

IMPERIAL VALLEY COLLEGE
Budget and Fiscal Planning Committee
Tuesday, May 1, 2018, 2:00 p.m.

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**

_ Dr. Martha Garcia, Admin. Rep.

_ Mary Lofgren, Academic Senate Rep

√ Michael Heumann, Faculty Rep

√ Zhong Hu, Faculty Representative

√ Steven Rosas, ASG Representatives

Recorder: Mary Carter

_ **Matthew Thale, Classified Representative (Co-chair)**

√ Melody Chronister, College Council Rep.

√ Jeff Cantwell, Classified Manager/Confidential Rep.

√ Mike Nicholas, Classified Representative

√ Cecilia Duron, Director of Fiscal Services

A. Call to Order: The special meeting of the BFPC was called to order at 2:05 p.m. by John Lau, co-chair.

B. Review and Approval of Minutes:

1. ***The minutes of the April 18, 2018 meeting were approved as presented.***

C. Reports: none

D. Update on Previous Discussion Items:

1. Review of Draft Tentative Budget (including the enhanced budget requests approved by Cabinet). A summary of the 2018-19 Draft Tentative Budget was distributed and discussed. Per VP Lau, the budget enhancements approved by Cabinet are included. The deficit is now \$1,218,138, with the addition of \$700,000 in revenue and \$886,670 in expenses. The largest approved enhancement is \$400,000 in the IT department. \$60,400 was allocated to tutoring.

The Tentative Budget will go to the Board of Trustees for approval at the June 20 board meeting. During the summer, revenue will be adjusted and costs of approved negotiable items will be added. VP Lau stated that he expects about a 3% favorable variance from the 2017-18 budget (approximately \$600,000). The designated and designated reserve will be used for funding the deficit. The \$700,000 increase in pension costs (PERS/STRS) will come from the designated reserve. In the future, deficits will have to be addressed through cost containment, attrition, cost savings and cuts in services. The OPEB liability is increasing over time. We are currently

paying as we go at \$1.3 million a year, but that does not reflect the true cost of OPEB (other post employment benefits). Nearly \$900,000 in additional expenses were brought into the budget through approved enhanced budget requests. The best case for the 2018-19 budget is to use reserves and favorable variance to come close to the break-even point.

VP Lau cautioned that the general cost of operations is going up and the impact of the new funding formula is unknown. The reserve for STRS/PERS costs will only last two to three years. Currently, the college is anticipating using bond money to pay for needed capital projects, but in the future the College will need to budget long term for deferred maintenance item. The sustainability of 6% growth is also not certain. VP Lau reported that the college will be writing off approximately \$345,000 in student bad debt going back to 2010-11.

- E. New Discussion: none
- F. Action items: none
- G. Next Meeting: May 1, 2018.
- H. Adjournment: Meeting adjourned at 2:35 p.m.

2018/19 DRAFT TENTATIVE BUDGET SUMMARY

May 1, 2018

Unrestricted General Fund (Fund 11)

	Flat Draft Tentative Budget	Approved Enhanced Budget Requests	Draft Tentative Budget
Revenue			
Federal	1,200		1,200
State	36,340,169	700,000	37,040,169
Local	8,613,090		8,613,090
Total Revenue	44,954,459	700,000	45,654,459
Expenses			
Academic Salaries	20,115,598	63,214	20,178,812
Classified Salaries	7,921,371	134,053	8,055,424
Benefits	13,448,716	58,263	13,506,979
Supplies & Printing	567,787	20,000	587,787
Other Operational Costs	3,324,861	566,140	3,891,001
Capital Outlay	304,011	45,000	349,011
Other Outgo	303,583	-	303,583
Total Expenses	45,985,927	886,670	46,872,597
Expenses in Excess of Revenue	(1,031,468)	(186,670)	(1,218,138)

2018/19 APPROVED ENHANCED BUDGET REQUESTS
May 1, 2018

Unrestricted General Fund (Fund 11)

Type	Program	Description	Amount	Type	Note
Professional Development	Distance Education	Compensation for online course evaluations	10,400	Academic Salaries & Benefits	
Professional Development	Distance Education	Training	5,000	Other Operational Costs	One-time
Professional Development	Admissions & Records	Banner Training	5,000	Other Operational Costs	One-time
Staffing	Student Health Services	Mental Health Counselor	15,000	Academic Salaries & Benefits	
Staffing	Math Lab	Tutorial Specialist	32,000	Academic Salaries & Benefits	
Staffing	Non-Credit	Faculty	52,000	Academic Salaries & Benefits	
Staffing	Transfer Center	Office Assistant	55,000	Classified Salaries & Benefits	
Staffing	Athletics	Sports Information Director/Equipment Manager	10,000	Academic Salaries & Benefits	
Staffing	Art Gallery	Student Workers	2,730	Classified Salaries	
Operational	Admin of Justice / POST	Simulators maintenance	50,000	Other Operational Costs	
Operational	Fire Science	Firefighting gear and equipment	12,500	Supplies & Printing	
Operational	Fire Science	Burn trailer maintenance	2,500	Other Operational Costs	
Operational	Admissions & Records	Overtime	8,000	Classified Salaries & Benefits	One-time
Operational	Beh/Social Science	CAADE membership	120	Other Operational Costs	
Operational	Nursing - RN	Simulators maintenance	10,000	Other Operational Costs	
Operational	Beh/Social Science	CAADE travel	520	Other Operational Costs	
Operational	Admissions & Records	Overtime	5,000	Classified Salaries & Benefits	One-time
Operational	Learning Services	Embedded Tutors	60,400	Classified Salaries	
Operational	CIS & MultimedWeb Dev	Adobe CC Licensing	7,500	Other Operational Costs	
Operational	Admin of Justice / POST	Office supplies	500	Supplies & Printing	
Operational	Student Affairs	Student Workers	5,000	Classified Salaries	
Operational	Student Affairs	Graduation items	7,000	Supplies & Printing	
Operational	Institutional Research	Hanover Research contract	18,000	Other Operational Costs	
Facilities	Athletics	Soccer field resurface	45,000	Capital Outlay	One-time
Technology	Information Technology	Banner Production 9	400,000	Other Operational Costs	
Technology	Information Technology	IT Security	35,000	Other Operational Costs	
Technology	Information Technology	IT Maintenance agreements	24,000	Other Operational Costs	
Technology	President's Office	BoardDocs upgrade	8,500	Other Operational Costs	
		Total	886,670		