

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

Thursday, August 23, 2012

**NOTES**

Attendees: Blanca Barrios, Mike Bush, Dominga Chavez, Riley Dwyer, Steve Hall, Iris Ingram, Sue Johnson, Linda Kamaila, Dave Keebler, Deborah LaTeer, Darlene Melby, Mary Anne McNeil, Peter Sezzi

Absent: N/A

The meeting began at approximately 8:36 a.m. in the Thomas G. Lakin Board Room at VCCCD.

Two new DCAS members were introduced to the group: Michael Bush, Vice President of Business Services at Oxnard College and Linda Kamaila, Academic Senate President, Oxnard College. Sue also explained that Alan Hayashi is on sabbatical and Steve Hall will be his replacement for AFT for the semester. Additionally, Sue informed Dominga that the classified representative seat at Ventura College is still vacant and that we had notified Dan Casey. Dominga indicated she will follow-up with Dan Casey again as well.

**APPROVAL OF NOTES**

The notes from the June 7, 2012 meeting were approved by consensus.

**BOARD POLICIES/ADMINISTRATIVE PROCEDURES**

BP/AP 6200-Budget Preparation and BP/AP 6250-Budget Management were once again distributed. These board policies and administrative procedures were discussed and edited thoroughly at the June 7<sup>th</sup> meeting. At that time, DCAS members requested time to discuss them with their respective constituencies at their first meetings in August/September. Sue requested that any changes to the documents be sent to Business Services for revision and redistribution prior to the next meeting. .

Sue noted that AP 2411 states that board polices and administrative procedures are presented to appropriate participatory governance groups. There is currently some confusion as to whether that was intended to mean all or specific ones that may be deemed appropriate. In order to err on the side of caution, all remaining BP's and AP's will be brought to DCAS for review prior to their going to the Board.

AP 6330-Purchasing – Sue explained that this administrative procedure was presented at a recent Consultation Council meeting where the administrative procedure for Conflict of Interest was also discussed. The issue on how to handle possible conflict for Trustees was discussed, so the item was pulled and sent to DCAS for discussion. Discussion ensued, but no final language was agreed-upon. Sue asked that members send her their suggestions and she will return the AP at the next meeting.

**BUSINESS TOOLS**

The Business Tools site was launched in mid-August and a demonstration was provided to DCAS. Business Tools is a central location for all employees to get forms, documents and procedures related to business services functions. We will be adding content on a regular basis until we have included all forms and procedures. We want to know if the site assists employees in the clarification and consistent application of procedures and, as such, meets their needs.. In order to achieve

continuous quality improvement, the site will be expanded over the next year to include additional procedures and forms and enhancements based on user suggestions. There is a dedicated “suggestions/feedback” link within the site so employees can provide suggestions for the next group of forms and procedures to be included as well as any enhancements to the site.

### **MANDATED COSTS BLOCK GRANT**

Sue explained that the current state budget includes a Mandated Costs Block Grant which offers a fixed rate of \$28 per funded FTES rather than submitting various claims. . Prior to this optional block grant, VCCCD submitted annual mandated cost reimbursement claims in areas such as Brown Act, Collective Bargaining, Student Health Fee, Enrollment fee collection, etc. Currently, the District is owed approximately \$7million from the State which has been deferred for several years. With the new Block Grant, Districts can opt-in and out annually. If we opt-in, our block grant for this year may be approximately \$686,000, which is significantly less than thorough the claim process. She asked for members position on the matter. Most believed the block grant was a more certain process.

The group was reminded that State Mandated Claim revenue is unbudgeted revenue, which would go into the Infrastructure Funding Model, as agreed. However, if we decide to stay with the block grant process, the general fund portion may become a part of the budgeting process.

### **TIMELINE AND PROCESS FOR BUDGET DEVELOPMENT**

A *draft* Timeline and Process for Budget Development document/flowchart was distributed and discussed. The budget process outlined is not new, but has merely been put into a single document for reference and documentation. This document will be used for the Planning process as well. The document will be brought back to the next meeting.

**NOTE:** After the DCAS meeting, it was thought this document should be included in the FY13 Adoption Budget Book. Having it return to the September meeting does not meet that timeline. Therefore, it was emailed to all Council members asking for input via email rather than waiting for the next meeting, but can still be modified for future use.

### **INFRASTRUCTURE FUNDING MODEL**

A copy of the Board adopted Infrastructure Funding Model narrative was distributed. The Year 1 (FY2012-13) Model allocation was also distributed. According to the Model funding guidelines, the total revenue allocated to the Model for FY13 is \$1,184,963. While some in the group expressed satisfaction with the amount transferred to the Model, Sue expressed her opinion that the first transitional funding was significantly higher than expected and that perhaps a limit/cap should be place on the breakage portion. The model, along with the Budget Allocation Model, will be reviewed annually and that will begin in September.

Steve Hall asked for clarification on the “other” spending category. Sue referred to the Model narrative.

## FY13 ADOPTION BUDGET

Sue explained that the approved State budget assumes the passage of Proposition 30. She further explained that Prop 30 must pass by 50% plus one vote. Further, it must receive more votes than Proposition 38, which is also on the November ballot. The State budget also includes \$50 million in growth funding, which would result in approximately \$1 million to VCCCD.

She provided a budget scenario for FY14 based on passage/failure of Prop 30.

FY14 Revenue (scenario)

<u>Passage</u>	<u>Failure</u>
\$1.0 million growth (from FY13*)	\$2 million contingency
\$2.0 million contingency (FY13 Adoption)	<\$8 million triggers>
<\$3-\$4 million> inflationary expenses	<\$3-\$4 million> inflationary expenses
Revenue = flat	<\$9 million shortfall)

\*Growth dollars are not budgeted the year they are earned; they are budgeted in subsequent years.

### Narrative

A rough draft of the narrative was distributed. The narrative highlights the assumption that any revenue shortfalls beyond those included in the FY13 adoption budget will be covered by the use of reserves, there will be no mid-year reductions to the operating budgets; and any use of reserve will result in reductions in FY14. The final narrative will be emailed to DCAS members for further input by email.

### General Fund - Unrestricted

The General Fund – Unrestricted fund pages were discussed.

### Reserves

The Reserves page of the Adoption Budget was discussed. Sue explained that the beginning balance of \$21.9 million includes the \$2 million contingency protection against triggers. All budget \$1.3 million is designated for various contingencies.

### General Fund Restricted

Mary Anne reminded the group that these numbers are based on actual from prior year. The 12x fund budgets are built assuming 95% of FY12 actual. The State applies a hold harmless/stability mechanism to the MIS date (students served) so programs are not reduced or increased significantly in a single year.

### Health Services

The Health Centers currently have fund balances that resulted primarily from the receipt of state mandated cost reimbursements. They are currently deficit spending for general operating expenses and capital.

### Parking Services

The parking services (campus police) budget continues to utilize remaining fund balance despite recent restructuring and reduction in coverage/officers. This budget will continue to be closely monitored.

### Special Revenue Fund

This is the first full year for the Oxnard College Culinary Arts & Restaurant Management (CRM) Instructional Lab. This budget is an estimate and will be monitored closely.

### Child Care Centers

All three locations are struggling financially. Dialog will continue regarding desired services. If budget shortfalls continue, it could result in encroachment on the general fund or continued down-sizing of the centers.

### Bookstore

The bookstore revenues continue to decline as more alternatives are available to students. We need to continue to educate faculty on the availability of used text books and alternative options, and be responsive to the text book environment through changes in operations. Darlene Melby is working with all three colleges' bookstore staff regularly to improve operations.

### Vending

The vending budgets are best-guess estimates as this will be the first year of vending-only food service. Since this mode of operation is new, there is no comparison to current year.

### Capital Projects

The Capital Projects fund budgets were presented

The Adoption Budget (with changes as discussed) was unanimously approved by DCAS and the committee recommends it be presented to the Board of Trustees for approval on September 11, 2012.

## **NEXT MEETING**

Thursday, September 20, 2012 – 8:30 a.m.

Agenda items:

- DCAS Committee's Charge
- Budget Allocation Basic Principles
- Review of Allocation Model (narrative and calculations)
- Review of Infrastructure Funding Model
- BP's/AP's

Meeting was adjourned at approximately 11:43 a.m.