



**Planning and Budget Committee
2003-04 Minutes**

July 23, 2003
August 27, 2003
October 1, 2003
October 3, 2003
October 29, 2003
September 24, 2003
September 29, 2003
November 12, 2003
November 26, 2003
February 25, 2004
March 24, 2004
May 28, 2004

IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE

UNADOPTED MINUTES
May 28, 2004

Present:

Tom Hudson, Chair
John Abarca, CSEA alternate
Carlos Fletes
Dr. Victor Jaime
Maria Trejo
Dr. Lianna Zhao
Irene Garcia, ASG

Absent:

Craig Blek
Dennis Carnes, CTA
Lisa Cross
Eric Jacobson

Visitors:

Kathy Berry
Dr. Marion Boenheim
Dawn Chun
Renee Fenn
Bill Gay
Gonzalo Huerta
Betty Kakiuchi
Dixie Krimm
Jim Mecate
Bertha Ortega
Dr. Paul Pai
Gail Parish
Val Rodgers
Tony Salcedo

Chairman Tom Hudson, Dean of Business Services, called the meeting of the Planning and Budget Committee to order at 12:00 noon on Thursday, May 28, 2004 in the Board Room.

2004-05 Tentative Budget

Mr. Hudson noted that the College's investment in the classroom has increased from \$5 million to \$6.5 million, in addition to the 5% increase in salaries and 5% increase in the district paid medical insurance for 2004-05. Tom Hudson stated that all areas have done a fine job in prioritizing their budget "wish lists", and the "wish list" budget deficit has been reduced to approximately \$189,000. He proposed that reductions be made proportionally by the major areas; President, Academic Services, Student Services and Business Services. Based on the 2003-04 budget, the proportions are: President 3.8%, Academic Services, 57.5%, Business Services 26.21% and Student Services 12.49%. ***M/S/C Jaime/Trejo that budget cuts be shared proportionally by the four areas.*** Mr. Hudson stated that the areas should use the budget priorities already established. Budget cuts need to be given to the Business Office in time to print the budget for the board mail out on June 10.

Meeting adjourned at 12:30 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
March 24, 2004**

Present:

Tom Hudson, Chair
John Abarca, CSEA alternate
Craig Blek
Dennis Carnes, CTA
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Maria Trejo
Dr. Lianna Zhao
Franchesca Perez, ASG

Absent:

Lisa Cross

Visitors:

Frances Beope
Kathy Berry
Dr. Marion Boenheim
Eileen Buckel
Gonzalo Huerta
Janeen Kalin
Dixie Krimm
Sergio Lopez
Jan Magno
Dr. Paul Pai

Chairman Tom Hudson, Dean of Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, March 24, 2004 in the Board Room.

M/S/C Jaime/Fletes to approve the minutes of the February 25, 2004 meeting as presented.

PFE Local Investment Survey

Carlos Fletes reported that the 2003-04 PFE Survey has been electronically submitted to the Chancellor's Office. The report will be submitted to the Board of Trustees at the April 20 meeting. The survey reports to the State on the amount of PFE funds expended, and the affect of expenditures on the five PFE triggers. The Planning & Budget Committee was the shared governance vehicle used for discussion and allocation of the funding. The 25% reduction in 2003-04 funding will have an impact on the 2004-05 budget because there are not enough funds for all the on-going positions. In 2003-04, the R/W/Language Lab coordinator was funded with carryover monies.

The committee discussed the possibility of the State putting PFE funding into the base apportionment, indications that 2004-05 PFE funding will be at the same level as 2003-04. Eileen Buckel stated that the R/W/Language Lab position was intended to be a permanent position; Mr. Fletes stated that all the fulltime positions are tenure track on the certificated side, and permanent on the classified side.

Dr. Boenheim stated that Mr. Fletes had done a good job of distributing information, but was unsure of the impact of the Instruction area in the process. Mr. Fletes explained that the committee was the driving force behind the allocation of PFE monies, and that the Instruction area had a great deal of involvement in the process. Approximately 60% of PFE funds go to instructional areas. Dr. Jaime stated that the allocation process involved the submission of funding proposals to the committee for consideration. Hiring of instructors was based on the priority list developed by C&I.

Mr. Fletes reported that a question had been raised as to who should certify the report, and asked for direction from the committee on who should be listed as the certifying official and who should do the actual electronic submission to the State in the future. It was suggested that the Superintendent/President be listed as the certifying official, and that Mr. Hudson send the electronic certification. Dr. Jaime proposed that the work of the survey remain in the Business Services office.

Budget Development

Carlos Fletes reported that cost centers can now input their budgets on-line. Mr. Fletes asked committee members to remind staff that budget transfers between major budget classifications are held until approved by the Board. Mr. Fletes stressed the importance of budgeting and planning in order to minimize budget transfers.

Jan Magno asked for direction in terms of salary increases, so that categorical programs can build the increase into their 2004-05 budgets; the chair deferred to Dr. Boenheim, who stated that the CTA executive committee was meeting that afternoon and information should be available shortly.

Certificates of Participation/Capital Items

Mr. Hudson reported on a proposal to remove \$1 million in capital improvement and equipment items from the budget, and fund those items with certificates of participation. Rates for this type of financing are currently very attractive at 2 ½ - 3% per year. The funds made available would be invested in classroom instruction.

IMPERIAL VALLEY COLLEGE EQUIPMENT REPLACEMENT SCHEDULE PROPOSAL

Imperial Valley College has approximately \$7,000,000 in equipment. The college spends approximately \$1,000,000 annually on capital equipment and improvements. \$1,000,000 invested in classroom instruction could return \$6,500,000 in perpetuity to the college resulting from increased reimbursable FTES. It is the recommendation of the administration that we remove all capital outlay items from the General Fund budget and develop a capital equipment replacement schedule that will replace all equipment over a seven year schedule. It is also the recommendation of the administration that the replacement schedule be funded using Certificates of Participation debt instrument to fund the annual purchases from the capital equipment replacement schedule.

Discussion: The committee discussed the hiring of more faculty; how soon they would be on board, if there is sufficient office and classroom space. It was noted that classrooms are open during the afternoons, on Friday and Saturday, and classrooms are available at extended campus. Craig Blek stated that the College could hire all the teachers it wanted, but graduation rates won't improve. Students only want to take classes from 10:00 am – 1:00 p.m. Tuesday through Thursday. Dennis Carnes stated that he would like the minutes to reflect Mr. Blek's comments. Dr. Zhao stated that the biology class offered on Friday and Saturday this semester is booked.

Dr. Boenheim stated that fulltime faculty is carrying an average load of 21.46. Ads are currently being placed for 12 instructors based on the C&I approved list, and contingent upon approval by the Board. The committee discussed the bad public relations the college received due to previous cutbacks in faculty and classes, and noted that it will take soon time for the college to get back to where it was and for the community to recognize that the college is meeting student needs.

Jan Magno asked how many of the additional FTES generated by the new instructors would be reimbursable; Mr. Hudson stated that the additional FTES is all potentially reimbursable within two to three years. The College needs to invest now to bank FTES, when the state funds the growth, districts that have grown get priority. Carlos Fletes stated that in the early 1990's the College was 20% overcap, and was "dinged" by the accreditation team. Mr. Hudson stated that while IVC was backing off, other districts were taking the growth.

M/S/C Jacobson/Zhao to recommend that the IVC equipment replacement schedule be adopted as proposed.

Meeting adjourned at 2:50 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
February 25, 2004**

Present:

Tom Hudson, Chair
Craig Blek
Dennis Carnes, CTA
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Maria Trejo

Absent:

Lisa Cross
ASG Representative
Dr. Lianna Zhao

Visitors:

Eileen Buckel
Renee Fenn
Becky Green
Gonzalo Huerta
Jan Magno
Brian McNeece
Dr. Paul Pai
Tony Salcedo

Chairman Tom Hudson, Dean of Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, February 25, 2004 in the Board Room.

2004-05 Budget Calendar

Mr. Hudson presented a revised budget development calendar for 2004-05; departments will be developing their budgets and inputting them into the computer from March 8 through April 23, the Business Office will compile the budget April 26 – May 14, and then the budget will be reviewed in an arena setting. The entire budget, including revenue, will be reviewed. The process provides a good editing process; it helps find missing and duplicate items and provides the campus community with a good sense of what is in the budget. This takes several days the first time arena budgeting is used, but can be done in half a day. The tentative budget will be adopted June 14. The ultimate goal of the budget process is to produce a budget that is “yours”, i.e., the cost centers, with no surprises. The Final Budget will be adopted by September 15, and should not be much different from the Tentative Budget. Jan Magno asked about guidelines or restrictions on items such as overtime, travel, etc; Mr. Hudson stated that guidelines will be provided the week of March 8, and decisions regarding the budget will be a result of the arena budgeting process.

2004-05 Budget Board Study Session

Mr. Hudson presented the global 2004-05 budget guidelines the Board of Trustees approved at its budget study session/board meeting on February 23, 2004. Mr. Hudson reported that the Board was very receptive to the new ideas presented

BUDGET DEVELOPMENT

- District visioning
- Board and President--District Goals
- Budget Guidelines
- Decentralized cost center budgeting
- Budget compilation
- Open, participatory and transparent arena balancing
- Board adoption of balanced budget

Board of Trustee and President’s Decision Criteria

- Is it fiscally responsible?
- Does it strengthen our commitment to student learning?
- Does it build, strengthen, or maintain our ties with the business, industry and government?
- Does it promote or safeguard the interest and well being of our IVC community as a whole?

- Does it help IVC to more effectively carry out its mission?

Statewide (Chancellor's) Priorities and Community College Priorities

- COLA at 1.84%, same as K-12
- Equalization at \$80 million
- Growth at 5%; increase enrollment
- Noncredit rate increase \$25 million to enhance quality
- Enrollment Fees at \$20 per unit

Challenges and Barriers to IVC Achieving Stated Goals

- Ranked 46th in classroom instructional salaries and benefits
- Ranked 10th in non-instructional salaries and benefits
- Ranked 16th in total cost of operations

Instructional Effort

- 91 classroom teachers
- \$1.1 million budget for part time teachers and overload
- Classroom instructional budget equals 26% of total budget

Many students cannot complete their AA or transfer in two years

- Limited course offerings
- Limited flexibility in program, courses and schedule
- Limited by number of faculty and 75:25 rule

Limited Financial Flexibility

- Reimbursable classes limited to 26% of budget
- Capital outlay purchases made with operating cash
- Extended campus has a \$1 million surplus
- Extended campus unable to grow

Recommendations

- A. Develop comprehensive Financial Plan to assure Mission and Goals of institution are met
- B. Maximize instructional reimbursable classes because:
 1. Need to budget more than state funded
 2. Frequently one-time monies tied to growth
 3. Matriculation funds based on total head count
 4. Facilities funding based on actual growth
 5. Reimbursement rate is variable depending on other districts
 6. Extended Campus--\$1 million incentive
- C. Maximize low cost instructional classes (Extended Campus): \$1 million (23.5%)
- D. Increase full time credit instructors by 50%: \$1.85 million (\$6 million)
- E. Increase part time instructors by 50% \$500,000
- F. Maintain district reserve at state mandated and board specified level
- G. Move classroom instructional effort to top quartile in the state
- H. Develop schedule that allows students to complete two year program
- I. Remove capital outlay items from General Fund saving \$1 million
- J. Charge all programs appropriate Direct Cost saving \$300,000
- K. Charge all programs appropriate Indirect Cost saving \$700,000
- L. Fund capital equipment with Revenue Bond
- M. Union Contracts

Mr. Hudson stated that the District can free up cash for use in revenue generating activities by using lease revenue bond funds to pay for capital outlay items. Mr. Hudson stated that the college's focus should be on our core business--students and teachers in the classroom. Mr. Hudson recommended exceeding the enrollment cap by 3% because unfunded FTES can be banked, and when growth is funded, banked unfunded FTES has priority. Jan Magno noted that some funds (categorical) are not available for instruction. Mr. Hudson noted that there is \$1 million funding available for a qualified extended center generating 500 FTE. An increase in full time faculty (costing \$1.85 million) would generate \$6.5 million in revenue. Dr. Pai stated that the board has approved a direction for planning, but wants to maintain a conservative budget, and a 6% reserve. A financial plan is needed to fund the objectives identified and address access problems.

Approval of Minutes

M/S/C Jaime/Blek to approve the minutes of the January 28, 2004 meeting as presented.

Budget Development Calendar

M/S/C Blek/Carnes to approve the revised 2004-05 budget development calendar as presented.

Meeting adjourned at 3:00 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
January 28, 2004**

Present:

Tom Hudson, Chair
Craig Blek
Dennis Carnes
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Dr. James Patterson
Maria Trejo
Franchesca Perez, ASG

Absent:

Lisa Cross

Visitors:

Kathy Berry
Dr. Marion Boenheim
Eileen Buckel
John Hunt
Jan Magno
Dr. Lianna Zhao

Chairman Tom Hudson, Dean of Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, January 28, 2004 in the Board Room.

Approval of Minutes

M/S/C Jaime/Blek (abstain: Jacobson) to approve the minutes of the November 26, 2003 meeting as presented.

Fund Balance

Copies of the Quarterly Financial Status reports submitted to the State for the quarter ended December 31, 2003 and the revised report for the quarter ended June 30, 2003 were distributed to the committee as an information item. Mr. Hudson reported that an adjustment was made to the District's fund balance as of June 30, 2003. The 5% reserve was originally calculated only on the unrestricted portion of the general fund, based on information received from the Chancellor's Office; however, the Chancellor's Office has now clarified that the reserve is to be calculated on both restricted and unrestricted balances. The District has been able to meet its reserve requirement due to a prior year adjustment to FY 2002-03, and by including all reserves into the board contingency fund (except for \$25,000 in the President's contingency fund).

Budget Transfers

Mr. Hudson presented information to the committee regarding budget appropriations; state law requires an annual budget be adopted in the major expenditure categories. Once a budget is adopted, the California Code of Regulations, section 58308 and the California Community Colleges Accounting Manual very clearly state that Board approval is required to make transfers between major classifications or from reserve for contingencies. Many government agencies make a year-end blanket board resolution in order to comply with the law. Mr. Hudson stated that it is important to get Board approval in advance; it is risky to get approval for what has already been done. He stated that he would like to immediately implement the process of presenting budget transfers to the Board for approval.

Discussion: The committee asked if categorical funds would also be affected, some programs are guaranteed funds and often planned expenditure reports are not available until October or November, and some categoricals are on a different fiscal year. The committee asked if this procedure would supercede the committee's recommendation that all transfers over \$5,000 be submitted to the Board. Mr. Hudson stated that all funds would be affected, that it is his intention to present a monthly report to the Board on all pending transfers between major object codes, and present a report at the next board meeting on all transfers made since July 1, 2003.

Indirect Costs

Mr. Hudson stated that the District reserve covers both restricted (categorical) and unrestricted programs. He has been chatting with special program directors, and most are amenable to being charged an indirect cost where appropriate. He proposed charging the special programs and subsidiary funds the allowable indirect cost at year end. This will recognize the District's cost of supporting categorical programs and subsidiary funds. ***M/S/C Jacobson/Patterson to recommend that all categorical programs and subsidiary funds be charged for indirect costs (as allowed by each program).***

Long Range Facility Planning

Mr. Hudson stated that his experience with three successful bond issues is that a comprehensive planning process is necessary. He gave the committee an outline of the process of preparing a long range plan to document the District's needs, and a calendar of events leading up to a possible November bond election. He reported that Executive Council has approved the Campus Operations and Planning and Budget committees as the vehicle to prepare a long range facilities plan for the Board. There are three elements to the plan: 1) a long range enrollment forecast, 2) a facilities/curriculum survey to identify deficits in facilities, technology, etc, and 3) a 10-year building/maintenance survey (buildings, hardware, surfaces, systems, forecast of the life of existing facilities, and a replacement schedule including pricing).

Once the long range plan is complete, and submitted to the Board, the Board appoints a citizen's review committee of opinion leaders in the community to verify the findings of the long range facility report. The citizens review committee prepares a report for the Board, and then is charged by the Board with developing financing options. A survey is done to see how much the community will be willing to pay for, and then the list of needs is prioritized for funding. The citizens advise the College as to the mood of the community, and make a recommendation to the Board.

Mr. Hudson stated that the time schedule is very tight, and very ambitious. The key to the process is community input, so that the community will actively supporting the bond issue. ***M/S/C Jaime/Carnes to recommend that the Planning & Budget Committee and Campus Operations Committee form a joint committee to prepare a long range facility plan.***

Meeting adjourned at 3:00 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
November 26, 2003**

Present:

Jesse C. Salas, Jr., Chair
Craig Blek
Carlos Fletes
Dr. Victor Jaime
Jim Pendley
Larry Welch, alternate

Absent:

Dennis Carnes
Maria Trejo
Eric Jacobson
ASG Rep.
Lisa Cross

Visitors:

Eileen Buckel
John Hunt

Chairman Jesse Salas, Interim Vice President for Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, November 26, 2003 in the Board Room.

Approval of Minutes

M/S/C Jaime/Welch to approve the minutes of the November 12, 2003 meeting as presented.

Budget Calendar

**PROPOSED BUDGET DEVELOPMENT CALENDAR
Fiscal Year 2004-2005**

	<u>Action to be Taken</u>	<u>Time of Action</u>
1.	Planning and Budget Committee reviews Budget Development Calendar.	November 2003
2.	Departments start entering their Line Item Budget in the computer.	March 1, 2004
3.	Departments finish entering their Line Item Budget in the computer and meet with their Vice Presidents.	On or before March 31, 2004
4.	Vice Presidents or Department heads review budgets with Director of Fiscal Services.	April 1 – 8, 2004
5.	Budget is compiled by the Business Office	April 19 - 30, 2004
6.	Planning and Budget Committee has the opportunity to review the Budget	May 2004
7.	Planning and Budget Committee Meet and recommendations are compiled and Committee makes Final Adjustments	May 2004
8.	Tentative Budget is sent to print	May 28, 2004
9.	Tentative Budget is presented to the Governing Board for approval.	June 9, 2004
10.	Governing Board hold public hearing and final Budget is presented for approval.	*September 15, 2004 (*subject to change)

Carlos Fletes, Director of Fiscal Services, presented the 2004-05 Budget Development Calendar for review and approval. ***M/S/C Jaime/Blek to approve the 2004-05 Budget Development Calendar as presented.***

Electricity Usage

Information on electricity usage over the past three years was presented. The information will also be presented to Cabinet to show the fiscal impact of the four-day work week during the summer; according to the analysis presented, there was minimal savings.

Other

The committee asked if there has been any savings realized with the new long distance telephone carrier and individual phone codes; Mr. Fletes responded that the District is saving money, and that the Business Office will begin charging departments for their long distance costs.

Mr. Salas reported that the Library is seeking funds to purchase software to monitor for plagiarism; the cost for a six-month pilot program is \$500.

Mr. Salas stated that the cost of maintenance service for the District's high voltage lines is approximately \$5,000, and the Maintenance Department does not have funds in its budget. Mr. Salas stated that he will approach the IID to see about the possibility of a loan of a transformer in case the College has a transformer failure.

Mr. Salas reported that the issue of hiring a permanent CTO (Chief Technology Officer) is being discussed, and the issue may come up in the future.

Meeting adjourned at 2:30 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
November 12, 2003**

Present:

Jesse C. Salas, Jr., Chair
Dennis Carnes
Carlos Fletes
Lisa Cross
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Miriam Trejo

Absent:

Craig Blek
Maria Trejo

Visitors:

Eileen Buckel
Jeff Deyo
John Hunt
Rosa Lopez
Jan Magno
Jim Mecate
Patricia Robles
Valerie Rodgers
Beth Smith
Dr. Lianna Zhao

Chairman Jesse Salas, Interim Vice President for Business Services, called the special meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, November 12, 2003 in the Board Room.

Approval of Minutes

M/S/C Fletes/Jaime (abstain: Jacobson) to approve the minutes of the October 29, 2003 meeting as presented.

Banner Project/E-Visions

Mr. Salas distributed information on the Evisions FormFusion and Intellectcheck software purchased, as approved by the committee.

Block Grant

Information was presented on the three projects the District submitted for Scheduled Maintenance funding prior to the funding being merged into one block grant. Carlos Fletes stated that scheduled maintenance funding is the only funding source for the upkeep of the physical plant; it is important to note the type of projects that the College won't be able to accomplish due to limited funding. The scheduled maintenance projects won't be able to compete for funding with the instructional equipment and Library materials proposals, since there is only \$112,257 available, and scheduled maintenance projects require a 50% cash match.

Priority #	Project	Total Cost
1	Replace door hardware	250,000
2	Replace master clock system	65,000
3	Refinish/repaint building overhangs	40,000
		<hr/> 355,000

The committee discussed its recommendation from the January 22, 2003 meeting, that allocations from the Instructional Equipment Grant be reinstated when funds become available, and have priority over any other allocations. The funding lost in 2002-03 amounted to \$119,262, and the funding available for 2003-04 is \$112,257.

Division	Original Allocation	Final Budget	Reduction
Business Division	10,000.00	0.00	10,000.00
Health, PE Division	15,000.00	0.00	15,000.00
Humanities	7,700.00	7,692.61	7.39
Nursing	10,000.00	8,809.68	1,190.32
English	10,000.00	6,421.68	3,578.32
Science/Math	10,000.00	0.00	10,000.00
Soc/Beh Sci	10,000.00	7,216.04	2,783.96
Instruction Office	30,042.00	5,274.28	24,767.72
External Campus	15,600.00	6,499.09	9,100.91
Voc Ed	3,700.00	0.00	3,700.00
Learning Services	30,000.00	4,733.83	25,266.17
Counseling	35,000.00	30,485.55	4,514.45
Gen Athletics	10,000.00	647.24	9,352.76
	197,042.00	77,780.00	119,262.00

*M/S Fletes/Jaime to allocate the current block grant funds (in the amount of \$112,257) proportionately, to the departments/divisions which lost funding in 2002-03. John Hunt offered to take the approximately \$7,000 shortfall out of the Instruction Office's allocation, so that all other departments and divisions would get the full amount of the funding that was lost in FY 02-03. The motion on the floor was amended: **M/S/C Fletes/Jaime to allocate block grant funds in the amount of \$112,257 to the department/divisions which lost funding in 2002-03, and to make up the shortfall from the Instruction Office allocation.***

Carlos Fletes will use the funding proposals submitted to complete the Block Grant report due to the State on November 28.

Program Improvement Funds

The committee discussed the use of "Program Improvement funds" for hiring staff to meet the 75/25 rule, and meet the full time faculty obligation. According to John Hunt, Title V states that up to 40% of program improvement funds can be used to achieve the 75% ratio. It was the consensus of the committee that the clarification is needed from the State on what constitutes Program Improvement funds.

Meeting adjourned at 3:50 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
October 29, 2003**

Present:

Jesse C. Salas, Jr., Chair
Craig Blek
Dennis Carnes
Carlos Fletes
Dr. Victor Jaime
Jim Pendley
Tony Salcedo, Alternate
Maria Trejo
Larry Welch, Alternate
Franchesca Perez, ASG

Absent:

Lisa Cross
Eric Jacobson

Visitors:

Dr. Marion Boenheim
Eileen Buckel
Edgar Coronel
John Hunt
Sergio Lopez
Jan Magno
Dr. Paul Pai
Valerie Rodgers
Beth Smith
Miriam Trejo
Dr. Lianna Zhao

Chairman Jesse Salas, Interim Vice President for Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, October 29, 2003 in the Board Room.

Approval of Minutes

M/S/C Fletes/Welch to approve the minutes of the September 24, September 29, October 1, and October 3, 2003 meetings as presented.

Banner Project/E-Visions

Mr. Salas presented information on a proposal to purchase hardware and software not included in the original Banner budget, from contingency funds. Edgar Coronel made a presentation on the need for the following items of hardware and software in order to implement the Finance module of Banner in January 2004, produce checks in-house, as well as print forms using blank paper stock, produce mass mailers and have enhanced report writing capabilities. Banner has reports and check writing features, but any modifications require considerable programming time. Form Fusion and Intellicheck are Windows based and very easy to use. Many templates used by other community colleges are available. All products use Banner security.

	<i>Cost</i>	<i>Maintenance Costs – year 2, and thereafter</i>
Evisions FormFusion	\$17,400	20% annual maintenance
Evisions Intellicheck	6,500	2,000 annual maintenance
Check Printing Equipment (Accounts Payable)	5,300	
Printer (Purchasing Dept)	3,000	
Total	\$32,200	

Carlos Fletes stated that purchasing these products will benefit all areas of the College; Banner is a campus wide project and the enhancements will benefit students as well as staff. The College is now investing in technology, which was neglected for years, and these items are an important piece to get the maximum benefit from Banner.

M/S/C Jaime/Trejo. (Yes: Carnes, Fletes, Jaime, ASG, Trejo, Salas; No: Blek, Salcedo, Welch, Pendley) to recommend the purchase of Evisions FormFusion, Intellectcheck and printing hardware in the amount of \$32,200 from contingency funds.

Additional Funding for Faculty

John Hunt presented information on the need for additional faculty; he noted that one of the biggest items mentioned by focus groups is the need for more classes. He requested funding for one full-time tenure track instructor, in a discipline to be determined by C&I. He proposed the hiring of a full-time temporary for the Spring to allow time for the hiring of a full-time instructor for Fall 2004. Mr. Welch commented that there are 84 full-time instructors in the classroom, and it is time for the college to hire more tenure track instructors. ***M/S/C Pendley/Jaime to recommend the funding of a part-time temporary instructor for Spring 2004, and a full-time tenure track instructor for Fall 2004 from contingency funds.***

Travel Sub-committee Report

Carlos Fletes reported on the two meetings held by the Travel sub-committee, and presented a spreadsheet with an analysis of travel budgets over the past few years. Two suggestions from the committee were: 1) to restore the travel budgets to the 2002-03 level, at a cost of \$40,343; or, 2) to increase travel budgets to the greater of the 2002-03 actual expenditure or 2003-04 budgeted amount, at a cost of \$24,405.15. Restoring travel budgets would allow departments to manage their own travel. The committee discussed using the remainder of the funds for Early Alert tutoring.

Sergio Lopez stated that he saw the need for tutoring and travel, but that there is no budget for Flex activities. He requested monetary support for Flex, suggesting a minimum amount of \$10,000. Mr. Carnes volunteered to vacate his motion to allocate a total of \$40,000 for travel (October 3, 2003 meeting), to allow for funding of tutoring and staff development activities. ***M/S/C Fletes/Blek to recommend restoring travel budget to the greater of the 2002-03 actual expenditure or 2003-04 budgeted amount, at a cost of \$24,405.15, to allocate \$10,000 for tutoring and \$6,000 for staff development/Flex.***

Instructional Equipment Block Grant

Carlos Fletes informed the committee that the State is giving districts less money and combining Instructional Equipment, Library Materials, and Scheduled Maintenance into one block grant. There is a total of \$112,257 in state funds available. The requirements for District match vary according to program; Scheduled Maintenance requires a 50% cash match, but Library Materials and Instructional Equipment require matching of expenditures rather than cash. The College had already submitted a proposal for \$315,000 in scheduled maintenance projects prior to being notified that the grants would be combined. Mr. Fletes stated that a plan is required to be submitted by November 28. The Business Office will send out information on the grant requirements and a form, so that department can submit their proposal prior to a November 12, 2003 special meeting. ***M/S/C Pendley/Jaime to restore funding for proposals approved for 2002-03 Instructional Equipment Grant funding, but not funded due to budget cuts, before funding new proposals.***

Estimated PERS Rate

Carlos Fletes gave the committee information on the anticipated increase in the PERS rate. There are many factors that determine the final rate, but the best guess is 12.2% for 2004-05. The PERS cost in 2002-03 was \$190,528 (2.894%) and increased to \$577,458.51(10.42%) in 2003-04.

Meeting adjourned at 3:45 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
October 3, 2003**

Present:

Jesse C. Salas, Jr., Chair
Dennis Carnes
Lisa Cross
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Ryan Cruz, ASG Representative

Absent:

Craig Blek
Maria Trejo

Visitors:

Dr. Marion Boenheim
Shirley Hofer-Bell
John Hunt

Chairman Jesse Salas, Interim Vice President for Business Services, called the special meeting of the Planning and Budget Committee to order at 7:00 a.m. on Friday, October 3, 2003 in the Board Room.

Funding for Grants Writer

Dr. Boenheim presented a proposal from the President for the hiring of a grants writer, with the primary direction of pursuing Title III and Title V grants. Funding in the amount of \$12,000 is requested. The grants writer would be hired as a professional expert, and could be paid from the savings from the salary of the vice president for Business Services. The individual would report to the President, and results would be expected within one year. *M/S/C Fletes/Jaime to recommend the approval of the proposal to hire a grants writer.*

Partnership for Excellence

Carlos Fletes reported that there are no PFE funds available for distribution; the \$19,430 balance is not available due to a \$20,000 obligation to the IVC Trust account for the book loan program. The \$20,000 allocation for the book loan program was an approved project for 2002-03, monies were not transferred as allocated and the money has been loaned out to student. The net result is a \$570 shortfall in the PFE program. The committee asked who was responsible for the oversight, and asked for assurance that the money would not be allocated to another project. Mr. Fletes stated that the transfer was not made by the previous Director of Fiscal Services, and a requisition for the funds was not initiated by the Financial Aid department.

2003-04 Budget

Committee members discussed their concerns regarding the budget process, expressed the need for more funding for instruction, and asked about the availability of contingency funds. Mr. Fletes stated that there is approximately \$200,000 left in contingency after the transfers for the air conditioning replacement and TRAN's settlement are made.

M/S/C Carnes/Pendley to recommend the allocation of \$35,000 for the hiring of a part-time temporary instructor for Spring 2004.

M/S/C Carnes/Jacobson (No: Pendley, Cruz) to recommend that \$4,000 per month for 10 months (total of \$40,000) be allocated to travel, for use by all departments. Mr. Pendley indicated he preferred a set dollar amount per individual. A sub-committee consisting of Dennis Carnes, Jim Pendley, Dr. Jaime, John Hunt and Carlos Fletes was formed to formulate a policy for use of travel funds. Mr. Fletes will establish a special contingency account for the additional travel funds.

M/S/C Pendley/Jaime to give authority to the travel sub-committee to develop procedures for the additional travel funds.

Mr. Carnes commented that the meeting had been very civilized, and a good example of a meeting with defined goals.

M/S/C Jaime/Carnes to recommend the 2003-04 budget for adoption by the Board of Trustees.

Meeting adjourned at 8:30 a.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
October 1, 2003**

Present:

Jesse C. Salas, Jr., Chair
Dennis Carnes
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Ryan Cruz, ASG Representative

Absent:

Craig Blek
Lisa Cross
Maria Trejo

Visitors:

Kathy Berry
Dr. Marion Boenheim
Eileen Buckel
Shirley Hofer-Bell
Gonzalo Huerta
John Hunt

Chairman Jesse Salas, Interim Vice President for Business Services, called the special meeting of the Planning and Budget Committee to order at 1:00 p.m. on Wednesday, October 1, 2003 in the Board Room.

TRANS Audit

Carlos Fletes presented information on the IRS's audit of the 2000-01 Tax Revenue Anticipation Notes (TRANS) program, and the proposed settlement negotiated by the Community College League on behalf of the 39 California community colleges that participated in the program. IVC participated in the program for four years, beginning in 1999-00, and terminating in 2002-03. The revenue from TRANS funded one-time activities such as capital improvements. The program operated on the "reasonable assumption" that a cash flow deficit would occur; however, the IRS's interpretation is that a cash flow deficit must occur. All 39 districts involved in the program must return a specified amount of interest, ranging from \$30,000 to \$200,000, or the settlement will not be accepted by the IRS; IVC's settlement amount is \$70,000. There is no penalty being assessed. The IRS has given the districts two weeks in which to comply. Chairman Salas stated that in spite of the settlement, the TRANS program was beneficial to the College, and generated a considerable amount of interest for the College. Mr. Fletes estimated the revenue over the four years the College participated at approximately \$317,000 (99-00, \$105,000, 00-01, \$122,000, 01-02, \$60,000, and 02-03, \$30,000).

The committee asked if the Community College League had any liability, if other program years would be audited, and suggested sending a letter of protest to the League. Mr. Salas stated that the settlement was to the benefit of all the districts involved, there was no penalty assessed, and the IRS is sensitive to publicity, especially relating to educational institutions.

2003-04 Budget

Carlos Fletes presented a three-year analysis of the travel and instructional supply allocations. In the instructional supply analysis, Mr. Fletes noted that there was a \$96,440.64 reduction in categorical accounts between 2002-03 and 2003-04, and a \$25,260.37 difference in the budgets of District accounts.

Travel accounts had a reduction of \$56,264 in District accounts, and \$113,388 in categorical accounts. Mr. Fletes suggested that a sub-committee be formed to come up with a distribution formula for travel funds. Eric Jacobson stated that \$1,079 is not adequate for the 15 members of the Behavioral Science division. Dennis Carnes stated that travel is a priority for professional growth.

Mr. Fletes asked the committee to recommend the budget for adoption, the budget information was made available in June, and is not cast in stone; travel and instructional supply can be revisited and adjustments made.

M/S Jacobson/Pendley to recommend that \$56,000 in contingency funds be allocated to travel. Motion did not carry on a vote of 5 no (Carnes, Cruz, Fletes, Jaime, Salas) and 2 yes (Jacobson, Pendley).

Funding for Grant Writer

Dr. Marion Boenheim presented a proposal from the President's office to hire a grants writer.

Due to time constraints, the meeting adjourned at 2:00 p.m.; the committee agreed to reconvene on Friday, October 3, at 7:00 a.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
September 29, 2003**

Present:

Jesse C. Salas, Jr., Chair
Craig Blek
Dennis Carnes
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Ryan Cruz, ASG Representative

Absent:

Maria Trejo
Lisa Cross

Visitors:

Eileen Buckel
Gonzalo Huerta
John Hunt
Sergio Lopez
Jan Magno
Dr. Pai
Jill Tucker

Chairman Jesse Salas, Interim Vice President for Business Services, called the special meeting of the Planning and Budget Committee to order at 1:00 p.m. on Monday, September 29, 2003 in the Transfer Center.

2003-04 Budget

Eric Jacobson asked various questions regarding the 2003-04 budget, which were answered by Carlos Fletes, and other members of the committee. Some of the programs questioned were categorical, some involved programs with different fiscal years (i.e. SBDC, Student Support Services), some involved grant funds (i.e. Nursing), and some budget increases were a result of step and column salary increases, and increased cost of health insurance, PERS, and workers comp. Jim Pendley asked about restoring conference travel funds; Carlos Fletes suggested the committee review a three-year analysis of travel budgets at its next meeting, and perhaps work out a more equitable method of distributing travel funds. Mr. Jacobson stated that he could not support the budget unless instructional supply budgets were adjusted. The committee agreed to meet again on Wednesday to review a three-year analysis of travel and instructional supply allocations.

Partnership for Excellence

Carlos Fletes stated that \$19,430.73 in PFE funds are available, ***M/S Jaime/Fletes to allocate \$19,430.73 to Early Alert Tutoring, on a one-time basis. Motion did not carry.***

Due to time constraints, the committee was not able to discuss the other items on the agenda: TRANS audit and Funding for Grants Writer.

Meeting adjourned at 2:00 p.m. (due to College Council meeting); committee agreed to reconvene on Wednesday, October 1, at 1:00 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
September 24, 2003**

Present:

Jesse C. Salas, Jr., Chair
Craig Blek
Dennis Carnes
Lisa Cross
Carlos Fletes
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Ryan Cruz, ASG Representative

Absent:

Maria Trejo

Visitors:

Patti Biley
Eileen Buckel
Dawn Chun
Fred Fischer
Gonzalo Huerta
John Hunt
Sandra Lopez
Jan Magno
Dr. Pai
Jill Tucker

Chairman Jesse Salas, Interim Vice President for Business Services, called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, September 24, 2003 in the Board Room.

Approval of Minutes

M/S/C Jaime/Carnes to approve the minutes of the August 27, 2003 meeting as presented.

2003-04 Budget

Carlos Fletes, Director of Fiscal Services distributed a draft of the 2003-04 final budget with a list of discussion points:

1. Budget adoption deadline extended by State to October 15, 2003.
2. No growth or COLA included in the budget.
3. Additional anticipated reduction in 2003-04 budget due to concurrent enrollment issues - \$26,774.
4. Possibility of mid-year cuts, more information in January 2004.
5. State Department of Finance is overestimating property taxes by approximately \$500,000, which will have an immediate impact on our State Apportionment.
6. Current estimate of state deficit for 2004-05 is \$8 billion.
7. \$232,164 in scheduled maintenance repairs must be done this year or funding will be lost (50% state funding, 50% district match). \$145,000 (\$72,500 District match) is needed to replace two 90 ton a/c units at the gym, the remainder will be used to replace worn out carpet and tile throughout campus.
8. The 2003-04 budget will be presented to the Board of Trustees at the October 8, 2003 board meeting.
9. Projected 2003-04 Reserves

Project Reserves	\$200,000	
Board Reserves – 6%	1,658,576	Based on \$27,624,933 budget (excluding approx. \$8 million in financial aid
Contingency	<u>391,426</u>	
Total **	\$2,250,002	** subject to change

10. Major changes included in the Final budget:

Health Insurance	\$420,000
7.649% PERS increase	406,733
Retirement Incentives for certificated	104,065
Lease Revenue Bond annual payment	<u>300,000</u>
	\$1,230,798

Mr. Fletes asked the committee to review the budget, and provide feedback prior to the budget being finalized next week. He suggested a special meeting to be held prior to the College Council meeting on Monday, September 29.

The committee discussed the uses of contingency funds, the process for spending contingency monies, and the difference between contingency and board reserve. The 6% board reserve is the safety mechanism for keeping the District afloat during tough times, a reserve of 3% or less would place the district on the Chancellor's Office "watch list". Contingency funds are used for items not included in the budget, including emergency items, new programs, salary and benefit increases. A \$5,000 threshold was established for bringing items to be paid from contingency to the Planning & Budget committee for consideration. The project reserve is restricted funds from categorical programs. Victor Jaime recommended limiting use of contingency funds due to the possibility of mid year cuts.

Replacement of Air Conditioning Units at Gym--State Scheduled Maintenance Funds

Mr. Fletes reported that the Chancellor's Office has approved the use state scheduled maintenance funds for the emergency replacement of two 90-ton air conditioning units at the gym, and replacement of flooring; a 50% district match is required. ***M/S/C Jacobson/Blek to recommend the expenditure of \$116,082 in District matching funds in order to replace air conditioning units and flooring.***

Partnership for Excellence Funds

John Hunt presented data regarding demand for classes versus the number of students served; Mr. Hunt asked the committee to consider funding a full-time temporary instructor for Spring 2004, in a discipline to be determined by the Academic Senate. Dr. Victor Jaime suggested that the part time Extended Center counselors be given notice of termination effective the end of the Fall semester, and that the committee be given an update on PFE funds available.

Sandra Lopez, Learning Center Specialist, made a presentation to the committee on the need for additional funds for Early Alert tutoring; there are an overwhelming number of students in need of tutoring who are not eligible for special programs. Students are being turned away who need tutoring, or are making use of District funded group tutoring when one-on-one tutoring would be more appropriate (i.e. DSP&S students). Ms. Lopez asked for \$12,000 in PFE funds. Dr. Jaime commented that tutoring meets the trigger of student success, and that tutoring is an on-going PFE project that had its allocation cut.

M/S/C Fletes/Jacobson to reconvene on Monday, September 29, at 1:00 p.m. in the Transfer Center.

Meeting adjourned at 3:00 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
August 27, 2003**

Present:

Carlos Fletes, Chair
Craig Blek
Dennis Carnes
Eric Jacobson
Dr. Victor Jaime
Jim Pendley
Miriam Trejo, ASG Representative
Maria Trejo

Absent:

Lisa Cross
Director Fiscal Services

Visitors:

Mary Kay Borchard
Eileen Buckel
Renee Fenn
Gonzalo Huerta
John Hunt
Sergio Lopez
Jan Magno
Dr. Pai

Chairman Carlos Fletes called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, August 27, 2003 in the Board Room.

Approval of Minutes

M/S/C Jacobson/Jaime to approve the minutes of the June 25, 2003 and July 23, 2003 meetings. Dennis Carnes asked if the College had to borrow money to weather the state budget crisis; Chairman Fletes reported that although contingency plans were in place, the College was able to continue operating without assistance, and now that the budget has been signed, apportionment money is being received on schedule.

Partnership for Excellence

Chairman Fletes reported that the 2003-04 Revised State Apportionment report has just been received. Due to cash flow issues, the state has deferred payment of some monies until July 2004 and the certified amount on the apportionment show a 41.7% reduction to PFE, instead of the 25% reduction confirmed by the Chancellor's Office. The 2003-04 revised total is \$1,089,174, a reduction of \$218,566 from the original budgeted amount. In an e-mail dated August 16, 2003, the committee was asked to consider the following adjustments:

-63,719	Temporary speech instructor
-72,632	R/W/Lang Lab Instructional Specialist (full time position)
-10,774	Academic Planner (booklet)
-40,961	Part time counselors (Extended Campus)
<u>-30,480</u>	Match for Financial Aid Student Help
-218,566	

There is \$107,399.18 in carry over funds that could fund some of these activities on a one-time basis, and the committee was asked for feedback. It was determined that the R/W/Language Lab position is a full-time tenure track position, and would have to be funded; therefore, only \$34,767 in carry-over funds are available.

The committee discussed the merits of the other projects/positions:

Academic Planner: It is too late to order the Academic Planner for 2003-04, however, Miriam Trejo, ASG President requested that it be considered for funding in 2004-05.

Financial Aid Student Help, Matching funds: The proposed \$30,480 cut in Financial Aid matching funds would still leave \$9,520. Jan Magno indicated that Financial Aid would be able to use the \$9,520 as part of the District's match for federal work study funds. State work study funding has been completely eliminated, so there is no need for the district match.

Part time speech instructor: The committee noted that speech is a very impacted class, and it generates FTES. John Hunt suggested funding for the Spring semester at \$31,859.

Part time counselors: The three part-time counselors are currently working, meeting the needs of evening students at the Extended Campus centers. They have been notified that funding may not be available to continue to employ them.

M/S/C Jacobson/Jaime (abstain: Carnes) to table this item until more data can be obtained

2003-04 BUDGET

TTIP: Chairman Fletes reported that the state is funding TTIP Library automation; 4CNet will be funded, but TCO (Total Cost of Ownership) and the human resources component will not be funded.

Enrollment Fees/Taxes: Chairman Fletes reported that the State subtracts estimated property taxes and enrollment fees (at \$18) off the top of the College's apportionment, regardless of what is collected; therefore, it is more important than ever to collect enrollment fees, and for the Property Tax Backfill Guarantee to be enacted.

Increased Costs: Chairman Fletes stated that although dollars have been restored by the State to community colleges, there are other impacts to the budget such as a 14.33% increase to health insurance (due to the delay in changing plans until October 1, the increase will be 14.33% instead of 11.22%), a increase in the employers costs for PERS of 7.649%, the cost of retirement incentives (\$104,065) and the lease revenue bond payment (\$300,000). The committee will need to discuss what can be put back into the budget, such as restoring the reserve, at its next meeting.

Adoption of Budget: The state has given districts a one month extension in which to adopt the 2003-04 budget. IVC will adopt its budget at the October 8 board meeting.

The committee will meet again on September 24, 2003.

Meeting adjourned at 3:15 p.m.

**IMPERIAL VALLEY COLLEGE
PLANNING AND BUDGET COMMITTEE**

**UNADOPTED MINUTES
July 23, 2003**

Present:

Carlos Fletes, Chair
Dr. Victor Jaime
Eric Jacobson
Jim Pendley
Miriam Trejo, ASG Representative

Absent:

Craig Blek
Dennis Carnes
Lisa Cross
Maria Trejo
Director Fiscal Services

Visitors:

Eileen Buckel
Gonzalo Huerta
Jan Magno

Chairman Carlos Fletes called the regular meeting of the Planning and Budget Committee to order at 2:00 p.m. on Wednesday, July 23, 2003 in the Board Room. There was no quorum and no approval of minutes.

2002-03 Budget Update

Chairman Fletes reported that there is still no State budget, but that a bi-partisan compromise is very likely. The College is looking for cash flow alternatives such as an advance on the property tax apportionment from the County of Imperial, TRANS (Tax Revenue Anticipation Note) program and lines of credit. Cabinet has been asked to help monitor expenses, and to spend only as necessary until apportionment payments resume.

PFE

Chairman Fletes reported that John Hunt had asked to be placed on the agenda to discuss a project that was proposed for 2002-03 PFE funding. The work continued after PFE funds were frozen, and a funding source needs to be found. The committee suggested that Mr. Hunt approach the IVC Foundation for funding.

Meeting adjourned at 2:30 p.m.