

# VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Administrative Center, Thomas Lakin Boardroom

Thursday, July 21, 2016

## NOTES

### Attendees:

David El Fattal, Vice Chancellor, Business and Administrative Services  
Silvia Barajas, Vice President, Business Services, Moorpark College  
Mike Bush, Vice President, Business Services, Oxnard College  
Alan Hayashi, AFT Representative  
Darlene Melby, College Business Manager, Moorpark College  
Cathy Bojorquez, Budget Director  
Emily Day, Director, Fiscal Services  
Jennifer Clark, Fiscal Services Supervisor, Oxnard College (via Skype)  
Mary Rees, Academic Senate President, Moorpark College  
Tim Harrison, Vice President, Business Services, Ventura College (for David Keebler)

### Absent:

Dave Keebler, Vice Chancellor, Business & Administrative Services  
Linda Kama'ila, Academic Senate President, Oxnard College  
Alexander Kolesnik, Academic Senate President, Ventura College  
Gianne Braza, Associated Students Ventura College  
Joannamarie Kraus, Associated Students Ventura College

The meeting was called to order at 9:05 a.m.

### **APPROVAL OF NOTES**

The notes from the June 2, 2016 meeting were approved by consensus.

### **FY17 ADOPTION BUDGET**

#### Revenue

Ms. Bojorquez explained the Revenue Projections – FY17 schedule (dated 7/21/16). She noted the largest change to the schedule is the shifted FTES. She stated approximately 690 FTES will be shifted after the numbers are finalized. The increase in the Base Allocation reflects the Governor's May Revise, and now, State adopted budget. Ms. Bojorquez mentioned that COLA has been removed from revenue projections. The numbers for Lottery and non-resident tuition have been finalized as they changed slightly since the Tentative Budget. Revenue related to non-apportionment increased by \$390,000. The total general fund, unrestricted revenue for FY17 is \$151.5 million. That number will be used for the FY17 Adoption Budget allocation.

There was a discussion regarding the FTES growth target for FY17, which is currently 26,468. If the District wants to maintain the same level of funding beyond FY17, the target must be 26,468 FTES or greater. If the District doesn't meet this number in FY17, the funding will be reduced for FY18. It was suggested that the presidents and

Academic Senate Presidents should be made aware of the impact of not meeting this target number. Ms. Rees explained there seems to be a false sense of relief now that FTES have been shifted. Operationally, the District is short and the gap needs to be closed. The college presidents are focusing on Productivity. Ms. Rees explained that John Cooney made a presentation at the July Board meeting where he stated the FY17 FTES target was 25,350. Vice Chancellor El Fattal stated he would clarify Mr. Cooney's figure and further stressed the importance of keeping this number on our radar because a lot can happen if the target is missed.

Ms. Rees explained the historical delivery of FTES data. Ms. Rees stated that in the past the information was provided from the "instructional side of the house." When Vice Chancellor Fahnestock came to the District, he got involved with enrollment management. Now, it appears John Cooney is delivering the information and crunching the numbers. Ms. Rees says the fiscal side of the house needs to get involved. She suggested that Vice Chancellor El Fattal get involved. Vice Chancellor El Fattal acknowledged Ms. Rees' statements. Dr. Harrison indicated he just learned John Cooney was now reporting to Vice Chancellor Post and was surprised. It was suggested that there be some sort of Districtwide communication announcing organizational changes. This type of information helps research employees know the correct people to interact.

#### Utilities

Ms. Bojorquez explained there has been no change in the utility budget since the Tentative Budget. The May invoices have been received. There is a shift among utility types, but overall, no change. Therefore, the budget will remain the same as the Tentative Budget. Dr. Bush noted the Oxnard City Council voted down the proposed rate increases for water.

#### Districtwide Services

Ms. Bojorquez explained the Districtwide Services schedule (dated July 21). The changes in Districtwide Services from Tentative Budget vs. Adoption Budget were highlighted. Ms. Bojorquez explained the overall amount has been reduced by \$27,000. The College Work Study Match (org 82114), which is based on grant amount and carryover, was increased by \$20,000. The Staff Diversity Coordinators (org 82154) amount has been increased by \$10,000 based on actuals from FY16. The reason is suspected to be the large amount of hiring done during the latter part of the fiscal year. There was a discussion regarding the Scheduled Maintenance Match (org 82142), which is not required for FY17. DCAS recommended that the match amount be included in Districtwide Services, regardless of requirement. The Administrative System/Software License Fee/Hardware Maintenance (org 82178) amount increased slightly based on actual renewal expenses. The Bad Debt Expense (org 82180) amount has been reduced by \$50,000 based on actual expenses of the past three years.

Mr. Hayashi inquired about the insurance premium (org 82131) amount. It appears to have doubled over FY16. Ms. Bojorquez explained that in the past there has been a rebate for prior years, which abates the amount. The actual amount would have been \$900,000. When/if received, the rebate offsets the current year expense. In essence, it reduces current year expense.

Ms. Bojorquez reminded DCAS members that any unspent Districtwide Service budget goes into the Infrastructure Funding Model. Dr. Harrison suggested including language in the Narrative explaining this concept simply as a reminder. Infrastructure Funding Model funds are available the following year they earned. For example, any Districtwide Services funds unspent in FY16 will be transferred to the Infrastructure Funding Model on June 30 (2016) and will be available July 1 for spending.

### Budget Allocation

Ms. Bojorquez reviewed the FY17 Adoption Budget Allocation (dated 7/21/16 rev.). She stated that the schedule shows new, adopted revenues. Districtwide Services, utilities, and the District Administrative Center allotment reduce the available revenue and leaves \$129,818,396 available for distribution. Ms. Bojorquez explained that all rates and figures have been updated to actual. This schedule will not change and will be used for the FY17 Adoption Budget.

It was explained that the FTES on Line 1, Unadjusted FTES, is the actual (pre-shift) figure being used for allocation. Ms. Bojorquez explained that the colleges have been asked to reserve funds tied to growth (\$2,093,000) for future needs. The District Administrative Center has not put aside funds. The campus funds have been set aside in a 113 fund. If the reserved funds are needed in FY18, funds are permissible to be moved into 111. Ms. Bojorquez explained that as the Adoption Budget Narrative is developed, this issue will be addressed specifically. In accordance with Board Policy, the growth realized as a result of the Shift in FTES went into reserves for FY16. It is included in the Adoption Budget in FY17.

DCAS was reminded that the District is considered a low growth district. It was mentioned that there are ongoing discussions at the State level to revise the growth formula again.

The FY17 Adoption Budget will be thoroughly reviewed at the August meeting. The Narrative will be sent out prior to the next meeting in an effort to solicit input from members.

Ms. Day explained that the categorical/restricted budgets have changed slightly. She added that a few contracts and grants have recently been approved by the Board and will be included in the Adoption Budget. Additionally, scheduled maintenance, Year 4 of Prop 39, and IELM amounts are known and will also be included.

## **OTHER BUSINESS**

Mr. Hayashi requested a future DCAS agenda item: accounting of base allocation increase in FY16 earmarked for STRS/PERS increases. Specifically, Mr. Hayashi recounts an increase in base allocation of approximately \$6.6 million in FY16. How are the colleges using that money? Will it be used to cover future STRS/PERS increases? Mr. Hayashi senses some of the colleges felt it was ongoing and some felt it was one-time. He would like the item included on a future agenda for discussion.

There was a discussion regarding non-resident and international student tuition. Dr. Harrison asked whether it be advantageous for Ventura to pursue non-resident students.

Ms. Rees reiterated that if the \$2 million from the shifted FTES is being set-aside, it should be clearly noted in the Narrative. Vice Chancellor El Fattal concurred and said appropriate language would be included in the Budget Narrative.

Mr. Hayashi stated that, in the past, we have put numerous funds in reserves saving them for "a rainy day." The District has never identified what a rainy day is. What is the trigger? What will we spend it on? Where is it going? This will be an item on a future DCAS meeting agenda.

Meeting adjourned 9:54 a.m.

Next meeting is August 18, 2016 – 9:00 a.m. (FY17 Adoption Budget)