SAC PLANNING & BUDGET MEETING
MINUTES – May 26, 2026
1:30PM – 3:00PM
Zoom Meeting

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

MEMBERSHIP				
Administrators	**Academic Senate**		**Classified**	**Student Representatives**
Bart Hoffman, Co-chair	**Tommy Strong, Co-chair**		**Mark Ou**	Minh Le
Jim Kennedy	Claire Coyne/**Maria Aguilar Beltran (alt)**	**Reza Mirbeik**	Jimmy Nguyen	Leticia Perez
Jeffrey Lamb	John Zarske	Linda Sung	**Liliana Oropeza**	
Vaniethia Hubbard	Luis Pedroza	Silvia Castillo	**Jessica Avalos**	
Lorena Valencia/Mark DeAsis (alt)	Kelly Nguyen	**Merari Weber**		
Kristi Blackburn/Bill Reardon (alt)				
Bold = Present				

1. WELCOME & INTRODUCTIONS		Meeting called to order 1:36pm Meeting adjourned at 2:53pm
	Welcome and self-introductions were made.	
2. PUBLIC COMMENTS	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	• No public comments.	
3. APPROVAL OF MINUTES	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	Approval of May 5, 2026 Minutes	Moved to approve: **Tommy Strong** 2nd by: **Liliana Oropeza** Abstentions: **Vaniethia Hubbard**
4. ACTION ITEMS	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	SSSP Budget One-Time Funds Request – Maria Dela Cruz/Counseling Department Background and Budget History • Maria De La Cruz presented a request for one-time funding to offset the projected 2026–27 Credit SSSP budget deficit of approximately $1.155 million. • Jim Kennedy noted that the Academic Senate formally supported the request.	

- The presentation explained that SSSP funding has remained at approximately $4.9 million annually since 2018 despite rising salary and operational costs.
- Counseling leadership shared that COLA increases over the past six years significantly increased expenditures while state funding stayed flat.
- The Credit SSSP budget also helped support noncredit deficits over the past two years.

Current Budget Deficit

- Representatives explained that most of the SSSP budget supports salaries and benefits for counseling and student services personnel.
- Budget projections showed approximately $5.1 million in available funding compared to projected expenses of about $6.3 million.
- The projected deficit totals approximately $1.155 million.
- Counseling leadership stated that the requested one-time funds would allow services to continue at current levels.

Potential Impacts Without Funding

- Rey Robledo outlined possible impacts if funding was not approved, including:
  - Longer wait times for counseling appointments and drop-in services.
  - Reduced support for students experiencing academic or mental health challenges.
  - Reductions to specialized counseling, affinity center support, and dual enrollment services.
  - Increased risk of students enrolling in incorrect courses or delaying graduation and transfer.
  - Negative impacts on financial aid appeals and probation support services.

Transfer, Equity, and Student Success Concerns

- Leo Pastrana discussed how counseling services are especially important for first-generation, low-income, adult reentry, and dual enrollment students.
- Counseling representatives noted that reduced services could negatively affect transfer rates, degree completion, and transfer preparation programs such as UC TAG (Transfer Admission Guarantee) and CSU Dual Admission.

Counseling Service Growth Data

- Maria Aguilar Beltrán shared data showing major growth in counseling demand:
  - Scheduled counseling appointments increased from approximately 14,000 in 2021–22 to over 30,000 projected in 2025–26.
  - Drop-in counseling visits increased from approximately 11,000 to nearly 19,000 students.
  - Average drop-in wait times decreased from 28 minutes to approximately 14 minutes through expanded services.

	- Counseling leaders explained that growth reflects both higher enrollment and expanded specialized counseling support. Counseling Instructional Contributions - Counseling faculty highlighted their contributions to: - Counseling and student success instruction. - FTES generation. - Liberal arts degree maintenance. - Development of new academic programs and transfer pathways. Long-Term Funding Strategies - Counseling leadership stated that the one-time request is intended as a temporary solution while longer-term strategies are developed. - Proposed strategies included: - Moving selected positions from categorical funding to the general fund through future program review requests. - Exploring additional funding connected to FTES growth and the student-centered funding formula. - Expanding instructional offerings and curriculum development. Committee Discussion - Committee members discussed broader concerns about the sustainability of categorical funding across campus. - Vaniethia Hubbard emphasized the need for future discussions regarding student services support and the student-centered funding formula. - Tommy acknowledged the important role counseling services play in student success outcomes. Motion and Approval - Tommy Strong made a motion to approve the one-time funding request of approximately $1.155 million. - Reza Mirbeik seconded the motion. - The committee unanimously approved the request with no opposition or abstentions. - Jim Kennedy stated that the approved funding would help maintain counseling services for students during the 2026–27 fiscal year while the college continues working on long-term budget solutions. **Tentative Budget & Fund 13 Expenditure Plan – Jim Kennedy** - Jim explained the tentative budget was based primarily on the Governor's January budget proposal and did not yet reflect adjustments from the May revise or final adopted state budget.	

	• He stated the adopted budget was expected to be healthier than the tentative budget currently presented. • Committee members reviewed planned allocations and upcoming adjustments. • The SSSP one-time allocation approved earlier in the meeting would be updated in the adopted budget from approximately $1.1 million to $1.155 million. • Jim also discussed funding needed for temporary culinary instructional space due to ongoing issues with the T Building culinary facilities. • He expressed hope that improved adopted budget projections would allow for additional support of resource allocation requests. Fund 13 Questions and Discussion • John Steffens requested review of Item 9 related to software expenses. • He noted the listed amount reflected the current year's cost and advised that the software contract historically increases by approximately 5% annually. • Jim Kennedy responded that the adjustment would be reviewed and incorporated into the adopted budget update. Approval of Tentative Budget and Fund 13 Plan • Tommy Strong moved to approve the tentative budget and Fund 13 expenditure plan. • Reza Mirbeik seconded the motion. • The committee voted unanimously to approve the tentative budget and Fund 13 expenditure plan. Closing Remarks • Jim Kennedy stated the adopted budget, including updated allocations and revisions, would be presented at the September 1, 2026 meeting. • He explained the budget development timeline, including the transition from the Governor's January proposal, to the May revise, and ultimately the state-approved adopted budget.	
5. STUDENT UPDATES/REPORTS	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	Student Updates – Leticia Perez/Minh Le • No student representative was in attendance.	
SAC UPDATES/REPORTS	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	Quarter 3 Budget Performance Report: Fund 11 (as of 03/31/26) – Jim Kennedy COLA Increase and Budget Outlook • Jim Kennedy reported that the May revise was positive overall for the college and district. • The COLA (Cost of Living Adjustment) increased from 2.87% to 4.31%, reflecting rising inflation and operating expenses.	

	• Jim explained that acceptance of the higher COLA requires districts to provide up to 13 weeks of paid parental leave coverage. • He noted the district already provides much of this leave, so the financial impact is expected to be manageable, with the primary cost involving backfilling positions. • The district anticipates meeting the requirements necessary to receive the full 4.31% COLA increase. Categorical Funding and Growth • Some categorical programs received funding adjustments, though SSSP remained largely unchanged, continuing to create budget pressures. • Growth funding was approved at approximately 1.5% statewide. • Dr. Kennedy explained that districts growing below the statewide cap could leave additional growth funding available for colleges experiencing stronger enrollment growth. District and College Financial Position • The district tentative budget was approved by FRC and presented to the Board as a balanced budget. • Santa Ana College projected approximately $9 million in funds above expenditures entering the next fiscal year. • SAC's continuing education division was projected to carry approximately $500,000 above expenditures. • Jim Kennedy stated the district and college were entering the new fiscal year in strong financial condition. Fund 11 Budget Review: Current Budget Status • Jim Kennedy reviewed the Fund 11 budget status with the committee. • Current projections showed expenditures at approximately 101% of budget, slightly above adopted budget levels. • He noted that anticipated growth funding revenue should help offset those expenditures. • At the end of the third quarter, approximately 75% of the budget had been spent, which he described as being generally on track. Instructional Account Over Expenditures • The largest over expenditures continued to occur in the 1300 and 1400 instructional accounts. • Jim Kennedy explained these accounts are impacted by enrollment growth, added course sections, and recent salary increases, including the 8% raise. • He stated the college has historically under-budgeted these instructional accounts because district budgeting practices require vacant positions to remain fully budgeted at the start of the year.	

	• As a result, more flexible instructional accounts absorb many year-end adjustments and expenditures. Future Budget Planning • Jim Kennedy indicated the college hopes to better align and fund these accounts in the adopted budget process to improve long-term planning accuracy. **Quarter 3 Budget Performance Report: Fund 13 (as of 03/31/26) – Jim Kennedy** Fund 13 Ending Balance Projections • Jim Kennedy reviewed the Fund 13 budget performance from the prior year. • The college projected an ending balance of approximately $6.978 million in Fund 13. • An additional estimated $4 million in new growth revenue was expected to be added to the fund. • Based on those projections, Fund 13 was expected to begin the next fiscal year with slightly more than $10 million available. **District Resource Requests Discussion – Tommy Strong** Tentative Budget Discussion at FRC • Tommy Strong summarized earlier discussions from both the Planning & Budget Committee and FRC meetings. Concerns Regarding Out-of-State Employee Costs • Tommy Strong explained that the district had requested more than $600,000 in ongoing funds, primarily related to staffing and payroll administration for employees residing outside California. • He stated that committee members raised concerns and pushed back on the request during earlier discussions. • Those concerns were brought forward to the subsequent FRC meeting. FRC Action and Recommendations • Tommy Strong reported that FRC approved the tentative budget without including the requested $600,000 allocation. • He noted the motion passed in amended form without those additional funds. • FRC also recommended that the district’s Human Resources Council review the broader issue of out-of-state employment. Policy Considerations • Tommy Strong stated that although concerns had been raised about the costs associated with out-of-state employees, the district currently does not have a formal policy prohibiting employees from residing outside California.	

	- He indicated that if the district intends to limit or regulate out-of-state employment, policy discussions and possible revisions would need to occur through the appropriate district governance processes. - He noted that any formal policy changes would ultimately require Board of Trustees approval. Closing Remarks - Tommy Strong stated that additional updates would be shared with the committee as discussions continue. **SAC CEP Goals Worksheet – Tommy Strong** - Tommy Strong introduced the second review of the SAC CEP Goals Worksheet and committee assessment document. - Committee members discussed whether every committee should address every institutional goal or focus only on the most relevant goals. - Tommy noted the document is intended to evolve over time as committees refine how goals are assessed. Feedback from Committee - Vaniethia Hubbard requested clarification regarding Goal 1.2 related to expanding access to multiple learning environments. - She suggested the wording was too broad and could be interpreted differently by future committee members. - Questions were raised about whether references to student support services included tutoring, instructional support, or student services programs. - Vaniethia Hubbard also questioned Goal 1.3 and whether student services perspectives were included during development. - She noted that program review processes may already evaluate some of the proposed assessment areas. Committee Response and Future Revisions - Tommy Strong acknowledged the concerns and agreed the document could benefit from more specific wording. - Mark Ou explained that only he, Tommy Strong, and Dr. Hoffman participated in drafting the document because they were the only volunteers. - Committee members agreed additional perspectives would improve the document. - Jim Kennedy suggested bringing the document back during the first meeting of the next academic year (September 1, 2026) for further refinement and as an “informational item”. - The committee discussed potentially forming another subgroup with broader representation to revise the goals document further.	

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<tr><td></td><td>Budget Allocation Model (BAM) Draft 2026 – Tommy Strong
• Tommy Strong introduced continued review of proposed updates to the Budget Allocation Model (BAM).
• He described the proposed revisions as mostly minor or procedural rather than major changes affecting the overall distribution of revenue and costs to the colleges.
• Committee members reviewed sections of the document with proposed edits highlighted in red.
Discussion of Proposed Revisions
• Jim Kennedy explained that some language appears to shift responsibilities related to planning and assessment work to the Planning and Operational Effectiveness (POE) Committee.
• He noted that similar language has existed in earlier versions of the BAM but may never have been fully implemented.
• The committee discussed that FRC may not be the appropriate body to carry out some assessment-related responsibilities.
Clarification of Accounting Updates
• Tommy explained that revisions on pages 13 and 14 were necessary accounting changes to remain compliant with GASB standards.
• He emphasized that these changes do not affect actual revenues or expenditures, only how items are classified on the district balance sheet.
• He compared the requirement to publicly traded companies following U.S. GAAP accounting standards.
Correction to Budget Allocation Language
• Tommy explained that another revision corrected wording related to the use of P1 data in funding calculations.
• The previous language referenced prior-year P1 data, although the district has actually been using current-year P1 data.
• The revision updates the language to accurately reflect existing practice rather than changing the calculation itself.
Committee Follow-Up
• Jim Kennedy encouraged committee members to review the full document online and contact him or Tommy Strong with questions or concerns.
• He stated they would help represent Santa Ana College’s interests regarding the proposed BAM revisions.</td><td></td></tr>
<tr><td>6. PERIODIC REPORTS</td><td>DISCUSSION/COMMENTS</td><td></td></tr>
<tr><td></td><td>• No periodic reports to report.</td><td></td></tr>
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7. UNFINISHED BUSINESS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	• No unfinished business to report.	
8. NEW BUSINESS	**DISCUSSION/COMMENTS**	**ACTIONS/FOLLOW UPS**
	• No new business to report.	
9. FUTURE AGENDA ITEMS		

	Review Fund 41 Balances & FMR Projects – Jim Kennedy
	• Jim Kennedy proposed bringing Fund 41 (facilities-related funds) and FMR projects to a future agenda, likely in September.
	• Purpose is to review:
	  ○ Fund balances.
	  ○ Facilities project funding sources.
	  ○ Future financial liabilities.
	• Noted that multiple funding streams (including Fund 13 and other sources) support facilities investments.
	• Goal is to improve transparency on long-term facilities commitments.
	• Invited committee members to submit additional future agenda items via email to the co-chairs for consideration.
	• Tommy noted Fund 41 has not historically been reviewed in detail by the Planning and Budget Committee.
	• Supported expanding committee oversight to include these funds.
	• Emphasized that increased member questions and engagement improve overall understanding of budgeting and allocation processes.
	
	Leadership Transition: Faculty Co-Chair
	• Tommy Strong announced completion of his two-year term as faculty co-chair.
	• Expressed appreciation for collaboration and learning during his tenure.
	• Confirmed leadership transition:
	  ○ Reza Mirbeik will serve as the next faculty co-chair.
	  ○ Shared confidence in Reza's ability to support the committee moving forward.	

GENERAL INFORMATION		
	Fiscal Resources Committee • Fiscal Resources Committee (rsccd.edu)	
NEXT MEETING	**September 1, 2026**	

Submitted by Norma Castillo