

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

2323 N. Broadway, Santa Ana, California 92706

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Budget Allocation and Planning Review Committee

District Office – Executive Conference Room #114

1:30 – 3:00

Meeting Minutes for January 19, 2011

Members Present: Erlinda Martinez, Norm Fujimoto, Paul Foster, Esmeralda Abejar, Ray Hicks, Jeff McMillan, Ed Ripley, Juan Vazquez, Steve Kawa, Jose Vargas, Raul Gonzalez del Rio ,Morrie Barembaum, Peter Hardash, John Didion, Noemi Kanouse, Steve Eastmond, Nga Pham , Marti Reiter

Members Absent: John Smith

Guests Present: Aracely Mora, Thao Nguyen, Sylvia Letourneau and Gina Huegli

The meeting was called to order by Mr. Hardash at 1:30 p.m.

State Budget

- Budget shortfall - \$25.4 billion
- Reserves - \$1 billion
- Total state budget gap - \$26.4 billion
- Over 18 months – January 2011 through June 2012
 - Does not include loss of state federal revenues due to federal tax extensions - \$2.7 billion
 - Assumes the sale of state buildings - \$1 billion
 - Does not include several pending court decisions
- Expenditure Reductions - \$12.5 billion
- Revenue Solutions - \$12 billion
 - Extend current temporary tax rates for additional 5 years
 - Necessitate June Special Election ballot for voter approval
- One- time accounting shifts - \$1.9 billion
- Total Solutions - \$26.4 billion
- The Governor's Budget Proposal is built on the assumption that the voters will approve approximately \$12 billion in revenue solutions
- Therefore, the proposed reduced budgets for the community colleges is dependent on the ballot approval in a proposed June Special Election
- Districts are being advised the Governor's Budget Proposal is the "best deal" we can expect
- No mid –year cuts in 2010-2011
- One-time mandated cost funds will be distributed by the end of January
- No additional state categorical program funding cuts
 - Flexibility extended through 2014-2015
- \$400 million cut for Apportionment Reductions and Reforms
 - Modifies FTES census dates
 - Proposing a census count as of course completion
 - Between census and the end of the semester there's a general 16% drop in completion
 - Statewide average taken results in a 7%- 8% reduction in funding
 - RSCCD state funding reduction estimated between \$10 - \$11 million

- However, this will vary by district depending on course completions
 - Mr. Eastmond recommends looking at 8 week courses during the regular semester
- The \$400 million apportionment reduction to CC's was redirected to K-12 within Prop 98
 - Reduced the community colleges share of Prop 98 to 11%
 - Was above 12% this year
 - Mainly due to K-12 enrollment declines
- Student Fee increase
 - From \$26 per unit to \$36 per unit
 - Increase of 38%
 - Raises additional \$110 million in revenue statewide
- 1.9% enrollment growth
 - Uses student fee increase (\$110 million) to fund 1.9% enrollment growth
- No Cost of Living Allowance (COLA)
- Additional state apportionment deferrals
 - Defers additional \$129 million inter-year funding deferral
 - RSCCD – approximately \$3.2 million not received until October 2012
- Total Community Colleges inter-year deferrals
 - \$961 million
 - RSCCD = \$25 million
- Total CC intra-year deferrals = \$300 million
 - RSCCD = \$7.5 million
- Total CC combined deferrals = \$1.3 billion
- Major Cash Flow Issue
 - Districts might have to go out and borrow
- Under Plan B Community Colleges can expect state revenues reductions from \$600 million to \$900 million
 - Twice the amount of Plan A
 - Inclusive of Plan A (not in addition to)
 - RSCCD = range of \$15 million to \$20 million
 - May cause “consolidations and closures” of colleges and districts – Chancellor Scott
- In order to avoid Plan B, the Governor is said to need the equivalent of a triple play in baseball
 1. Convince Democrats to cut \$12.5 billion essential safety net programs and approve June election
 2. Convince Republicans of the need for June election to raise revenues as partial solution and get a 2/3 vote
 3. Convince the voters to approve Revenue Proposals in June special election, extend the taxes
- To have a chance to pull off the triple play, the Governor has asked the Legislature to approve the calling for the June Special Election by March 1st
- Governor is also proposing to shift state expenditures to the city and county agencies
- State Chancellor Jack Scott advises districts to prepare for the worst

RSCCD for 2011-12

- Employee health benefits premium increases from Blue Cross. Brokers proposing a 18% to 20% increase
- PERS Increase
- Unemployment Insurance increases
- Utility costs increases
- Based on the Governor's proposed \$400 million work load measure reduction at 7%
 - Santa Ana College would fall below 20,000 FTES. Looking at the base allocation on Exhibit “C” there would be a loss of \$553,591 in funds

Accreditation Update

- BAPR Work group
 - Continue to work on the SB361 allocation model
- Human Resource Committee
 - Will meet to discuss
 - Classified staffing ratio between the colleges
 - Non Credit faculty Staff
- District Facility Planning Committee

- T.A.G-Technology Advisory Group
 - Ms. Letourneau stated the advisory group is recommending the colleges focus on creating instruction and technology programs to assist faculty with enhancing their curriculum
 - The committee is also recommending a transition to a centralized Help Desk at the District Office, with a site representative at each campus with the goal to increase communication and create a positive experience for the end user
 - Conversion from Oracle to Microsoft SQL
 - Mr. Hardash called for a motion to approve the 2011-2012 Strategic Technology Plan as presented. Mr. Vazquez moved and Mr. Barembaum seconded the motion to approve. The motion carried unanimously.

Measure E Update as of January 3, 2011

- Project % of completion
 - Santa Ana College 77%
 - Santiago Canyon College 88%
 - District Office 95%
 - All Sites 83%
- Project Summary report will be available once a month

FTES

- FTES report as of 1-11-2011 slightly over cap by 1.0%

Approval of the December 8, 2010 BAPRC Minutes

Mr. Hardash called for a motion to approve the minutes of the December 8, 2010 BAPR Committee meeting. Mr. Fujimoto moved and Mr. Kawa seconded the motion to approve the Minutes. The motion carried unanimously.

Adjournment

Mr. Hardash adjourned the meeting at 3:00 p.m.

Meeting Schedule

BAPR Workgroup meeting – Santa Ana College/F-126 (Locker Room Facility) 2:30 – 4:00
Wednesday, February 9, 2011

BAPR Committee meeting – SAC Foundation Board Room (S-215) 1:30 – 3:00
Wednesday, February 23, 2011