



RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT BUDGET ALLOCATION AND PLANNING REVIEW COMMITTEE – WORKGROUP



Meeting Notes – March 10, 2010

Members Present: Peter Hardash, Noemi Kanouse, Steve Kawa, Jeff McMillan, Nga Pham, Ed Ripley, Jose Vargas, Paul Foster and Gina Huegli

Guests Present: Morrie Barembaum and John Zarske

Member Absent: Thao Nguyen

Mr. Hardash opened the meeting at 2:30 pm.

Topics Discussed:

RSCCD Updates

- Auxiliary Services Layoffs announced during the March 8, 2010 Board of Trustee Meeting
 - Bookstore sales have drastically dropped
 - Offsite bookstore competitors are able to sell high demand text books cheaper as well as maintain a low inventory. Unlike RSCCD, competitors are not required to carry a big inventory of all the books and the additional material each professor requires for their classes
 - RSCCD salary and benefit costs are significantly higher when compared to competitors costs. Union employees salary and benefits versus minimum wage
 - Sales will continue to decline as new outlets are available for students to purchase textbooks, i.e. electronic textbooks and on-line bookstores
 - Campus Presidents have been notified that clubs, school activities, and sports teams at both Colleges will be affected because of the decline in sales
 - Director of Auxiliary Services will need to make additional budget reductions for the 2009-2010 fiscal year after true savings are significantly lower once union members exercise bumping rights. Fiscal year 2010-2011 will also see additional budget reductions

RSCCD Budget Allocation Model

- Presentation by Dr. McMillan “*Draft Budget Allocation Model Proposal*” (handout)
 - Academic Senate originated this concept model, after concerns with the current Budget Allocation Model (BAM), with approval from Santa Ana Budget Committee and College Council
 - Idea is to create a model based on the current structure of Rancho Santiago Community College as a multi-college district with 3 cost centers; Santa Ana College, Santiago Canyon College, and District Operations
 - The Colleges will receive funds based on FTE from either prior year funded numbers or projected target numbers
 - Special consideration will be given to services and programs that are not assigned to a particular site and will not flow through the model
 - Reviewed yearly, District Operations, either by a charge back or percent system, would receive funding reflective of the services provided and desired by both colleges. Mr. Barembaum stated the concept model has to take into consideration the affects of faculty and staff reductions are treated differently at each college. Mr. Hardash suggested that any scenario or model presented must have numbers flow through to see the outcomes
 - Concept model will allow for flexibility at the local level in deciding how funds including categorical funds, will be spent, which the current model does not allow. Mr. Hardash

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disagreed and reiterated that the sites have always had the “power” and the flexibility to affect fixed costs but have chosen not to.

- Mr. Vargas proposed that any model cannot exclude the District reserve and must be shown as a separate item. He added that any model used should take into consideration the needs of the programs and allow for input from those who are directly affected

Workgroup will continue discussion of concept model at next meeting

- Presentation by Jared Kubicka-Miller “*General Model Guidelines*” (handout)
 - A budget process and formal review of the BAM on a yearly basis
 - Identifying, research and provide solutions to problems

Accreditation

- Review the current model
- Link budget and planning process
- The workgroup needs to continue reviewing the current model to improve the language, identify the strengths and weaknesses, and submit the changes to the Budget Allocation and Planning Review Committee.

RSCCD 2010-2011 Tentative Budget

- Begin to prepare budget assumptions for the Chancellor at next BAPRC meeting in time for the April 12th Board of Trustee meeting
- Mr. Hardash recommends possibly budgeting an increase in the deficit factor from 3% to 5%.
- Lottery fund reduction estimated at \$440,000

The meeting was adjourned at 4:00 p.m

Upcoming BAPRC Meetings: Executive Conference Room, DO #114, Wednesday; 1:30 – 3:00: March 24, 2010

Upcoming Work Group Meetings: Garden Grove Room, DO, Wednesdays; 2:30 – 4:00: March 30, 2010