

VENTURA COUNTY COMMUNITY COLLEGE DISTRICT
District Council of Administrative Services (DCAS)

Thursday, November 17, 2011

NOTES

Attendees: John al-Amin, Blanca Barrios Robert Cabral, Dominga Chavez, Alan Courter, Riley Dwyer, Alan Hayashi, Sue Johnson, David Keebler, Deborah LaTeer, Mary Anne McNeil, Peter Sezzi

Absent: Iris Ingram, Darlene Melby

The meeting began at approximately 8:35 a.m. in the Dr. Thomas G. Lakin Board Room at VCCCD.

APPROVAL OF NOTES

The notes from the September 15, 2011 meeting were approved by consensus.

DISTRICTWIDE BUDGET FORUMS (NOVEMBER 14/15, 2011)

Ms. Johnson briefly discussed the Districtwide Budget Forums that were held at each campus on November 14 & 15. The presentations are available on *MyVCCCD* and on each college's website. Riley Dwyer expressed her gratitude to management for their informative visit and time on campus. Sue mentioned that the last page of the presentation was added to the slide-show for November 15th. It indicates the assumed reduction amount for each site.

\$11 MILLION SITE REDUCTIONS

Ms. Johnson clarified the reduction amounts stating that it is NOT a shortfall distribution, but rather a distribution of the estimated FY13 revenue through the approved Model. There are, however, assumptions included in that simulation and some of the same numbers used in the FY12 budget are used in this simulation. The FY13 simulation compares before carry-over revenue for FY12 to before carry-over revenue for FY13. The difference is the projected shortfall amount.

Sue explained the importance of not looking at a single year budget. It's crucial to evaluate multiple years. Sue reminded the group that actual FTES numbers are used in the subsequent year's budget allocation. For example, FY11 actual FTES was used in FY12 budget development.

Each college is developing plans to deal with the projected FY13 budget shortfall of \$11 million. Part of the college plans include a reduction in the class schedule to reduce the amount of unfunded FTES and to meet the projected decreased budget. Sue addressed comments about the perceived disproportionate amount of cuts at some campuses. The current goal is to reduce unfunded FTES for FY13 by 2,500. The proposed distribution is approximately 250 at Oxnard College; 650 at Ventura College; and 1,700 at Moorpark College. These reductions are significantly different from what one might expect in a proportional distribution. Sue again stressed the importance of looking at multiple years for budget planning and when and how the District reached their significant level of unfunded FTES. The disproportionate effects of the FY13 FTES reduction will impact FY14 revenue distribution.

Because of the significant reduction of FTES at Moorpark College, they must plan and prepare. Sue explained that through the mechanics of the model, money moves back and forth from year to year, that's how the Model works. She further explained that over the life of the Model, on average, not

one college has been hurt more or less than another college. There are numerous protections for a small college in the model.

Riley expressed frustration over hearing that Moorpark is benefiting through the reduction of FTES. Moorpark is aware that a significant reduction in allocation will come in FY14.

Robert Cabral asked whether or not there would be a “floor” for FTES. Sue responded, “No.” Sue explained that we must be careful when we reduce FTES because it could cause us to spiral and that we are monitoring that carefully.

The change in FTES affects all colleges. If one number changes, it changes everything else. It’s a “trickle down” effect. For example, going from a medium to small collage affects everyone, not just Ventura.

Sue again offered to go out to the colleges and explain the Model to the various campus constituents.

Alan Hayashi asked for clarification on how the recommendation to reduce 2,500 unfunded FTES was derived. Sue referred Alan to page 9 of the Districtwide Budget Forum presentation. Briefly, because prior year’s revenue reductions came in the form of workload reductions, our FTES cap was reduced, which resulted in a greater number of unfunded FTES. Cabinet made the decision.

LAO FISCAL OUTLOOK REPORT

Sue distributed the Legislative Analyst’s Office’s 2012-13 Budget: California’s Fiscal Outlook dated November 2011. The LAO projects a \$3.7 billion shortfall for the current year. That would result in the \$2 billion triggers being pulled. The LAO is projecting the FY13 deficit to be \$13 billion. Sue explained that the District’s current projections of an \$11 million shortfall was based on a previous LAO projection of \$8 billion. In summary, the District’s shortfall could be worse.

The LAO is expecting the “triggers” in December to be pulled and we may have a budget in January in time for the January meeting.

STRUCTURAL DEFICIT FUNDING MODEL REVISED

Ms. Johnson briefly talked about the revised Structural Deficit Funding Model that Iris and Riley worked on. There were no comments in general, but some hadn’t had the opportunity to thoroughly review it. Peter said that Ventura College Academic Senate had approved the initial draft.

There was a brief discussion about timing and submission to the Board. It was the consensus of the group to take the final document to the Board with the FY13 Budget Assumptions in March/April.

Sue agreed to continue work on the document by blending the two documents together. This will return to DCAS in either December or January. Peter offered to be in attendance at the Audit and Budget meeting where the Model would be presented.

OTHER

There was a question regarding the District’s Full-Time Obligation Number (FON/FTO). Sue said this item will be discussed at the next DCAS meeting.

NEXT MEETING

Thursday, December 15, 2011 – 8:30 a.m.
Meeting was adjourned at approximately 10:10 a.m.

