



SAC PLANNING & BUDGET MEETING
 MINUTES - DECEMBER 3, 2013
 SAC FOUNDATION BOARD ROOM
 1:30P.M. - 3:00P.M.

APPROVED 2/4/2014

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(a)	Monica Porter	John Zarske	Greg Chamness for Tom Andrews		
Jim Kennedy	Ray Hicks co-chair	George Wright		Angela Guevara(a)	GUESTS	
Linda Rose(a)				Denise Hatakeyama	Esmeralda Abejar	Nicholas Quach
Lilia Tanakeyowma(a)				Leslie Wood-Rogers	Rhonda Langston	
1. WELCOME					Meeting called to order 1:31p.m.	
Committee was welcomed and self introductions were made.						
2. PUBLIC COMMENTS					DISCUSSION/COMMENTS	
No public comments					ACTIONS/ FOLLOW UPS	
3. MINUTES					DISCUSSION/COMMENTS	
The November 5, 2013 Planning and Budget minutes were presented for approval.					ACTIONS/ FOLLOW UPS	
					<u>ACTION</u> Motion was moved by J. Zarske to approve the November 5, 2013 Planning & Budget Committee minutes. 2 nd - G. Chamness Minutes were unanimously approved as amended.	
4. BUDGET UPDATE					DISCUSSION/ COMMENTS	
<u>State Update:</u> LAO 2014-15 California Fiscal Outlook was released on Nov. 20 th . In short, the budget outlook is far better than we have become accustomed to in recent years, but significant debt and other deferred obligations will make seemingly large augmentations as insufficient to meet the programmatic needs of our colleges. Below are some highlights: <ul style="list-style-type: none"> As expected, tax revenues for 2012-13 and 2013-14 are above the levels projected when the current year (2013-14) budget was adopted in June. These revenues drive up the Proposition 98 guarantee by \$4.4 billion, which will need to be provided to K-12 and community colleges at some point. (Prop 98 funding =combo of GF revenue and property taxes). While this amounts to \$483 million for community colleges, it is not required that the governor and Legislature provide the entire amount as programmatic funding. Instead, it could be used to further pay down outstanding liabilities--including deferrals and the CalSTRS actuarial deficit. For the 2014-15 budget, which will be proposed by the governor in January and enacted by the Legislature by July 1, the LAO projects a \$7.7 billion increase in the Proposition 98 guarantee. This is because the increased tax revenues in 2014-15 are built on top of the projected inflation of the "current year" revenues. 					ACTIONS/ FOLLOW UPS	

4. BUDGET UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> • Again, it's important to note that it is highly unlikely community colleges would be provided programmatic funds equivalent to the system's "share" of the increased Proposition 98 guarantee. Instead, significant funds will likely be used to pay down debt, as promised to the voters in the campaign for Proposition 30. • LAO recommends continued caution needed. The estimates are a product of economic growth and steady market growth. <p><u>District Update:</u></p> <ul style="list-style-type: none"> • 2012/13 Prop. 98 Minimum Guarantee is \$1.7 billion higher due to increase in state revenue <ul style="list-style-type: none"> ○ Community colleges share is 11% = 187 million ○ RSCCD FTEs share- 2.56% ○ RSCCD will get 4.8 million dollars; yet, the predicted apportionment deficit was about 4.8 million dollars, so potentially no new revenue in 12/13. We will know at the end of February. • 2013/14 Prop. 98 Minimum Guarantee is projected to be 2.7 billion higher than the budget act estimate. <ul style="list-style-type: none"> ○ Community colleges share is 11% = 297 million ○ RSCCD FTE's generation 2.56% ○ RSCCD estimated portion 7.6 million dollars • Prop 39- energy efficiency projects <ul style="list-style-type: none"> ○ RSCCD is receiving \$1.2 million ○ LED lighting project at SAC ○ 5 year promise funding- we have project lined up for the next 2-3 years right now ○ At SAC, goal is to lower utility costs and get rebates back from the utilities- go right to SAC. <p><u>SAC Update:</u></p> <ul style="list-style-type: none"> • Current 13/14 SAC budget performing well through November, under allocated budget at this time. • RAR process is underway for FY 14/15, Dec. 18th is the due date for RARs to VPs from Deans and Directors <ul style="list-style-type: none"> ○ Holding a RAR open forum on Dec. 9, 3-4pm ○ Program areas are to be prioritizing RARs- 1st ○ Then sent to the President's Cabinet for final prioritization in concert with P&B committee's budget development priorities • In the process of purchasing the instructional equipment and facilities needs that came from the RAR process and were funded in 13/14. -Check the P and B website for funded RARs for FY 13/14 so you know <ul style="list-style-type: none"> ○ Developing some guidelines for purchasing instructional equipment for 14/15 P and B manual • Estimates have been established for bringing on the new faculty due to retirements and the reinstatement of the FON in FY 14/15. <ul style="list-style-type: none"> ○ 28 new faculty (with current funded vacancies, and savings in the 1300 accts) \$1.6 million 	

4. BUDGET UPDATE	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<ul style="list-style-type: none"> o 26 new faculty \$1.4 million o 24 new faculty \$1.2 million o SAC has not identified where the funding will come from at this point, but it is important to remember that these are ongoing costs, that escalate, not one-time. <p>There was an inquiry if the Planning and Budget committee could review the RARs prior to February. After discussion, the RARs review by the Planning and Budget committee members will remain consistent with the 2014/15 budget development calendar approved on 11/5/13.</p> <p>It was clarified that “unfunded” requests are not rolled over within the RAR process for the following year. When a request is not funded and the need is still present then it would be the responsibility of the requestor to prioritize the request on their RAR for the upcoming cycle.</p> <p>The importance of communication within departments when requests are unfunded was noted.</p>	
	<p>Cash Flow Report</p> <p>A cash flow report through November. A quarterly report will be provided in January.</p> <ul style="list-style-type: none"> • The budget is being tracked on a local basis. • It was reported that the budget is performing well and under budget at this time. • Still waiting for the benefits to be posted. • The report reflected a reduction of utilities costs. • Departments and divisions on the instructional side have been trained on how to run their own cash flow reports and monitor their budgets. <ul style="list-style-type: none"> o Training will be initiated on the Student Services side as well. 	
5. 13/14 COMMITTEE GOALS (first reading)	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Members were provided with a draft of 13/14 goals.</p> <p>Discussion ensued:</p> <ul style="list-style-type: none"> • Important that the goals reflect the planning piece of the budget process. • Communication strategies were discussed in an effort to encourage information sharing, meeting participation. <ul style="list-style-type: none"> o Bullet points of the meeting included in meeting reminder was suggested as an option. 	<p><u>FOLLOW UP</u></p> <p>The 13/14 committee goals will be presented at the February meeting.</p>
6. OTHER	DISCUSSION/ COMMENTS	ACTIONS/ FOLLOW UPS
	<p>Members were asked to fill out an Accreditation Survey on behalf of Teresa Mercado Cota.</p>	<p>Adjourned - 2:28p.m.</p> <p>Next Meeting Tuesday, Feb. 4, 2014 1:30p.m. - 3:00p.m. S-215</p> <p>Submitted by G. Lusk 1/16/14</p>