

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Wednesday, December 4, 2013 3:00 p.m.
Board Room

Accreditation Standard III: Financial Resources -- Financial resources are sufficient to support student learning programs and services and to improve institutional effectiveness. The distribution of resources supports the development, maintenance, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. Financial resources planning is integrated with institutional planning.

Mission: Coordinate and integrate college plans and establish budget priorities consistent with the college's vision and mission statements, with recommendations, expressed in dollars, made to the Superintendent/President. Review the Tentative and Adopted budgets for consistency with annual institutional goals and objectives, college plans, and the planning and budget philosophy.

Minutes

✓ Members present:

– **John Lau, VP for Business Services, Co-Chair**

– Kathy Berry, Administrative Rep.

– Dr. Martha Garcia, College Council Rep.

✓ Eric Jacobson, Faculty Representative

✓ Dave Drury, Faculty Representative

✓ Carlos Fletes, Director of Fiscal Services

Visitors: Betty Kakiuchi, Ted Ceasar, Mike Palacio Jr.

✓ **Kevin White, Academic Senate Rep., Co-Chair**

✓ Jeff Cantwell, CMCA representative

✓ Mike Nicholas, CSEA Representative

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✓ Alex Whalen, ASG Representative

Recorder: Mary Carter

- A. Call to Order: The regular meeting of the Budget and Fiscal Planning Committee was called to order at 3:10 p.m. on December 4, 2013 by Kevin White, co-chair. The meeting was held in the board room.
- B. Review and Approval of Minutes, November 20, 2013: ***M/S/C Fletes/Cantwell (abstain Drury) to approve the minutes of the November 20, 2013 meeting as presented.***
- C. Reports: none
- D. Update on Previous Discussion Items:
- a. Accreditation response, recommendation #8: The latest draft of the response recommendation #8 of the Accreditation report was e-mailed to the committee for its review and comments at the next meeting.
 - b. OPEB (Other Post Employment Benefits) funding plan: Co-chair White asked the members to review the OPEB funding plan for San Joaquin Delta Community College District, that was previously e-mailed to members, for discussion at the next meeting.

E. New Discussion

- a. Budget Principles, Guidelines and Priorities, review for re-adoption: The committee was e-mailed a copy of the "Budget Principles, Guidelines, and Priorities" with some suggested changes. Co-chair White asked members to review the document for discussion and action at the next meeting.

F. Action Items:

- a. Recommendation on strategy to increase reserve to 16.6%: ***tabled until the next meeting.***

Director Fletes reported that VP Lau suggests placing all year-end savings into the reserve. It would take about eight years at approximately \$200,000 to \$300,000 per year to reach the 16.6% level of reserve.

Co-Chair White emphasized that the college needs to have a plan in place to show that it is making an effort to meet its goal of a 16.6% reserve. Member Jacobson stated that he would like to see a written strategy that can be circulated to other shared governance committees. Co-chair White will consult with VP Lau, and bring back a recommendation for the committee to consider at its next meeting.

Director Fletes stated that in order to address the recommendations of the accreditation report, the college must: #1, achieve a balanced budget, #2, grow its reserve, and #3, fund its retiree benefits liability. He stated that the college is on warning status and it has its marching orders from both Accreditation and FCMAT.

Director Fletes cautioned that as long as the college is deficit spending, all savings goes towards operations. The college must first achieve a balanced budget (expenses not exceeding revenues) before the reserve will increase. Director Fletes stated that step and column salary increase are currently more than \$300,000 per year, so any saving may already be committed.

- b. Recommendation regarding establishment of a Planning and Resources Council (budget filter committee): ***M/S/C Drury/Thale to recommend that the Planning and Resources Council be composed of the members of the Budget and Fiscal Planning Committee, all vice presidents, deans, directors and department chairs, and that the ultimate goal be a balanced budget.***

G. Other: None

H. Next Meeting: January, 22, 2014, 1:30 p.m., board room.

I. Adjournment: Meeting adjourned at 4:12 p.m.