

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

Thursday, March 17, 2016

NOTES

Attendees:

Sylvia Barajas, Vice President, Business Services, Moorpark College
Mike Bush, Vice President, Business Services, Oxnard College
Alan Hayashi, AFT Representative
Linda Kama'ila, Academic Senate President, Oxnard College
Alexander Kolesnik, Academic Senate President, Ventura College
Tim Harrison, Vice President, Business Services, Ventura College
Dave Keebler, Vice Chancellor, Business & Administrative Services
Darlene Melby, College Business Manager, Moorpark College
Mary Rees, Academic Senate President, Moorpark College
Cathy Bojorquez, Budget Director
Emily Day, Director, Fiscal Services
Lori Bennett, Executive Vice President, Moorpark College (via Lync)

Absent:

Jennifer Clark, Fiscal Services Supervisor, Oxnard College
Gianna Braza, Associated Students Ventura College
Joannamarie Kraus, Associated Students Ventura College

The meeting was called to order at 9:05 a.m. with some members utilizing the District's Lync/Skype phone conferencing capability.

APPROVAL OF NOTES

The notes from the February 18, 2016 were approved by consensus.

BP/AP 6200 – BUDGET PREPARATION

Board Policy and Administrative Procedure 6200 Budget Preparation were presented for review. A slight modification was made to incorporate language to reflect the IEPI definition of reserves/fund balance. There was a brief discussion about summer FTES and which fiscal year they will be counted. After discussion, DCAS recommends the AP/BP remain unchanged. Summer FTES will be counted in the year in which the term ends. There was a suggestion on adding language to allow exceptions to that rule. However, it was understood that any such exception(s) would be brought before the Board for approval. No additional changes, other than those presented, are recommended. The revised BP/AP will move forward through the review/adoption process.

IEPI GOALS/INDICATORS

The Institutional Effectiveness Program Initiative (IEPI) goals/indicator discussion returned to DCAS. The preliminary goals were discussed at the February meeting, but agreed to be reviewed at the March meeting.

1. Fund Balance. It was suggested to bring back Fund Balance/Reserves after the FY16 year-end close. Dr. Kama'ila questioned whether there is a projected ending year balance. Vice Chancellor Keebler explained it will be similar to prior year. Vice Chancellor Keebler explained some balances may be less liquid than others, but overall, it is nearly equivalent. This goal is a benchmark. There is no penalty to not meeting goal. This item remains unchanged (25% short-term – 25% long-term).

It was suggested that a narrative be written explaining fund balances. Vice Chancellor Keebler will prepare a narrative and share at the April DCAS meeting.

2. Salary and Benefits. There was a discussion regarding the salary and benefit information. This item remains unchanged from February 2016 DCAS meeting (88% short-term – 88% long term).
3. Annual Operating Excess. Short term is \$1 million – long-term 0 (breakeven)
4. Cash Balance. Remains unchanged (\$30 million short-term - \$41 million long-term).

UNRESTRICTED LOTTERY

As previously decided, Unrestricted Lottery revenues are being removed from the Allocation Model and put into a separate fund. Fund 115 will be Unrestricted Lottery revenue. For the FY17 Tentative Budget, \$3.4 million will be allocated to the colleges. There is no impact to Fund 111 as FY17 would have been the final year of transitioning Unrestricted Lottery revenue to the Infrastructure Funding Model (IFM). Instead of Unrestricted Lottery going to the IFM, it will be a separate Fund.

Because Unrestricted Lottery revenues will allocated to the colleges based on FTES, there is a minor shift of dollars compared to the revenues flowing through the IFM. There was a discussion whether or not there should be a phase in due to the shift.

These comparisons will return to the April DCAS meeting.

REVENUE PROJECTION

Ms. Bojorquez explained projected revenue for FY17. In summary, the only new revenue is COLA (0.47%). General apportionment is down approximately \$630,000 due to reduced FTES. Further, there has been a change in credit/non-credit funding.

FY17 PRELIMINARY REVENUES AND EXPENSE ANALYSIS

Ms. Bojorquez distributed the Preliminary Revenue and Expense Analysis – FY17 (dated 3/18/16). Ms. Bojorquez noted that health and welfare projected costs were increased to 15%. Additionally, the part time/full time conversion (approximately 17 faculty) is expected to be at \$1.2 million. The figure used is comprised of the average cost of a full-time faculty member. DCAS was reminded that this schedule shows new revenue and new expenditures that staff is aware of thus far. Vice Chancellor Keebler stated there is an assumed 3% composite rate for salary increases for all groups. This is only an estimate.

FY 17 ALLOCATION MODEL TENTATIVE

Ms. Bojorquez distributed a draft FY17 Tentative Budget Allocation (dated 3/17/16). She explained that Districtwide Services and Utility expenses are being budgeted as flat (no increase/no decrease). The District Administrative Center percentage is being increased slightly to 7.15% (from 7.1%) to hold the DAC harmless for the final Lottery revenues being moved out of the Allocation Model. Members of DCAS expressed concerns regarding the percentage increase, although actual dollars have gone down.

The .05 represents the final portion of lottery proceeds being removed from the general fund. There was a suggestion to add prior year allocations to the allocation for comparison purposes.

There was a discussion about the operating budget for the new District Administrative Center. Vice Chancellor Keebler stated this will be put on a future DCAS agenda.

It was noted that Line 6 of the Allocation Model reflects tentative salary costs based on current numbers. This will be finalized at the Adoption Budget.

COLLEGE BUDGET UPDATES – VICE PRESIDENTS

Vice Chancellor Keebler heard concerns over colleges absorbing current year expenses, including salary increases, and asked each vice president of business services to explain the planning process to bridge any budget gaps.

Dr. Bush explained that Oxnard College will get through this year fine. One of the issues that Oxnard College faces is additional revenue received in FY16. Dr. Bush explained one-third was set aside for future liabilities (PERS/STRS). Some of that set aside will

be used to get through FY16. Additionally, salary savings and one-time dollars will mitigate any shortfall. Oxnard College is preparing for FY17 by tightening belts and monitoring expenses closely.

Ms. Barajas explained that Moorpark College will weather fiscal years 16 and 17 adequately. Campus teams are working towards fiscal year 18. A Strategic Enrollment Management meeting is scheduled for April 1st. The team, consisting of faculty members, deans, vice presidents, and the president, will evaluate initiatives to increase FTES. Ms. Barajas projected year-end carry-over amounts less than the 2% maximum.

Dr. Harrison explained that Ventura will end the current fiscal year with a 2% carryover. He further explained that some of program review goals may not be achieved in FY17 due to reduced funding. Mr. Harrison stated Ventura College will be on a constrained budget. Additionally, there are unknown factors, such as the looming Prop 30 expiration, AFT settlement, etc.

Vice Chancellor Keebler explained the Governor's Initial Budget Proposal included the effective of half a year of Prop 30 funding.

Ms. Rees mentioned looking at 16-week calendar, as opposed to our 18-week. Ms. Rees suggests looking at a compressed calendar, looking at a potential winter session. College of the Canyons and Pierce College have compressed calendars. Mr. Kolesnik stated the first year of transition could be difficult. Conversely, on the instructional side, student success and completion rates increase.

OTHER BUSINESS

Mr. Hayashi stated FTES numbers typically follow the economy. Specifically, when the economy turns downward, FTES/enrollment numbers increase. Mr. Hayashi feels a discussion should begin. Mr. Hayashi recommends using summer FTES towards growth.

Vice Chancellor Keebler suggested that this item be brought back to April meeting.

Meeting adjourned 11:09 a.m.

Next meeting is April 28, 2016 – 9:00 a.m. – Oxnard College