



Budget and Fiscal Planning Committee

January 25, 2012

Members present:

√John Lau, VP for Business Services, Co-Chair
_ Administrative Representative
√Jessica Waddell, College Council Chair
√Eric Jacobson, Faculty Representative
√Dave Drury, Faculty Representative
√Carlos Fletes, Director of Fiscal Services
_ ASG Representative

Recorder: Mary Carter

√Kevin White, Academic Senate Rep., Co-Chair
_ Bill Gay, CMCA representative
√Frances Arce-Gomez, CSEA Representative
√Marilyn Boyle, CSEA Representative

Non-Voting

√Kathy Berry, Vice President for Academic Services

Visitors: Frances Beope, Gaylla Finnell, Travis Gregory and Betty Kakiuchi.

Call to Order: The regular meeting of the Budget and Fiscal Planning Committee was called to order by co-chair Kevin White at 1:35 p.m. on Wednesday, January 25, 2012. The meeting was held in the board room.

Approval of minutes

M/S/C Fletes Boyle to approve the minutes of the October 26, 2011 and November 16, 2011 meetings as presented.

Revised 2012-13 Budget Development Guidelines

M/S/C Fletes/Arce-Gomez to approve the revised 2012-13 Budget Development Guidelines.

VP Lau stated that the critical changes from the previously approved guidelines include a reduction of paid FTE to 6200 from 6400 and for budgets not to exceed 95% of the 2011-12 amount. VP Lau cautioned that if the state sales tax does not pass the paid FTE will be less than 6200. Eric Jacobson stated that the Board should take a position in support of the sales tax measure.

2011-12 Budget Update

VP Lau stated that the Tier 1 and Tier 2 state budget cuts had already been built into the budget, however with increased fees, student fee revenue is down. This has caused an additional 1.8% loss in revenue. Insurance premiums are going up \$390,000 as of March 1, which will cost approximately \$120,000 for this fiscal year.

VP Lau stated that this is a watershed year for the College. Recovery is several years out and permanent changes are needed. The College has obtained \$150,000 from the Chancellor's Office to fund a FCMAT (Fiscal Crisis and Management Assistance Team) study. VP Berry stated that in medical terms the College needs a second opinion. The FCMAT team will take an objective global look at the College and make recommendations for solutions that could help prevent a take-over by the State. The team would be on site for two weeks looking at all types of documentation. The team is comprised of community college experts. VP Lau stated that having asked for state help, there is an expectation that we are

willing to accept their recommendations. VP Berry stated that there are currently nine community colleges on warning status.

VP Lau stated that the upcoming accreditation visit will focus on financial stability. The College has to downsize to the new reality of 6129 FTE. The College needs to make reductions outside its core mission. VP Lau stated that due to the 50% law there cannot be an unbalanced reduction. Counselor Frances Beope stated that the fee increase to \$46 in the summer and an increased threshold for eligibility will make fewer students eligible for the fee waiver. Currently over 70% of IVC students are eligible for the BOGG. Lack of financial aid will also cause a drop in enrollment; this semester over 1,000 students were disqualified from financial aid. Counselor Beope stated that 6200 FTE is not guaranteed, IVC may need to do additional outreach to attract students. Director Fletes stated that if IVC is under its annual FTE cap, it will have one year to make up for the loss of FTE. Director Fletes stated that a shortfall in property taxes is also possible for 2011-12.

Meeting adjourned at 2:50 p.m.