

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

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Budget Allocation and Planning Review Committee

District Office – Board Room #107

9:00 a.m. – 10:30 a.m.

Meeting Minutes for July 27, 2011

Members Present: Erlinda Martinez, Linda Rose, Paul Foster, Juan Vazquez, Steve Kawa, Jose Vargas, Raul Gonzalez del Rio, Morrie Barembaum, John Smith, John Hernandez, Peter Hardash, Nga Pham and Sylvia Letourneau

Members Absent: Esmeralda Abejar, Ray Hicks, Jeff McMillan, John Didion, Steve Eastmond and Marti Reiter

Guests Present: John Weispenning, Thao Nguyen, Norm Fujimoto, John Zarske and Gina Huegli

The meeting was called to order by Mr. Hardash at 9:00 a.m.

State Budget Update

- Legislature approved a simple majority state budget on June 28th
- SB 87 – Main budget bill
 - Governor signed on June 30th
- AB 114 – Education trailer bill
- AB 121 – mid-year trigger bill
- State budget “balanced” with \$4 billion in additional new revenues expected in 2011-2012
- Net \$290 million reduction in state apportionment funding
 - RSCCD (- \$7.9) million, (- 6.2%) workload reduction
- Increases student fees from \$26 to \$36 per unit
- Student fee collection shortfall acknowledged to be \$25 million statewide in 2011-2012
 - Estimate an additional RSCCD funding reduction of approximately \$800,000 or more
- CCLC-Budget Advocacy-Adopted State Budget June 28, 2011

Statewide Budget Simulation Budget Cuts

Scenario A: The State General Apportionment:	-\$400,000,000
Increased Student Fees (from \$26 to \$36/unit):	\$100,000,000
Projected Student Fee Revenue Shortfall:	<u>-\$25,000,000</u>
Net Reduction:	-\$315,000,000

Lost FTES/Workload Reduction:	-70,400 FTES
Lost headcount students:	148,000 students
Lost course sections:	23,000 courses
Lost course “slots”:	700,000 course slots

RSCCD Budget Simulation Budget Cuts

Scenario A: Net apportionment cut:	-\$7,880,000
	5.7%
Workload reduction percent	-6.15%
Lost FTES	-1,874
Lost headcount	-3,936

- Mid-year funding cut triggers if additional \$4 billion in state revenues do not materialize
 - Trigger 0
 - at least \$3 of the \$4 billion materializes: No additional cuts
 - Trigger 1
 - between \$2 and \$3 billion of revenue materialize: \$30 million apportionment reduction to Community Colleges, backfilled by an increase in enrollments fees from \$36 to \$46/unit
 - RSCCD – additional \$800,000 to \$1 million cut
 - Trigger 2
 - between \$0 and \$2 billion of new revenue materializes: Trigger 1 cut and fee increase PLUS an additional \$72 million reduction in apportionment to Community Colleges
 - RSCCD – additional \$1.8 million to \$2 million cut
 - Combined = \$2.6 to \$3 million mid-year cut for RSCCD
- Additional apportionment cash deferrals in 2011-2012
 - \$28 to \$29 million in deferrals for RSCCD
- State Chancellor’s Office 2011-2012 Preliminary Workload Reduction
 - District impact of workload reductions on both revenues and full-time equivalent students (FTES)
 - Calculated off each districts 2010-11 P2 total computational revenue (TCR)

RSCCD

2011-12 Base FTES Revenue	\$128,143,028
Less (-6.2%) workload reduction	<u>-\$7,961,366</u>
2011-12 Revised Base FTES Revenue	\$120,181,662
Base Allocation Revenue	<u>\$9,964,636</u>
2011-12 Estimated TCR	\$130,146,298
Credit FTES	-1,391.57
Noncredit FTES	-27.76
Noncredit-CDCP FTES	<u>-474.28</u>
Total FTE Reductions	-1,893.61

- Small districts are exempt from 2011-2012 workload reduction
 - Exemption for these districts is estimated at \$5.7 million
 - RSCCD’s portion of the subsidy is estimated between \$142,000-\$145,000

RSCCD Budget

- Present to Board of Trustee the 2011-2012 Adopted budget at the September 12, 2011 board meeting
- 2011-2012 Tentative Budget was prepared with the Modified Plan “A” Scenario
 - State funding reduction of -\$7.9 million
 - Partially offset by -\$7.5 million reduction already budgeted last year in FY 2010-2011

- 2011-2012 Adopted Budget Augmentation/Reduction Final Enacted State Budget

Total Reduction in Income	-\$8,904,184
Total Increase in Expenditure	\$2,210,460
Total Projected Budget Shortfall	-\$11,114,644
- Additional \$3.5 million in ongoing cost reductions necessary for 2011-2012 Adopted Budget
 - \$2.5 million for additional new ongoing expenditures
 - \$1.0 million in anticipation of “Trigger 1” mid-year reduction
- 2011-2012 Combined Fixed and Discretionary Cost Split-Unrestricted General Fund Only

Santa Ana College	Santiago Canyon College	District Office/Districtwide
57.30%	26.22%	16.48%
\$2,005,500	\$917,700	\$576,800
- Sites will submit cost reductions to Fiscal Services by Thursday, August 4, 2011

2011-2012 Adopted Budget Assumption

- Dr. Martinez made the motion to approve 2011-2012 Adopted Budget Assumption and Mr. Zarske, proxy for Dr. McMillan, seconded the motion. The motion carried unanimously.
- Dr. Martinez recommends a special foot note, for expense assumption #11, to include the additional \$500,000 contribution to the Retiree Benefit Fund was a board of trustee action item.
- Mr. Hardash will present modified budget assumption to the Chancellor.

Accreditation Committee Updates

- BAPR Work Group July 13, 2011
 - Continue to work on SB361 revenue allocation model and narrative document
- DFPC June 1, 2011
 - Santa Ana College Facility Committee special meeting in August to discuss campus facility master plan and forward to the Board of Trustee
 - Dr. Martinez corrected the minutes on item #6. It should read. *The “A” portion of the “U” building was rated an “F” by DSA’s survey.*
- Technology Advisory Group May 5, 2011
 - Discuss district policies regarding use and ownership of Apple IPADs and software
 - Discuss policies on district social media sites such as Facebook, YouTube, and Twitter
- Human Resource Committee
- Planning sub-committee/workgroup
 - Not an official committee
 - Mr. Didion to clarify and develop the charge of the committee and its membership
- Accreditation Update
 - Mr. Weispfenning stated committee is currently editing college document after gather recommendations from the district. Report will go to campus forums for discussion
 - Submit to board of trustee for approval
 - October 15 deadline

FTES

- FTES 2010-2011 Annual Reporting report as of July 14 2011
- 2010-2011 actual, with Summer 2011 additional borrowing
 - SAC FTES
 - Credit 16,238.61
 - Noncredit 5,612.05
 - SCC FTES
 - Credit 6,648.46
 - Noncredit 2,245.84
 - Total 30,744.96

- District Enrollment Management Committee (DEMC)
 - Meeting scheduled August 11, 2011, 9:00 a.m., District Office -Room#114
 - Mr. Hardash stated the Chancellor recommends that each campus Chief Instructional Officers (C.I.O), Linda Rose and Aracely Mora, chair the committee
 - Update committee members and provide list to Linda Melendez
 - Emphasis on productivity and enrollment management
 - Mr. Vargas recommends the campuses have the flexibility to determine the target numbers for credit and noncredit FTES

Measure “E” Projects Summary – June 30, 2011

- Project % of completion
 - Santa Ana College 77%
 - Santiago Canyon College 90%
 - District Operations 95%
 - All Sites 85%

Approval of the June 8, 2011 BAPRC Minutes

Mr. Hardash called for a motion to approve the minutes of the June 8, 2011 BAPRC Committee meeting. Mr. Norm Fujimoto moved and Dr. Martinez seconded the motion to approve the minutes. The motion carried unanimously.

Membership

- Provided current BAPRC committee members for the 2011-2012 fiscal year

Other

Adjournment

Mr. Hardash adjourned the meeting at 10:00 a.m.

Meeting Schedule

BAPRC Workgroup Meeting – 2:30 – 4:00
 Wednesday, August 10, 2011 SAC F-126

BAPRC Committee Meeting – 1:30 – 3:00
 Wednesday, August 31, 2011 District Office Board Room #107