

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
2323 N. Broadway, Santa Ana, California 92706
Office: (714) 480-7321 Fax: (714) 796-3935
Budget Allocation and Planning Review Committee
District Office – Executive Conference Room #114
1:30 – 3:00

Meeting Minutes for February 24, 2010

Members Present: Morrie Barembaum, Paul Foster, Norm Fujimoto, Raul Gonzalez del Rio, Peter Hardash, Ray Hicks, Noemi Kanouse, Steve Kawa, Sylvia LeTourneau, Erlinda Martinez, Jeff McMillan, Jared Miller, Nga Pham, Marti Reiter, Ed Ripley, John Smith, Jose Vargas and Juan Vazquez

Members Absent: Esmeralda Abejar and John Didion

Guests Present: Gina Huegli, Bonnie Jaros, Thao Nguyen, Randy Scott and John Zarske

The meeting was called to order by Mr. Hardash at 1:30 p.m.

State Budget Update 2009-10

- Some action in Sacramento right now that may affect us mid-year. Additional cash deferrals of \$2.5 billion for K-14 education due to current state cash flow problems - AB8X 5. For Community Colleges \$200 million will be deferred from July 2010 to March 2011 which is approximately \$4.8 million for RSCCD and \$100 million from October 2010 to May 2011 which is approximately \$2.4 million for RSCCD. Currently \$18 million deferred state apportionment funds for RSCCD. We are working out the cash flow issues, our first priority is to make our payroll and benefits. We may need to go back to the Board of Trustees to approve us temporarily borrowing from our retiree fund to make payroll and benefits if necessary.
- Regardless of whatever Sacramento does, we have additional costs:
 - Increased costs regardless of same or less state income
 - Employee step/column movement - \$1.3 million per year, step and column movement was suspended only for the current year
 - Employee health benefits cost increases – approximately \$2.2 million proposed increase
 - Unemployment insurance rate increase – an additional \$600,000
 - Utilities, fixed contracts inflation increases, Board of Trustees election expense, insurances, etc. – usually a 5% +/- increase yearly
 - Loss of lottery income due to workload reductions (FTES) – approximately (\$250,000)
 - Combined costs: approximately \$5.9 million in additional costs
- Joint Benefits Committee Update – Approximately an 11% increase in benefits as of today. There was also a slight PERS increase for this year but over the next four years PERS rates will go from 9.7% up to about 14%. STRS is still silent but there will most likely be an employee and employer increase – requires approval from the legislature.
- Budget Assumptions will be reviewed by this committee at the March 24th meeting.
- FTES – P-1 has not been posted yet, however we know they have not funded the Center status for OEC (waiting on the CPEC approval) we won't see the \$1.3 million until P-2 (as of June 30th).

Accreditation

Ms. Jaros informed the committee that both colleges have a follow-up report due by October 15th, we have to address District Recommendation #1 for SAC and Recommendation #3 for SCC the recommendations are not exactly the same. The Accreditation Oversight Committee will not make decisions on the report but will make sure the process is followed correctly and that the recommendations are answered on time. The Accreditation Oversight Committee members are: John Didion, Peter Hardash, John Zarske, Morrie Barembaum, Steve Kawa and Bonnie Jaros. Mr. Kawa may be replaced by a faculty member, either Mr. Randy Scott or Mr. Alex Taeber. The writing team members are: Bonnie Jaros, John Didion and one representative from SCC. BAPR should be the governance committee that links budget to planning and deals with questions such as: linking budget to planning, what is the relationship of budget assumptions to plans, where are the connections, what are the outcomes of the budget process how do they tie into the plans and review of the budget allocation model by the BAPR Workgroup which provides documentation and reports to BAPRC. We have to show that BAPR is a planning group as well as a budget group. Accreditation items must be documented on shared governance committee agendas.

The timelines: Please see attached timeline document

Mr. Vazquez read the following Recommendations, discussion ensued on the difference in wording on each recommendation including some differences in the standards.

Santa Ana Recommendation:

The team recommends that the district evaluate its planning processes, including the integration of technology, staffing and facilities master plans to ensure the budget is used as a planning tool to achieve its strategic goals. As part of this integration, the team recommends that the allocation model for resources be based on the plans, program reviews and the sustainability of the planning process and that the outcomes from these activities be formally and broadly communicated to ensure quality. This requires that the District evaluate the outcomes of the budget process and use that data in subsequent budget development. (Standards I.A.1, I.A.3, I.B.4, I.B.6, II.A.1, II.A.2.f, III.D.1, III.D.2, III.D.3, IV.B.3.a, IV.B.3.b)

Santiago Canyon Recommendation:

The team recommends that the district evaluate its planning processes, including the integration of technology, staffing and facilities master plans to ensure the budget is used as a planning tool to achieve both district and college its strategic goals. As part of this integration, the team recommends that the district resource allocation model for resources be based on the plans, program reviews and actual budgetary performance, the sustainability of the planning process and that the outcomes from these activities be formally and broadly communicated to ensure quality. This requires that the District evaluate the outcomes of its planning/budgetary process and use that data in subsequent budget development. (Standards I.A.1, I.A.3, I.B.4, I.B.6, II.A.1, II.A.2.f, IIIB2d, III.D.1, III.D.2, III.D.3, IV.B.3.a, IV.B.3.b)

Dr. Martinez asked that we document the number of the Standard being discussed on meeting notes.

Ms. Jaros recommends that Accreditation is listed on each BAPR Agenda and at least one specific item related to the recommendation list is up for discussion.

Mr. Smith asked that we show the measureable effect be cited such as down sizing.

Mr. Hicks added that we need to define what we are trying to establish such as:

- What the purpose of the BAPR Workgroup is and it's goals – review the BAM
- That BAPRC receives information from the BAPR Workgroup, DEMC, TAG and the Facilities Master Plan update.

The BAPR Committee is the receiving body of information – this will define the planning part. TAG Reports should be shared with the BAPRC as well.

These items should be discussed at the next Oversight Committee – who is taking care of what.

Measure E Update

The latest run of projects is included in the packet dated February 22, 2010. Dr. Martinez wanted to make note of the fact that the Facilities Committee at SAC has requested that the parking structure be delayed and a soccer field be completed first and the balance of the unused funds be used for campus infrastructure.

Bids for work on the SCC campus are coming in under budget – about 15% below estimates. Mr. Barembaum asked that this document show some additional line items such as amounts for equipment for the Gym and Humanities Buildings at SCC.

BAPR Workgroup Update

BAPR Workgroup continues to review and discuss the Budget Allocation Model. The updated drafts will be distributed at the next BAPRC meeting. Dr. McMillan added that the workgroup has identified a lot of problematic areas but is moving forward. Please forward comments to Mr. Hardash.

Approval of the November 18, 2009 BAPRC Minutes

Mr. Hardash called for a motion to approve the minutes of the January 13, 2010 BAPR Committee meeting. Mr. Barembaum moved and Dr. Martinez seconded the motion to approve the Minutes as presented. The motion carried unanimously.

Meeting Schedule

BAPR Workgroup meeting – Garden Grove Room/DO 2:30 – 4:00

Wednesday, March 10, 2010

Tuesday, March 30, 2010

Wednesday, May 12, 2010

Wednesday, June 2, 2010

BAPR Committee meeting – Executive Conference Room/DO 1:30 – 3:00

Wednesday, March 24, 2010

Wednesday, April 14, 2010

Wednesday, May 26, 2010

Wednesday, June 9, 2010

Adjournment

Mr. Hardash adjourned the meeting at 3:00 p.m.