

# VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

Thursday, July 17, 2014

## NOTES

### Attendees:

Mike Bush, Vice President, Business Services, Oxnard College  
Dan Casey, Classified representative, Ventura College (via Lync)  
Brian Fahnstock, Vice Chancellor Business Services  
Alan Hayashi, AFT Representative  
Iris Ingram, Vice President, Business Services, Moorpark College  
Linda Kama'ila, Academic Senate President, Oxnard College  
Dave Keebler, Vice President, Business Services, Ventura College  
Deborah La Teer, Budget Director  
Darlene Melby, College Business Manager, Moorpark College  
Mary Rees, Academic Senate President, Moorpark College  
Art Sandford (via Lync), Academic Senate President, Ventura College  
Felicia Torres, Classified representative, Moorpark College

### Absent:

Patrick Jefferson, Executive Vice President, Ventura College  
Lucia Marquez (ASVC student representative)

### Guests:

Dr. Jamillah Moore (via Lync)  
Dan Kumpf (for Patrick Jefferson), (via Lync)  
Michael Shanahan, Vice Chancellor, Human Resources  
Gary Maehara, Director, Human Resources Operations

The meeting was called to order at 9:02 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 June 5, 2014 meeting were approved by consensus.

### **HUMAN RESOURCES DISTRICTWIDE BUDGET PROPOSAL**

Mr. Shanahan and Mr. Maehara presented a request to allocate an additional \$45,000 to Districtwide Services for human resources needs. Included in this amount is \$9,000 classified employee training program. Mr. Shanahan explained the LEAD program exists for management, but there is a desire to start (officially) a districtwide program to enhance skills of classified employees. In addition, \$20,000 is requested to increase the advertising budget. More hiring is expected next year (FY15) and there is a need to broaden advertising. Currently, all advertising is done through jobelephant.com. There is a strong need to advertise more diversely. Print advertising has been totally eliminated.

Mary Rees expressed concern over taking money from colleges. Mary suggested the possibility of addressing the HR additional needs earlier in next year's budget. She further added that all these little pieces add up in the end. She questioned whether a priority list existed. Requests have been presented to DCAS one at a time as opposed to all at one time. The budget has to be flexible enough to address ongoing operational needs/development.

Alan Hayashi also expressed concern about increased Districtwide costs. For months there has been word that we are short, now we're adding expenses.

Consensus to approve increase in Districtwide Services as presented, including the additional human resources request.

### **BUDGET UPDATE - P2**

Vice Chancellor Fahnestock distributed an update on the budget relating to P2 (dated 7/17/14). Mr. Fahnestock explained, in summary, other districts didn't grow as much as they anticipated. Therefore, we were paid for an additional 277 unfunded FTES. VCCCD could have been paid for an additional 75 FTES if we would have had it available. Those 277 FTES equate to \$1.3 million. As a result, the projected June 30, 2014 reserve balance will grow from \$19.7 to \$24.3 million. Despite these favorable changes, the FY15 budget will continue to be rough year. The anticipated FY15 shortfall is anticipated to be \$.5 million as opposed to \$2.3 million, as originally projected. FTES growth target will increase as a result of this additional funding.

### **FY15 BUDGET**

#### **Revenue/Cost Schedule**

Vice Chancellor Fahnestock distributed the most recent version of the Revenue/Cost Schedule (dated 7/17/14). Mr. Fahnestock explained that the STRS increase didn't come in as high as anticipated. He further explained electricity is still up, but not as high as anticipated. The STRS rate will increase over the 5-6 years and is expected to be \$5+ million. The rate for FY16 is expected to increase by \$2 million. This, of course, is assuming all STRS assumptions are correct. They have failed in their assumptions in the past.

Mr. Fahnestock also explained there was a savings in the area of faculty retirements/hires. The District projected approximately 20 retirees, but received 18, thus far. This equates to a savings of approximately \$430,000.

#### **Revenue Projections**

The FY15 Revenue Projections schedule (dated 7/17/14) was distributed. Vice Chancellor Fahnestock explained COLA is given to District in the form of rates (FTES and small/medium/large colleges). The District is projecting FY15 Revenue of approximately \$129.2 million in FTES/college general allocation. Ms. La Teer explained

the Prop 30 Education Protection Act funds, approximately \$18 million, is included in the \$129.2 million.

The bottom half of the Revenue Projection schedule is miscellaneous revenue resources that come flow into the General Fund, but then move into the IFM . Ms. La Teer reminded DCAS that, in accordance with the Infrastructure Funding Model, the District has moved out some of this income at the beginning of the budget year.

### **Utilities**

Ms. La Teer reminded the group that the Board approved a budget amendment/use of reserves for \$500K for utility expenses. Almost all of that allotment was used. Therefore, for FY15, an increase in utilities of 9% is included.

### **Districtwide Services**

Ms. La Teer explained the Districtwide Services Budget and highlighted line items with significant changes. She noted Accreditation expenses will increase by \$25,000 for reporting activities. The Board of Trustees Operations will increase by \$25,000 for Trustee travel. The Unemployment Insurance line item is based on actuals and will decrease by \$100,000. Ms. La Teer explained this is not a rate adjustment, rather a usage adjustment. Insurance premiums are also projected to decrease as the District has moved out of the K-12 experience rate. There is an approximate \$67,000 increase in IT software/licenses fee budget. (Ms. La Teer distributed a detailed IT expenditure budget). Not included is the wellness budget of \$15,000 (approved earlier by DCAS in this meeting). Therefore, it will increase by that amount. Other than that expense, the Districtwide Services budget is final

Ms. La Teer reminded DCAS any savings in Districtwide Services budget will flow to the IFM. FY14 IFM budget will be brought to DCAS next meeting.

### **Allocation Model**

Ms. La Teer referred to the Allocation Model (dated 7/17/14) and explained FY14 actual FTES are used for FY15 Budget allocation. She further reminded the group that the productivity goals were artificial. This will be addressed in FY15 as we examine the Model in its entirety. This number was created in a way to prevent funds from shifting. Ms. La Teer explained that figures in the Allocation Model may change slightly as numbers are finalized.

Productivity factor and international students will be addressed in in the review of the Allocation model.

Meeting adjourned 10:10 a.m.

Next meeting: August 21, 2014 – 9:00 a.m.

- FY15 Adoption Budget (in detail)