documents • Personnel requests are the most highly requested RARs, which SAC will endeavor to fund in 16/17 in a sustainable manner <ul style="list-style-type: none"> ○ Remember, no growth= no new unrestricted funding for our college. .60% growth opportunity for our college not enough to cover our escalating costs <p>SAC budget highlights for FY 15/16</p> <ul style="list-style-type: none"> • Instructional Equipment Expenses totaled \$644,708, • Maintenance Emergencies and Campus Improvements totaled \$148,515.51 <ul style="list-style-type: none"> ○ Throughout the fiscal year, many emergency plumbing repairs and electrical installation, roof repairs and carpet installation took place such as, water line repair at SCE; painting of classrooms; electrical installation in S bldg.; sewer line repair in R; roof repairs in various bldgs at SAC, SCE and OCSTA; installation of carpet S bldg. first floor; replacement of mini blinds for H bldg; restroom repair in R-113; plumbing repair at CEC, Electrical panel replaced at Library; ballast replacement R bldg.; carpet installation in four D bldg. classrooms; structural engineering and commission D bldg. expenses. 	

BUDGET UPDATE (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> • Fund 13 One-time Expenses \$1,156,362 <ul style="list-style-type: none"> ○ Fund 13 incurred expenses for salaries and benefits in an amount of \$156,644 (OT Academic Management salaries, Cherie DeRosa) and Sandy Morris, C. Romero and short term help for Foundation projects. Credit card fees totaling \$491,998, (this is a large amount due to district not booking the charges in FY 14/15). The total cost for class Schedules and catalogs for SAC and CEC was \$59,502, equipment purchases \$106,151. Other operational items such as supplies, software expenses and conferences totaled \$269,067. • Other Expenses <ul style="list-style-type: none"> ○ Conferences and Professional Development unrestricted & restricted funds \$608,270.72 ○ Marketing expenses totaled \$232,112.78 (12 Equity \$94,460.52, fund 13 \$137,652.26) • Equipment & Software Expenses <ul style="list-style-type: none"> ○ Equipment and Software purchased with unrestricted funds totaled \$163,029.06 (fd11 & fd13) ○ Equipment and software purchased with restricted funds totaled \$3,236,171.22 (fd12 & fd79) • Facilities Rental <ul style="list-style-type: none"> ○ Our facilities rental project registered \$78,920.15 in revenue for facilities rentals and OT charges. This project collected \$16,480 for LA KISS use of facilities for training, the rest is for rental fees to outside agencies. The total expenses for this project was \$18,699.76 for a net increase in this project of \$60,220.39. • Scheduled Maintenance Projects <ul style="list-style-type: none"> ○ Scheduled Maintenance total expenses \$2,568,605 	
	<p>Esmeralda Abejar reviewed the following reports for the membership:</p> <p>15/16 Budget Performance Report (Cash Flow)</p> <ul style="list-style-type: none"> • The report reflected the Carryover amount of \$11,630,855. <p>Reconciliation of Ending Balance</p> <p>Members were provided with a detailed overview of the carryforward funds for 15/16 for Fund 13. The overview showed where the resources in the carryover came from. Points of clarification:</p> <ul style="list-style-type: none"> • One-Time OTA funds are restricted funds specifically for the Occupational Therapy Program. • Final 2014/15 SB361 Model Closeout funds were a result of any additional FTEs or revenue that had been owed to SAC at the final reconciliation. • SAC Allocation from BSF for SCC debt forgiveness were one time funds that had been provided to SCC from the District's Budget Stabilization Fund (BSF) to help them financially and as a result the same amount was provided to SAC. • Total carryforward amount for Fund 13 is \$3,338,664.28. 	

BUDGET UPDATE (cont.)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Members were provided with a detailed overview of the carryforward funds for 15/16 for Fund 11.</p> <p>Points of clarification:</p> <ul style="list-style-type: none"> • The full time allocation for Fall 2016 funds were provided by the state. <ul style="list-style-type: none"> ◦ It was not possible to hire enough faculty due to the timing the funds were received. ◦ The funds were placed in Fund 11. ◦ The cost for hiring the faculty is twice that amount. ◦ These funds are already being spent. • Savings on faculty vacant positions(retirements) and reassigned/categorical transfers. <ul style="list-style-type: none"> ◦ It was noted that these are restricted funds received from the state, however when allowed in the grant, the college was able to use them to pay for personnel that support these categorical programs. • It was noted that the savings from classified positions and vacant positions was lower than what it had been in the past. • Estimated overbudgeted Benefit accounts – this saving resulted from the district overbudgeting for benefits. • Utilities costs were lower due to electrical and water savings by the college implementing natural resource reduction techniques. • SAC’s International Student program is doing extremely well which resulted in additional revenue. • There was an additional 1,153,260.000 in revenue that had been earned by SAC that the district forwarded after their final accounting. <p>The total estimated Carryover to FY 16/17 is \$11,630,855.28</p> <ul style="list-style-type: none"> ◦ Total carryforward amount for Fund 13 is \$3,338,664.28. ◦ Total carryforward amount for Fund 11 is \$8,292,191.00 <p>Members were reminded that while the college has not been this financially stable in long time, over 2mil of the funds came from the district overbudgeting for benefits and additional FTEs as a result of the district’s final accounting.</p> <p>Draft-Fund 13 Expenditure Budget FY16/17</p> <p>The members were presented with a detailed overview of the plan to spend the \$11,630,855.28 outlined in the Draft-Fund 13 Expenditure Budget FY16/17.</p> <ul style="list-style-type: none"> • The importance of having a plan in place was emphasized. • It was noted that there are no ongoing costs attached to Fund 13. • Members were reminded that funds not spent will be carried on to the following year. • Important to prepare ourselves financially now in light of operating costs continuing to rise and the college not growing. 	

5. ENROLLMENT UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Vice President Lopez provided a brief overview for the committee.</p> <ul style="list-style-type: none"> • Fall enrollment was up around 10%, but dropped to a loss of 3% due to an issue of non-payment. • Enrollment has improved however; at Census we were down about 1/2% at 28.3 FTEs • Deans are working hard to create high demand late start classes where there is space to do it. • Summer was down. • SAC was down about 183FTEs overall. It was reported that 60 FTEs were in credit. <ul style="list-style-type: none"> ○ Dr. Kennedy reported that on the non-credit side they were down around 100FTEs. He also noted that there was one less week from July 1st to end of term. Anything before June 30 gets counted in the previous fiscal year. ○ The college budgeted higher for fall, intersession and spring in an effort to make up ground. • The college predicated no growth in both credit and non-credit. Last year’s number - SAC’s credit - 15, 552 FTEs with Non-Credit – 20, 334FTEs. <ul style="list-style-type: none"> ○ In non-credit, there may be a slight increase as Dr. Kennedy is planning on some CDCP (higher funded non-credit rate). ○ The late add classes and intersession are being reviewed in an effort increase productivity. ○ There may be some modifications to the Public Safety Academies projections as a result of curriculum and instructional agreement issues. ○ Dr. Kennedy reported that currently for fall non-credit is up about 10% but noted that it is early to see if that number will hold and what the impact of the new Santa Ana College Adult Education will be. <ul style="list-style-type: none"> ▪ Non-credit PAC is tracked weekly but difficult to predict. ○ He noted that 40% of the college’s FTEs come from PAC between non-credit and the academies. • In regards to the college going into Stabilization, it was reported that the college team is working diligently to avoid that. <ul style="list-style-type: none"> ○ The fall schedule was scheduled less, leaving some growth money for intersession and spring to work with as well as the fall late add classes. ○ There may be a need to borrow a small amount from last year – 14FTEs. <ul style="list-style-type: none"> ▪ Dr. Kennedy reminded members that borrowing is not a local decision. The discussion would involve the district and SCC. ○ At this time, Vice President Lopez does not foresee the college in a Stabilization situation. 	
6. STUDENT UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	No update.	
7. SACTAC	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	No update	

8. MARKETING UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Teresa Mercado Cota provided a brief overview for the membership.</p> <ul style="list-style-type: none"> • The team continues to explore and try new marketing opportunities. • SAC is being featured in the SAUSD magazine. This is an online and hard copy publication. Santa Ana College ads will be featured in future publications. • 38% of the Marketing budget has been spent to date. Approximately, \$157,000 remains. • A flyer was passed amongst the membership that provided a snapshot of the teams' efforts. • Members were encouraged to tap into social media to advertise college events. <ul style="list-style-type: none"> o Teresa Mercado Cota is the point person for the social media team. • Members were reminded of the monthly SAC Marketing meetings and encouraged to attend. 	
9. ACCREDITATION	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Dr. Collins noted the importance of the Planning and Budgets committee's role in regards to Accreditation.</p> <p>He noted two areas of focus for this year:</p> <ul style="list-style-type: none"> • Improving the communication of our budget process to the college community? • Closing the Loop – The college's ability to evaluate the return on investment. <ul style="list-style-type: none"> o Each year resources are allocated to the departments and divisions based on their RAR requests. <ul style="list-style-type: none"> ▪ How were those resources utilized? ▪ How do we measure the impact of those resources allocated? ▪ What type of outcome did we see? ▪ How did the outcomes support the student success aspect? 	
10. OLD BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>RARs</p> <ul style="list-style-type: none"> • The RARs have been prioritized. • They are being carefully examined for different funding opportunities, such as SSSP, Equity, etc. • The focus is to fund the RARs no matter what. • The team is working with George Sweeney on the Equity side. <ul style="list-style-type: none"> o The focus will be to tie the allocations to the Program Review cycle and RARs, where the needs have already been identified and documented. • The committee will have the opportunity to review the information once it is complete. • The goal is to get the purchases made and resources into the hands of the faculty, staff and students as soon as possible. 	
11. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Budget Assumption FY16/17</p> <p>The Budget Assumption FY16/17 were presented and reviewed by the membership.</p>	<p><u>ACTION</u></p> <p>Motion was moved by L. Tanakeyowma to approve the Budget Assumptions FY16/17 as presented.</p>

11. NEW BUSINESS	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
		2 nd – E. Jones The motion was approved unanimously.
12. FUTURE AGENDA ITEMS		
	<p>The following items were briefly discussed and will be brought to the next meeting</p> <ul style="list-style-type: none"> • Campus-Wide Needs. • One-time funds for Divisions/Departments • College wide Innovation Grant Opportunities. 	
13. OTHER	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS

Submitted by Geni Lusk
Next Meeting – October 4, 2016, 2016