

**IMPERIAL VALLEY COLLEGE**  
**Budget and Fiscal Planning Committee**  
**Friday, May 16, 2014, 10:00 a.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**

✓ Kathy Berry, Administrative Rep.

— Dr. Martha Garcia, College Council Rep.

— Eric Jacobson, Faculty Representative

✓ Dave Drury, Faculty Representative

✓ Carlos Fletes, Director of Fiscal Services

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

✓ Jeff Cantwell, CMCA representative

✓ Mike Nicholas, CSEA Representative

✓ Matthew Thale, CSEA Representative

✓ Diana Ibarra, ASG Representative

Recorder: Mary Carter

Visitor(s): Brian McNeece, Gaylla Finnell, Norma Nava, Laura Gudino

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- A. Call to Order: The special meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Kevin White at 10:10 a.m. on Friday, May 16, 2014. The meeting was held in the board room.

Co-chair White noted that a campus forum was held the day before, May 15. He stated that the work needed to respond to the accreditation report is urgent, and the committee has the power to make important decisions. Co-Chair White stated that he will be asking committee members if they can make a commitment to meeting through the summer. A stable group is needed to carry out the mission of the committee. He suggested holding meetings early in the week rather than on Fridays.

Co-chair White asked to add the following items to the agenda under "New Discussion":

- Training on interest based bargaining
- Summer meetings
- How much?

- B. Review and Approval of Minutes:

- a. ***M/S/C Drury/Cantwell to approve the minutes of the April 30, 2014 meeting as presented.***

Reports: none

C. Update on Previous Discussion Items

a. Program Review Budget update:

VP Lau stated that the first step is a balanced budget, then work will begin on increasing the reserve and funding OPEB liability.

- The college cannot spend reserves. Any new items added to the budget must be funded by adjustments in other areas.
- The Business Office is meeting with departments that have exceeded the budget instructions for a status quo bottom line budget. Meetings with departments are primarily to discuss overages, but also to communicate the challenge ahead of possible reductions.
- Department have been asked to separate their requests for increases to their 4000 and 5000 accounts over FY 2013-14 levels into two columns: contractual obligations or enhancements.
- The new CTE building adds 50,000 square feet to the campus. The need is for two custodians to maintain the building. Increasing services in one area could lead to reduced services in another area, such as grounds.
- It was anticipated that revenue increases, freezing 4000 and 5000 costs, and a positive year-end variance would cover the cost of contracts; however, expenses have added up quickly.
- Expenses have increased over 2013-14 due to contractual obligations, winter session, adjunct rate increase, and labor contracts moving forward as negotiated.
- Currently the 2014-15 budget is showing a deficit of \$321,839.

expenses	36,887,835	
revenue	36,565,996	-321,839

- May Revise: The college's revenue is showing a net decrease of \$208,324.

b. Planning for Financial Stability:

VP Lau stated that once the baseline budget has been established, discussions can begin on options to improve the college's financial situation.

- VP Lau stated that an analysis is being done on funding of categorical programs from the General Fund. He will bring the information to the committee in about a week.
- The college must show the Accrediting Commission that changes are permanent, and that all recommendations have been resolved.
- VP Lau reported that there are several "pressure points" on the budget, including health insurance increases projected at 7% this year, and expected to be at least 5% a year going forward based on level of claims. Rate increases are also expected for PERS and STRS.

E. New Discussion:

- a. Prioritization of Resource Requests: VP Lau stated that another budget element is the resource requests that the committee must prioritize. Co-chair White noted that this is uncharted territory, and the committee must determine the process of prioritization and how to integrate the approved requests into the budget.

VP Berry listed some methods used by other colleges:

- only consider budget enhancements/resource requests if funds are available
- fund top priorities, for example #1 and #2
- approve requests if alternate funds are available or if the request takes the place of something else in the budget
- freeze all requests

VP Berry stated the committee could determine if a high priority item is crucial, such as moving the student health center, or if it can wait. Also, it is important that requests be tied to goals.

It was noted that the Marketing Committee still needs to prioritize its list of requests, but the Technology, Facilities, Professional Development and Staffing committees have submitted their lists (*available on the committee web page*).

- b. Interest Based Bargaining training: Co-chair White reported that he would like to bring in a consultant in Interest Based negotiations to put on a training for the campus stakeholders to help bring them to a common viewpoint. He will bring information on the training to the next committee meeting.
- c. Summer meeting schedule: It was the consensus of the committee to hold weekly or bi-weekly meetings during the summer on Mondays at 1:00 p.m.
- d. How much? Co-chair White stated that the amount needed to increase the reserve and begin to fund OPEB will be a significant amount. He distributed a list entitled "Crisis Options" (attached to these minutes). Member Thale suggested that the committee reference the FCMAT report for areas that IVC is out of line with comparable colleges. Member Cantwell noted that many FCMAT recommendations are contract issues. Co-Chair White suggested starting with increasing efficiencies such as class size. VP Lau stated that restructuring contracts cannot be done in time to respond to Accreditation. Permanent across the board cuts may be needed due to time constraints. Negotiations are the key to structural changes, but that is an extremely difficult process and it will take time. In the meantime, the College will need to downsize and try to preserve service levels. VP Berry cautioned that the college must be careful not to affect the quality of education.

F. Action Items: none

G. Other: none

H. Next Meeting(s): Tuesday, May 27, 2014 (due to Memorial Day Holiday), 1:00 p.m.

I. Adjournment: Meeting adjourned at 11:20 p.m.