

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

District Council of Administrative Services (DCAS)

Thursday, August 21, 2014

NOTES

Attendees:

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

Absent:

Lucia Marquez (ASVC student representative)

Guests:

Dr. Jamillah Moore (via Lync)

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.

Vice Chancellor Fahnestock explained that Fall 2014 FTES numbers are down from the same time last year (approximately 1%). Oxnard College has had to cancel full classes because there was no faculty to teach. Oxnard College could have had more classes if faculty was in place.

Ms. La Teer explained that the Community College system is in "restoration". All growth dollars will be distributed to Districts at the same proportion, until the system has fully restored the lost funding that occurred during the recession. The District has three years to earn the FTES restoration dollars. If that target is not met, the District will be rebased. That rebasing could affect us for the next ten years. There was a discussion on outreach. The consensus was marketing cannot wait until January. It needs to begin immediately.

APPROVAL OF NOTES

The notes from the July 17, 2014 meeting were approved by consensus.

FY15 ADOPTION BUDGET

Ms. La Teer stated that a draft version of the FY15 Adoption Budget Narrative was emailed to DCAS earlier this week. She further explained that the Budget process starts with Board Adoption of the Budget Assumptions. DCAS thoroughly reviewed the Narrative and it was approved by consensus.

Ms. La Teer stated that over the last few meetings DCAS has seen many of the schedules contained in the Adoption Budget. The Cost of Living Adjustment (COLA) increase is reflected in all apportionment rates (basic allocation, FTES allocation, etc.) DCAS was reminded that Prop 30 money is also included in these figures. If/when Prop 30 expires, the apportionment will decrease. Most "other revenue" has been transferred to the Infrastructure Funding Model (IFM). Figures reflected in the "Actuals" column are accounted for in the Fund 111 and transferred to IFM at the end of the year.

The FY15 Adoption Budget Allocation was reviewed. Ms. La Teer indicated that the FTEF number is reflective of an approximate August 1 date. The District is up 12 FTF in FY15 from prior years. The number had to increase to achieve the District's Full-Time Obligation Number (FON), but colleges were more responsive. Ms. La Teer indicated that the carryover numbers are accurate now that the fiscal year has ended. This carryover gets fully budgeted in campus budgets for following year.

Ms. La Teer explained that the Budget includes a separate page for Prop 30 - EPA funds page. Prop 30 regulations mandate a separate page being approved by Boards of Trustees. The District could lose \$20 million if/when Prop 30 expires: half in 2017 and the remainder in 2018.

DCAS was reminded about the shift in Information Technology salaries from the District Administrative Center back to the campuses. The shift in salary costs results in a net effect of \$0 to DAC/campuses.

The Districtwide Services budget was discussed. There are no changes since DCAS's last review. The Contingency line was discussed and it was noted that a small portion of this has already been used for faculty hire that crosses campuses. This alleviates one campus solely bearing the cost of benefits. This is a rare event and a nominal cost.

The District's General Fund Unrestricted Reserves was discussed. DCAS was reminded that this schedule only represents Fund 111 (general fund). Campus carryover funds go into reserves on June 30 and are immediately budgeted back out on July 1. This reserve page assumes full expenditure of budgets, and doesn't include midyear increases/decreases. It's our starting point.

The Infrastructure Funding Model (IFM) (Fund 113) allocation was discussed. Campuses can expend a total of \$2.6 million in IFM and that amount has been budgeted. If the District receives all \$2.91 million in revenue (as projected) the colleges will begin FY16 with that amount. DCAS was reminded that revenue flowing into the IFM is somewhat unstable; therefore, the numbers are projected. (Detail is on page 86 of the budget book.). Ms. La Teer explained that each campus has five pots of IFM money. Revenue received from prior year (FY14) can be spent.

IFM funding/allocations are handled the same way we handle growth dollars: they are not allocated until they are earned.

As a result of the campus bookstore dissolution in April of 2014, the campus bookstores ended FY14 with fund balances. These fund balances grew over the many years of operations and are approximately \$5 million. Title 5 requires the District to put the ending fund balances for bookstores in general fund, and they were transferred to the General Fund Designated (Fund 114). These dollars will remain at the campuses and there are planned expenditures. They are one-time dollars and will never be seen again.

Other funds were discussed including, Fund 121. There is \$645,000 in carryover from FY14 for Student Success. The District has been given a 6 month extension in which to spend these dollars. Ms. La Teer stated that the Student Equity allocation is not included in the FY15 Budget as the allocation method has not been determined. Once it comes to the District, we will present a budget amendment to the Board. Student Success also has a 2:1 match (as opposed to 3:1). There have been more items included in the match requirements.

The Parking fund reflects a \$1 increase in parking fees and revenue has been increased accordingly. For the Health centers each health center has a healthy fund balance. They are deficit spending, which is okay. On the child care center budgets, Moorpark College is projecting a break even for FY15 while Oxnard College is projecting a loss of \$200,000. Ventura College is projecting a \$50K deficit, but has a perpetual endowment, which will cover shortfall.

Fiscally the vending operations are doing well. Colleges are working on plans for restoration of food services.

Vice Chancellor Fahnestock distributed FY15 Reserves Analysis dated 8/21/14. This plan would earmark some of the Unallocated Reserves for special districtwide expenditures needed in the District. Some ideas include Emergency Preparedness, marketing to grow FTES, transfer to GASB45 Irrevocable Trust, and Energy Efficiency projects. Mr. Fahnestock stated detailed lists need to be discussed. Further, this list will be shared with the Board's Finance Committee at today's meeting. This information will not be reflected in the Adoption Budget. If, after more discussion, this plan is approved, with the exception of moving money to the irrevocable trust, it will be accounting designation entries.

DCAS gave consensus to approve FY15 Adoption Budget as presented and forward to entire board for approval.

Other Business

Dr. Jefferson brought up two issues that create barriers for students to enroll: parking citations on the first day/week of class as well as the 24-hour drop for students who don't pay upon registration. Mr. Fahnestock indicated further discussion would take place on these items.

The next meeting agenda topics will include initial review of the Budget Allocation Model, Infrastructure Funding Model, as well as DCAS membership and committee charge.

Meeting adjourned 10:10 a.m.

Next meeting: September 18, 2014 – 9:00 a.m.

- DCAS Committee Charge
- DCAS Membership
- Allocation Model (initial review)
- Infrastructure Funding Model (initial review)