



RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT BUDGET ALLOCATION AND PLANNING REVIEW COMMITTEE – WORKGROUP



Meeting Notes – March 7, 2012

Members Present: Peter Hardash, Jose Vargas, Linda Rose, Steve Kawa, Nga Pham, Morrie Barembaum, Gina Huegli and Thao Nguyen

Guests Present: Steve Eastmond, Ray Hicks, Bonita Jaros, James Kennedy, Aracely Mora, Craig Nance and John Zarske

Members Absent: Adam O'Connor, John Didion, Paul Foster and Jeff McMillan

Mr. Hardash opened the meeting at 2:38 pm.

Topics Discussed:

- The Chancellor has appointed members to the implementation committee to resolve potential issues that could arise with the new SB361 Budget Allocation Model. Members of the implementation team include: Paul Foster, Steve Kawa, Linda Rose, Aracely Mora, Peter Hardash, Adam O'Connor, John Didion and the two Budget Analysts.
- We have decentralized the ITS and Safety budgets in the past couple of years. With the new SB361 Budget Allocation Model, we will have to centralize the ITS and Safety budgets again.

State and District Budget Update

- Three rounds of 2011-12 budget cuts
 - **Enacted Budget Cut:** (statewide=\$313 million) – for RSCCD, this reduces funding by approximately \$7,964,000, resulting in a workload reduction of 1,895 FTES, or approximately 632 course sections.
 - **January “Triggered” Budget Cut:** (statewide=\$102 million) – for RSCCD, this reduces funding by an additional amount of approximately \$1,832,000, resulting in an additional workload reduction of 450 FTES, or approximately 150 course sections. Additionally, the district was cut \$735,000 on a one-time basis.
 - **February Budget Cut:** (statewide=\$149 million) – for RSCCD, this reduces funding by an additional amount of approximately \$3,656,000.
 - Total 2011-12 Estimated Budget Cut = \$14,187,000

There is no intention from the state to backfill taxes and enrollment shortfall. Any over-expenditure will need to be absorbed by the ending fund balance.

- 2012-13 Proposed Budget - Underlying Assumptions
 - **Using Scenario B: Governor’s Budget, with Failure of Tax Package** – for RSCCD, this reduces funding by approximately \$6,585,784, resulting in workload reduction of 1,566.42 FTES, about 5.56%. It would likely be more due to subsidizing smaller districts.

2012-13 Budget Assumptions

- 2012-13 Tentative Budget Assumptions were distributed.
- Line 8 – Revenue Assumptions
 - The State Budget Act includes “trigger” language for mid-year reductions (cuts) if the governor’s tax proposals do not pass. The district anticipates Workload Measure Reduction (negative growth) of -5.56% for 2012-13 in the trigger scenario with reductions of approximately \$6.6 million dollars in mid-year state funding cuts.

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
BUDGET ALLOCATION AND PLANNING REVIEW COMMITTEE – WORKGROUP

- Line 9 – Revenue Assumptions
 - Due to additional uncertainty in the state budget, a XX% total deficit factor for potential general apportionment, property tax, and student fee shortfalls is included.
- The BAPR Workgroup did not make any decisions on the 2 revenue assumptions above waiting for the outcome of the emergency budget meeting called by the Chancellor on March 13, 2012.

Budget Allocation Model

- Version #100 of the SB361 Budget Allocation Model was distributed with update from the State 2011-12 First Principal Apportionment – Exhibit C and D information. The reconciliation shows that we have a deficit budget/spending of approximately \$6.1 million.

Other

- 2012-13 Budget would have approximately \$5 more million in additional cost (step/column movement, H&W increase, utilities, election expense, contract increases, overspend adjunct account), \$7 million if tax package fails, \$6.1 million deficit spend, \$2.2 million if vacancies filled – that’s an approximately \$20.3 million problem.
- Mr. Barembaum requests to have a cash-flow report at the next BAPR meeting.
- Mr. Hicks requests to have departments past actual going back three years.
- Mr. Hicks also requests to see Education Services expenses, especially the Women’s Business Services.

The meeting was adjourned at 4:08 pm.

Upcoming BAPRC Meeting: March 28, 2012, District Office Board Room, 1:30 – 3:00 p.m.

Upcoming Work Group Meeting: April 4, 2012, SCC – E-107, 2:30 – 4:00 p.m.