

Budget and Fiscal Planning Committee

March 21, 2012

VMembers present:

✓John Lau, VP for Business Services, Co-Chair ✓Kathy Berry, Administrative Representative ✓Jessica Waddell, College Council Representative ✓Eric Jacobson, Faculty Representative —Dave Drury, Faculty Representative ✓Albert Izarraraz; Colby Cabada, ASG Representatives

<u>V</u>Kevin White, Academic Senate Rep., Co-Chair <u>V</u>Jeff Cantwell, CMCA representative <u>V</u>Frances Arce-Gomez, CSEA Representative <u>V</u>Marilyn Boyle, CSEA Representative <u>V</u>Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

Call to Order

The special meeting of the Budget and Fiscal Planning Committee was called to order by cochair Kevin White at 3:35 p.m. on Wednesday, March 21, 2012. The meeting was held in the board room.

Membership Update

Jeff Cantwell was introduced as the representative for CMCA. Vice President for Academic Services Kathy Berry was introduced as the Administrative Representative. She was previously a non-voting member of the committee.

Accreditation/Budget and Fiscal Planning Committee Resource Plan Report

The committee reviewed last year's report and made changes. Due to a Campus Forum scheduled for 4:00 p.m., the meeting adjourned at 3:55 p.m. The committee will meet again on March 28, 2012.

Revisions were made through item #9 (Categorical funding):

BUDGET AND FISCAL PLANNING COMMITTEE RESOURCE PLAN REPORT

Committee members: John Lau, Kevin White, Kathy Berry, Jessica Waddell, Eric Jacobson, Dave Drury, Carlos Fletes, Albert Izarraraz, Jeff Cantwell, Frances Arce-Gomez and Marilyn Boyle.

Entering into the 2012-13 review-evaluation-planning cycle, the Budget and Fiscal Planning Committee is aware of the ongoing saga of the California fiscal crisis and the subsequent financial impact and the college's need for fiscal restraint in the 2012-13 budget. As the 2012-13 budget was developed, the fluidity of the State budget placed a cautionary tone on the Annual Program Reviews (APR) and Comprehensive Program Reviews (CPR) process.

The Budget and Fiscal Planning Committee reviewed the 2012-13 budget development guidelines and the 2012-13 prioritization criteria and concurred with the continued utilization of both as guides to prioritization.

BUDGET DEVELOPMENT GUIDELINES

- Contractual obligations and fixed costs are budgeted first. These will be reviewed annually by the assigned committee
 - a. Fixed costs include:
 - i. Utilities, rent, and leases
 - ii. General maintenance and environmental services supplies
 - iii. Maintenance agreements such as copiers
 - iv. Electronic/technological databases and software maintenance fees
 - v. Athletic association fees compliance issue for all sports
 - vi. Memberships specify mandated, recommended by regulating entity (optional memberships are not fixed)
 - vii. Medical directorships compliance issue for some health programs
 - viii. Simulation maintenance/warranty fees
 - ix. Taxes and other mandated fees
 - x. Ordinary maintenance and grounds repairs
 - xi. Security
 - b. Contractual obligations include:
 - i. All regular salaries and benefits
 - ii. Contracted services such as cafeteria, architect, etc.
- 2. **Year-end balances** are <u>not</u> budgeted for ongoing expenses.
- 3. **One-time revenues** will be allocated to one-time expenses and ongoing expenses shall be funded from on-going revenues.
- 4. **New positions** must be fully funded: salary, benefits, and support expenses. Categorical positions may have case by case exception.
- 5. **Protect budget integrity and minimize departmental District budget transfers** by budgeting funds where they are expected to be spent. Internal budget transfers assist in maintaining alignment with strategic goals, but must be approved at the vice-president level.
- 6. **External borrowing may add costs.** When necessary TRANs (Tax Revenue Anticipation Notes can be sought as a short-term solution to cash flow issues.
- 7. Future risk and cost increases are mitigated by finding external solutions for high risk administrative services.
- 8. **Categorical or restricted programs** are aligned with strategic goals and to the degree possible, support on-going District expenditures make maximum use of "flexibility with categorical funds".
- 9. **Categorical funding** should be sought when possible and appropriate.