

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT

Audit, Budget, Foundation Relations Committee

Committee Members: Trustee Heitmann (Chair) and Trustee Hernández

Wednesday, September 30, 2009
3:30 P.M.

Meeting Notes

CALL TO ORDER

The meeting was called to order at 3:32 p.m. by Trustee Heitmann.

PRESENT

Members: Trustee Heitmann and Trustee Hernández

Staff: Sue Johnson, Mary Anne McNeil and Deborah LaTeer

PUBLIC COMMENT

None – request to speak later

FY2009-10 ADOPTION BUDGET

Ms. Johnson distributed a draft copy of the 2009-10 Adoption Budget Executive Summary. There has been no significant change in the amount of revenue the district will receive since the last report. Ms. Johnson explained that the State has included multiple cash deferrals as a part of the FY10 budget. District cash reserves are being used to mitigate the delay in cash payments from the State, covering payroll checks, vendor/accounts payable checks, and intermittently financial aid checks and state construction reimbursements. Current deferral timeframes range from 3 months into next fiscal year. Without adequate cash reserves, the District would need to borrow (issue TRANS) to cover the cash needs, which would then incur interest expense.

Ms. Johnson explained that General Fund – Unrestricted budgeted expenditures are actually greater than what was actually spent in FY09. This is due in part to cuts to budgets in December of 2008 as well as unspent funds in FY09 that were carried-forward into the FY10 budget.

Ms. Johnson explained that the one-time Federal (ARRA) stimulus funds, that had initially been projected at \$130 million, then revised to \$60 million, are now estimated at \$35 million. The Adoption Budgets have been built assuming \$30 million. Although DOF now says these funds are general purpose and cannot be restricted by the legislature, they will be used to back-fill the cuts to categorical budgets.

A memo from the State Chancellor's Office dated September 16, 2009 regarding Administrative Relief for Student Services Categorical Programs was distributed and discussed.

Public Comment

Karen Harrison, ESL Program Chair, Ventura College – Ms. Harrison expressed concern regarding the colleges' process for making budget cuts.

The meeting was recessed at 4:30 p.m. due to the time certain of the Special Board Meeting. Public speakers were informed the meeting would reconvene at 5:00 p.m.

Meeting reconvened at 5:00 p.m.

Public Comment (continued)

Paula Muñoz, EOPS, Ventura College – Ms. Muñoz expressed concern over cuts to categorical programs. She informed the Committee that the system office is recommending a full restoration of categorical cuts for FY2010-11. Ms. Muñoz also stated that the options outlined in the Administrative Relief memo that Ms. Johnson previously distributed are already being implemented at some of the campuses. Ms. Muñoz asked that the ARRA (one-time Federal stimulus) funds be used to backfill categorical programs and services.

Bea Herrera, Counselor (Department Chair), Ventura College – Ms. Herrera expressed concern about the affects the program cuts have had on students. She asked that the size of classes be limited and that the services to students be kept intact. Ms. Herrera pleaded for no further cuts to student services.

Connie Jenkins, AFT Local 1928 – Ms. Jenkins stated that enrollment is up over 2% district-wide. She expressed concern about large class sizes and the potential for student failure. She also expressed concern about the 50% law/requirement and the potential negative impact it could have on the district. Ms. Jenkins asked the Committee to use reserves for transition funding this year and next year. She suggested this not be used to recruit new students, but to better serve existing students.

Ms. Johnson clarified statements made by public speakers.

Districts were advised by the State Chancellor's Office on September 9 that, pursuant to federal regulations, the ARRA funds must be allocated to districts as general purpose funds. This apparently was based on a revised interpretation of ARRA requirements, and is at odds with the State budget package which explicitly allocated the ARRA funds to mitigate cuts to categorical programs. It was the intent of the Legislature that the ARRA funds be available to backfill the cuts to the categorical programs and that ARRA funds will be allocated based on cuts to the categorical. The 2009-10 Adoption Budget reflects the "intended" backfills to the categorical programs.

Ms. Johnson stated that transition funding reference previously came from general revenue, not reserves. Ms. Johnson further stated that Ms. Jenkins proposed the use of reserves for transitional funding at the DCAS meeting of September 24th. At that meeting, there was a formal vote on the proposal, resulting in only one yes vote. She also mentioned that the Adoption Budget as presented was approved with only one dissenting vote.

In reference to the Administrative Relief flexibility for categorical programs, Ms. Johnson stated that the Adoption Budget, as presented, does not contain any of the options outlined in the memo dated September 16, 2009, particularly as they relate to the coordinators, although there may be some discussion at the college level regarding these options.

OTHER BUSINESS

None

As the meeting had to be adjourned to a schedule conflict, it was agreed by the Committee to schedule another meeting to further review the Budget Book.

Meeting adjourned at 5:22 p.m.