

# VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

Thursday, February 19, 2015

## NOTES

### Attendees:

Dan Casey, Classified representative, Ventura College (via Lync)  
Brian Fahnestock, Vice Chancellor Business Services  
Alan Hayashi, AFT Representative  
Patrick Jefferson, Executive Vice President, Ventura College (via Lync)  
Linda Kama'ila, Academic Senate President, Oxnard College  
Dave Keebler, Vice President, Business Services, Ventura College (via Lync)  
Deborah La Teer, Budget Director  
Mary Rees, Academic Senate President, Moorpark College  
Felicia Torres, Classified representative, Moorpark College (via Lync)  
Mike Bush, Vice President, Business Services, Oxnard College  
Iris Ingram, Vice President, Business Services, Moorpark College  
Darlene Melby, College Business Manager, Moorpark College  
Gianne Braza, Associated Students Ventura College  
Joannamarie Kraus, Associated Students Ventura College

### Guest(s):

Ilse Maymes – Student Trustee

### Absent:

Emily Day, Director, Fiscal Services  
Alexander Kolesnik, Academic Senate President, Ventura College

The meeting was called to order at 9:05 a.m. in the Thomas Lakin Board Room at the District Administrative Center, with some members utilizing the District's Lync phone conferencing capability.

### **APPROVAL OF NOTES**

The notes from the December 18, 2014 meeting were approved by consensus.

### **RESERVE DESIGNATION ALLOCATION**

Vice Chancellor Fahnestock reminded DCAS members that the Board of Trustees took action in December to designate a portion of reserves for one-time expenses. The Board will be asked to appropriate those funds now for the following uses:

### Enrollment Growth

\$1 million is being requested to ease the financial burden on the colleges to grow enrollment. The \$1 million will be allocated based on FTES (Moorpark College \$404,500; Oxnard College \$223,300; Ventura College 372,200).

### Unfunded OPEB

A total of \$1 million will be invested in the District's Irrevocable Trust for Retiree Health Liabilities. Vice Chancellor Fahnestock explained that the \$1 million will be invested in four payments of \$250,000 over two fiscal years.

### Energy Efficiency

The Board designated \$1.5 million for Energy Efficiency/Sustainability projects. There is a current need for \$100,000 for two projects: college/districtwide sustainability plans and Greenhouse Gas Emission inventory. The Greenhouse Gas inventory will be a requirement in the next few years, so the District is ahead of that requirement.

DCAS unanimously recommends the allocation of designation of reserves as proposed. This item will be presented the Board in March.

## **ACTUARIAL STUDY**

Vice Chancellor Fahnestock explained a current actuarial study of retiree health liabilities was completed in November 2014. The District's total liability is \$138.3 million with an unfunded liability of \$122 million. The Irrevocable Trust's balance is currently \$16.2 million. The Trust is seeing an investment return of between 6-7% through safe investments. The District is making good progress towards funding the liability. Vice Chancellor Fahnestock stated the report will be forwarded to the Board for acceptance in March. There was a discussion about functionality of the Trust. Brian mentioned the upcoming Retirement Board of Authority (RBOA) meeting where many questions will be answered by the Actuary.

## **BP/AP 5030 - FEES**

Vice Chancellor Fahnestock explained the new, proposed Student Activity Fee for each campus. The Associated Student Governments at each campus initiated this and it was been vetted by each group as well as the appropriate Participatory Governance groups. There was a question why the student fee was lower at Moorpark College. Ms. Ingram indicated that student surveys were sent out and the amount was driven by the survey.

An additional question was regarding students enrolled at more than one campus. Ms. Maymes believed the fee would be charged from the campus where majority of units. Ms. LaTeer believes fees are charged from the "home" school. Vice Chancellor Fahnestock will speak with Information Technology to ensure a process is in place for this scenario.

An additional change to the Administrative Procedure was updating current parking fees as well as Non-resident Tuition Fees, as previously approved by the Board.

DCAS unanimously recommends moving the revised AP5030 through the process for approval. The new student fee will be implemented in the Fall 2015 semester.

## **GENERAL FUND ALLOCATION MODEL**

Ms. La Teer reviewed proposed changes to the General Fund Allocation Model. She reminded DCAS members that these changes have been discussed at DCAS for the last several months. The first change is regarding international students. A portion of the revenue generated through international students will remain at the college where the revenue is generated. The second change is regarding the productivity factor. Each college will have a 525 number. This will impact Ventura and Moorpark colleges; therefore, the change will be phased in over three years. Finally, the carryover amount will be permanently changed from 1% to an up to 2% carryover amount.

DCAS unanimously approves the changes to the General Fund Allocation Model. This item will be presented the Board in March.

## **FY2015-16 BUDGET ASSUMPTIONS**

Ms. La Teer explained that the language included in the Budget Assumptions is standard. There was a discussion about enrollment growth projections and cushions. Ms. La Teer explained the State's new Growth Funding and how it might impact the District. Therefore, the District is assuming a 1% growth on funded FY15 FTES. Ms. La Teer indicated she has done projections on current FTES figures. She indicated that the summer schedule is large. If the District meets growth, we could be funded up to 2.75%. Further, many districts are in "stability" so there is a possibility the District could receive more if those districts don't meet their growth targets.

The section related to reserves has been updated to include the Board's December 2014 action related to designated reserves.

Mr. Casey expressed a concern regarding the Salary and Benefit section of the Budget Assumptions. He said the wording is similar to previous years when the District was in downward budget cycles. Ms. La Teer explained this section saying this is for budget development, when contracts (bargaining) are closed those areas will be modified. Mr. Casey further reiterated that the District is in a time of growth. We are adding new positions, etc. so the wording about position eliminations seems odd. Vice Chancellor Fahnestock and Ms. La Teer concurred and will reword the language in this section.

DCAS unanimously approves 2015-16 Budget Assumptions. This item will be presented the Board in March.

## **FY15 SUMMER FTES EXEMPTION (ONE-TIME)**

Vice Chancellor Fahnestock explained there is a potential problem where Ventura College could slip from medium to small college status due to a handful short of FTES. The difference between small/medium is approximately \$562,000 districtwide. This issue affects all three colleges not just Ventura. The funding decrease would be seen in FY16.

Vice Chancellor Fahnestock explained that a request will be made of the Board to grant a one-time exemption to the Board Policy for accounting for summer FTES (commonly referred to as "borrowing").

Ms. Rees and Ms. Kama'ila expressed concerns about putting off this potential problem until the following year. Vice Chancellor Fahnestock explained this one-time exemption will give

everyone an additional year to deal with the potential impacts of a small college designation. He further stated the intent is to only “borrow” what we need to maintain the medium sized college designation. No other FTES will be used.

Mr. Hayashi commented that, from a mathematics standpoint, we’re not borrowing. We are shifting from one fiscal year to another. From the state’s standpoint, we have the option to do that based on census date. Historically, the District was constantly chasing FTES to meet cap. When we were in a time of growth, the District took a one year hit.

There was a discussion about how Ventura College will fill summer, etc. Mr. Jefferson mentioned there were errors in accounting for IDSN 100 sections. Ventura College expects to see an increase in FTES. Mr. Keebler explained that, because of the closeness to meeting the cap, it’s doesn’t make sense to let funding go for 1-2 FTES.

DCAS unanimously approves one-time accounting exemptions for summer 2015 FTES. This item will be presented the Board in March.

### **OTHER BUSINESS**

A request was made to recreate notes from January 2015 (DCAS) budget call. Vice Chancellor Fahnstock indicated the notes will be done.

Another comment was made regarding California State University Northridge’s overcapacity for students. Ms. Rees asked whether the District is precluded from doing target advertising to entice CSUN students. This is purely speculative and probably shouldn’t even be discussed in this venue.

A suggestion was made about possible advertisements in target area.

Meeting adjourned 10:30 a.m.

Next DCAS meeting: March 19, 2015, 9:00 a.m.