



SAC PLANNING & BUDGET MEETING

MINUTES – December 3, 2024

1:30PM – 3:00PM

Zoom Meeting

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

Administrators	Academic Senate		Classified	Guests	
Bart Hoffman, co-chair	Tommy Strong, co-chair		Mark Ou	Kelvin Leeds	Daniel Martinez
Jim Kennedy	Claire Coyne	Marty Rudd	Jimmy Nguyen	Mark Reynoso	Kristi Blackburn
Jeffrey Lamb	John Zarske	Kelly Nguyen	Liliana Oropeza	Mark DeAsis	John Steffens
Vaniethia Hubbard	Merari Weber	Reza Mirbeik	Student Representatives	Ron Gonzalez	Ernie Gomez
Robert Manson	Luis Pedroza	David Sauber	Lexi Burnett	Bill Reardon	Craig Ursuy
			Tukwot Gollette	Susan Hoang	Amberly Chamberlain
				Jaki King	
				Bold = present	
1. WELCOME and INTRODUCTIONS				Meeting called to order 1:31 pm Meeting adjourned at 3:01 pm	
	Welcome and introductions were made.				
2. PUBLIC COMMENTS	DISCUSSION/COMMENTS			ACTIONS/FOLLOW UPS	
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3. APPROVAL OF MINUTES	DISCUSSION/COMMENTS			ACTIONS/FOLLOW UPS	
	Approval of November 5, 2024			Motion moved to approve minutes by Claire Coyne, 2 nd by Jim Kennedy Abstentions: Vaniethia Hubbard	
4. UPDATES/REPORTS	DISCUSSION/COMMENTS			ACTIONS/FOLLOW UPS	
	• None to report at this time.				
5. SCFF REPORTS	DISCUSSION/COMMENTS				
	• None to report at this time.				
6. OLD BUSINESS	DISCUSSION/COMMENTS			ACTIONS/FOLLOW UPS	
	Goals Workgroup Status (Bart Hoffman):				
	<ul style="list-style-type: none"> The Goals Work Group is set to reconvene on Thursday, December 5, 2024. At the next meeting, the group will present their recommended activities for discussion. 				

	<ul style="list-style-type: none"> • These recommendations will outline the focus areas for the committee moving forward. <p>Budget Priorities for RAR Process – 2nd Read (Tommy Strong):</p> <ul style="list-style-type: none"> • Tommy suggested moving the "Budget Priorities for Resource Allocation Request Process – Second Read" to the end of the agenda to allow sufficient time for Dr. Martinez’s update on faculty hiring and the student update. • The proposed amendment was seconded and approved without opposition or abstentions. 	
7. NEW BUSINESS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	<p>Student-Centered Funding Formula (SCFF) Metrics (Daniel Martinez): Purpose of SCFF:</p> <ul style="list-style-type: none"> • Designed to allocate state funds to colleges and districts based on student outcomes and equity goals rather than enrollment alone. • Focuses on three main components: student success outcomes, supplemental support for low-income students, and alignment with regional living wage standards. <p>SCFF Allocation Breakdown:</p> <ul style="list-style-type: none"> • Base Allocation (FTES): 70% of funding is tied to full-time equivalent students, ensuring a base level of operational funding. • Supplemental Allocation: 20% is allocated to support low-income students, targeting equity gaps. • Success Allocation: 10% is based on specific student success outcomes, rewarding progress in key areas like degree attainment and workforce readiness. <p>Key Metrics and Sources:</p> <p>Supplemental Allocation Metrics:</p> <ul style="list-style-type: none"> • AB 540 Student Headcount: Non-resident tuition exemptions for undocumented students under the California Dream Act. • California College Promise Grant (CCPG) Recipients: Students eligible for tuition waivers based on financial need. • Pell Grant Recipients: Federal grant recipients from low-income households. <p>Success Allocation Metrics:</p> <ul style="list-style-type: none"> • Total degrees, certificates, and transfer-level math/English completions within the first year of enrollment. • Transfer rates to four-year universities. • Completion of nine or more Career Technical Education (CTE) units. • Earnings that meet or exceed regional living wages one year after completing studies. <p>Data Validation:</p> <ul style="list-style-type: none"> • Metrics are primarily derived from Management Information System (MIS) data submitted to the California Community Colleges Chancellor’s Office (CCCCO). • The District Research Office is responsible for validating data annually to ensure accuracy for SCFF calculations. 	

Supplemental Allocation Funding Details:

- Each student in a qualifying category earns an additional \$1,238.71 for the district:
 - AB 540 students.
 - CCPG recipients.
 - Pell Grant recipients.

Challenges and Notes:

- Pell Grant Data Discrepancies: Variations observed between MIS-reported Pell Grant figures and SCFF calculations, necessitating further review.
- Regional Living Wage and Transfer Validation: These metrics are determined at the state level, limiting district-level influence on reported outcomes.
- The success allocation constitutes a smaller portion of funding but offers significant opportunities to increase resources through improved student outcomes.

Financial Aid Across Colleges:

- Students taking courses at multiple colleges within a district (e.g., SAC and SCC) can have their financial aid, such as the fee waiver, split between institutions.
- However, the full Pell Grant allocation remains with the "home" college, which administers aid based on the combined enrollment status.

Discrepancies in Reported Metrics:

- There is a notable difference between reported and credited numbers from the SCFF.
- Concerns arise over potential timing delays or data discrepancies that may affect future allocations.
- Daniel Martinez mentioned challenges in tracking submitted MIS data back to the student information system, indicating systemic issues in data integration and reporting.

Degrees and Certificates Metrics:

- SCFF uses unduplicated annual counts of the highest award a student earns within a specific hierarchy:
 - Associate degree for Transfer (ADT) earns the highest funding per student.
 - Bachelor's and associate degrees follow, with credit certificates earning less.
- Only Chancellor's Office-approved certificates with 16+ semester units qualify for SCFF funding, leaving other certificates excluded.

Recommendations for Improvements:

- To optimize funding, colleges might consider increasing unit requirements for programs close to the qualifying threshold or pursuing additional program approvals from the Chancellor's Office.

Transparency and Data Challenges:

- Claire Coyne's question about where the 66.7% and 33.3% division agreement is documented highlights a lack of clarity in historical decisions and agreements.
- Daniel Martinez acknowledged gaps in data robustness and urges systematic improvements for better reconciliation between MIS submissions and internal records.

Broader Observations:

- Bart's comment underscored the complexity of the SCFF and how it complicates operational clarity for colleges.
- Tracking Completion:
- The Chancellor's Office monitors the completion of transferable math and English courses by first-time, non-special admit students at community colleges, which helps assess students' preparedness for transfer.
- Data for 2022-2023:
- Enrollment in Transferable Courses: 27% of first-time, non-special admit students were enrolled in both transferable math and English courses during their first year.
 - Completion Rates: Only 12% of these students successfully completed both transferable math and English courses.
- Goal to Improve Success:
- Daniel Martinez, in a meeting with the institution, recommended an increase in the number of students enrolling in both transferable math and English courses by 30%. This would involve an additional 106 students, which would contribute positively to the college's success metrics.
- Challenges in Data Accuracy:
- Public Safety Students: A large group of students enrolled in public safety courses, such as fire science and criminal justice, are not required to take transferable math or English courses. This population of students is distorting the overall completion data, making the statistics less reflective of the typical first-time student experience.
- Recommendation for Improvement:
- Daniel Martinez recommended separating public safety students from the general student population in the data analysis, which would allow for a more accurate understanding of the performance of non-public safety students.
 - Action Plan: To improve completion rates, it was suggested that transferable math and English courses be integrated into first-year program maps, ensuring that students begin their academic journey with the foundational courses necessary for successful transfer.
- Student Enrollment in Credit Courses:
- The metric discussed earlier includes students who are enrolled in credit courses within the district, regardless of where they live.
 - The number of students successfully completing English and math in their first year was calculated, showing a 42% success rate based on available data.
- Success Rates and Course Placement:
- Daniel Martinez also highlighted the need for more understanding around the preparation of students entering these courses, particularly when students are placed into higher-level courses without the necessary prerequisite preparation.
- Successful Transfer to Four-Year Universities:
- The metric for successful transfers considers students who have earned 12 or more units and are not enrolled in any community college courses in the district.

- The success of students transferring to four-year institutions was evaluated, with the use of the National Student Clearinghouse (NSC) and data exchanges between the Chancellor's Office and universities to track these students.
- The total number of students identified as successfully transferring to four-year institutions was compared with the locally developed metrics.

Career and Technical Education (CTE):

- The number of students completing 9 or more CTE units in a given year was tracked using state-defined top codes and Sam codes.
- A focus was placed on encouraging students to complete more CTE units, as a significant portion of students attempted but did not complete 9 or more units.

General Comments and Insights:

- Daniel Martinez expressed that the data shared is just a starting point and that there is more to investigate and discuss, especially in terms of how this data can inform improvements in student success and course offerings.

Faculty Hire Ranking Recommendations – Roll Call Vote (Mark Reynoso):

Faculty Obligation Number (FON):

- The FON is the minimum number of full-time faculty a district must hire in a given academic year to meet state requirements.
- The number is based on the district's growth in funded credit Full-Time Equivalent Students (FTES), which is a measure of the district's student enrollment in credit-bearing courses.
- AB 1725 established the FON system, setting guidelines to ensure districts hire sufficient full-time faculty to meet instructional needs.
- The advanced FON is an initial estimate provided by the state in July and August for the following academic year (e.g., for Fall 2025).
- The P2 FON is calculated later and represents a more accurate measure, typically released in June and July. The compliance FON is the lower of these two numbers, and the district must adhere to this number.

Current Status for Fall 2024:

- Full-time faculty: The district currently employs 356 full-time faculty members.
- Compliance FON for Fall 2024: The required number of full-time faculty based on the district's FTES is 289.
- Excess faculty: This leaves the district with 66 full-time faculty members over what the compliance FON suggests is necessary.

Timeline and Report Deadlines:

- The advanced FON is issued in July and August for the subsequent Fall year (for Fall 2025, the advanced FON was received during this period).
- The Fund Compliance Report, which verifies that the district is meeting its hiring requirements, is due to the Chancellor's office in November.

- The P2 Fund and Compliance Report are due in June and July of the subsequent year, and they reflect more accurate funding and hiring data for the district.

FON Calculation:

- The FON is essentially tied to the district's FTES. The number of faculty hired is meant to align with the growth of student enrollment to maintain the appropriate faculty-to-student ratio.
- If FTES grows, the FON increases, and districts are required to hire more faculty to maintain that ratio.

Fractional Faculty Counts (e.g., 0.81):

- Fractional counts (like 0.81 or 0.5) may occur when a faculty member is not working a full-time load due to factors such as sabbaticals or having additional roles (like administrative duties) within the district.
- Claire Coyne explained that the fractional part of a faculty member's Full-Time Equivalent (FTE) is included in the calculation to reflect their reduced time commitment compared to full-time teaching.

First-Time Process:

- This is the first time the committee is going through this process of calculating and making recommendations regarding the FON.
- The process will likely evolve in the future as the committee gains more experience, and adjustments may be made to improve accuracy and efficiency.

Importance:

- The FON is important for state compliance and to ensure the district has the appropriate number of faculty to meet the instructional needs of its students.
- Failure to meet the FON could result in financial penalties or the district being out of compliance with state law.

Fall 2024 FON and Full-Time Faculty Status:

- The compliance FON for Fall 2024 is 289.4, and the district currently has 356 full-time faculty, meaning 66.6 more faculty than the minimum required by the state.
- For Fall 2023, the district's compliance FON was 305.4, with 358 full-time faculty, resulting in 52.6 more faculty than required.
- The FON is used to determine the minimum number of full-time faculty required based on district enrollment (FTES), and this number can be higher or lower depending on the growth in student enrollment.

Fall 2025 Advanced FON:

- The advanced FON for Fall 2025 is 315.4, based on projected student enrollment. This means the district is already 41 faculty members over the advanced FON for the upcoming year.
- The advanced FON reflects future projections, and exceeding this number could indicate a potential surplus of faculty members.

State Standards (FICMAT):

- The Fiscal Crisis and Management Assistance Team (FICMAT) guidelines suggest that 85% of the district's budget should go toward salaries and benefits, with the remaining 15% allocated for other expenses.
- Currently, SAC is spending about 93% of its budget on salaries and benefits, which is higher than the recommended 85%, potentially indicating a top-heavy budget or imbalance.

Faculty Retirements and Budget Impact:

- There are currently 3 faculty members slated to retire by the end of the fiscal year, with a fourth retirement still pending paperwork.
- The budgets allocated for these retiring faculty can potentially be redirected to fund 3-4 new full-time faculty positions for the next fiscal year, helping offset the need for new funds.
- The overall funding available for new hires will depend on the district's adopted budget, typically finalized in June, July, or August.

Concerns About Noncredit Growth:

- There has been significant growth in noncredit programs, which is not fully reflected in the FON because it primarily measures credit-bearing courses.
- Noncredit programs, such as the active adult program, which generates over 1,000 FTES annually, currently lack full-time faculty, making it difficult to ensure program quality, coordinate curriculum, and manage offsite locations.
- Advocates, including Jim Kennedy, emphasized the importance of dedicated full-time faculty to support noncredit programs and ensure they continue to grow and maintain quality.

Recommendations for Faculty Hires:

- Both Claire Coyne and Jim Kennedy stressed the need to consider factors beyond the FON when planning for new faculty positions, including the growth of noncredit programs and the broader needs of the district. This could help address the gap in full-time faculty for noncredit programs, ensuring continued growth and quality.

Summary of Key Points:

- The FON is a minimum threshold, not a target, and the district is currently exceeding it.
- 93% of the budget is spent on salaries and benefits, which is above the FICMAT-recommended 85%.
- Noncredit growth needs more attention, particularly in areas like active adult programs, where no full-time faculty currently exists.
- Planning for future hires should consider both credit and noncredit growth, and more funds will be available once the adopted budget is finalized.

Faculty Hiring and Budget Discussion:

- John Steffens raised a concern about the state's 85% threshold related to salary expenses, questioning whether this is calculated only at the college level or if costs shared by the district (like technology expenses) are factored in. He noted that

technology expenses, such as licensing, are covered by the district, which might skew the salary percentage at the college level.

- Mark Reynoso responded by explaining that the percentages shown are currently based on SAC, and while some technology costs are shared with the district, these are not fully included in the current calculations. He offered to rerun the data to include district-wide costs.
- Tommy Strong added that while the salary percentage might seem high, this could be because the college is managing non-salary expenses well (like technology contracts), which reduces those other costs and inflates the percentage of the budget going to salaries.

Discussion on Faculty Growth and Budget:

- Tommy also emphasized the importance of not just replacing faculty, but also hiring new faculty to drive growth. He shared a personal anecdote about how hiring new faculty members in the past led to growth in courses and certificates, which contributed to increased student demand.
- He suggested that while it's easy to focus on the expense of hiring new faculty, faculty are often revenue generators as they bring in more students and drive course and program development.
- Jim Kennedy proposed that the committee should recommend hiring between 5 and 10 new full-time faculty members, considering both the immediate needs and future growth potential of the college. He also suggested flexibility in the recommendation to allow for more hires later in the year if the situation changes.

Motion and Friendly Amendments:

- Jim Kennedy makes a motion to recommend hiring between 5 and 10 new faculty members. Tommy proposed a friendly amendment, suggesting that the committee note the recommendation might be based on incomplete data and that better data could be provided in the future for a more refined decision-making process. Jim Kennedy accepts the friendly amendment.

Roll-Call Vote:

- After brief discussions, Bart called for a roll-call vote to approve the motion. All voting members voting in favor of the motion included:
 - Claire Coyne
 - Tommy Strong
 - Jim Kennedy
 - David Sauber
 - Kelly Nguyen
 - Mark Ou
 - Robert Manson
 - Kelvin Leeds (substituting for John Zarske)
- The motion passes unanimously.

8. STUDENT UPDATE	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	<ul style="list-style-type: none"> • Student representative did not attend. 	
9. SACTAC	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	<ul style="list-style-type: none"> • None to report at this time. 	
10. ACCREDITATION	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	<ul style="list-style-type: none"> • None to report at this time. 	
11. FUTURE AGENDA ITEMS		
	<ul style="list-style-type: none"> • None to report at this time. 	
GENERAL INFORMATION		
	<ul style="list-style-type: none"> • Fiscal Resources Committee (rscd.edu) 	
NEXT MEETING	February 4, 2025	

Submitted by Norma Castillo