SANTA CLARITA COMMUNITY COLLEGE DISTRICT
PAC-B Committee Meeting
September 17, 2012

Minutes

Attendees
Co-Chairs: √ Sharlene Coleal √ Greg Mucha

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Committee Review

Agenda: Accepted

Approval of Minutes, August 13, 2012 Meeting: Accepted with changes

- Jim Temple suggested that the acronyms be spelled out so that everyone knows what they mean.
- Diane Morey and Cynthia Dorroh attended the last meeting and requested that the minutes be updated to reflect that.
- A member asked a question regarding equipment requests and how they were approved in the Program Review/Budget process.

FON Full-Time Faculty Obligation Number (FON):

- A member had a question on the FON and asked for clarification on how the full-time faculty obligation (FON) is calculated.
- NEW ACTION ITEM: Sharlene to check and bring back update regarding any further adjustments to Fall 2013 Full-Time Faculty Obligation Number (FON).
- The FON is calculated one year in advance, i.e. Advance (August 2011) or P2 (June 2012) for the Fall 2012 FON
  - For example: the 2011-2012 Trigger Cut came through on P2 (June 2012) and reduced the 2012 FON.
  - This was too late to influence hiring for Fall 2012.
  - Another example: The November 2012 election results for Proposition 30 could result in a Trigger cut for 2012-13. But, the FON will not be reduced until Fall 2013 – one year later, and too late to adjust hiring for FT Faculty.
- Sharlene offered to do a Full-Time Faculty Obligation Number (FON) in-service.
Equipment Requests:
- **NEW ACTION ITEM**: Kiyoko Koski will prepare a list of the Department of Commerce grant funded equipment.

**NEW BUSINESS**

**Budget Update**: Sharlene handed out the 2012-2013 Adopted Budget PowerPoint Presentation

**The State Budget**
- **Before the 7/1/12 deadline**, Governor Brown signed the 2012-13 State Budget on June 27
  - The budget addressed a **$15.7 billion shortfall**, up from $9.2 billion in January 2012
    - $8.1 B Program Cuts
    - $6 B Tax Increase (Proposition 30)
      - .25% Sales Tax Increase
      - Personal Income Tax Increase on Single / Married over $250,000/$500,000
    - $2.5 B Revenue Deferrals
- **IF Proposition 30 Passes**:
  - For Community Colleges, the State budget funding was a little better than status quo – held harmless from base cuts:
    - No COLA
    - No Categorical Changes
    - $159.9 million Deferral Buydown from $961 B to $800 B
    - $50 million in “Restoration”
- **IF Proposition 30 Fails**:
  - Funding for the Community College System and K-12 will be reduced with a $5.4 billion “Trigger” Cut
    - The Community College system would receive a base cut of $338.6 million.
    - The Community College system will have to reduce access to 75,500 FTES as a result of a corresponding workload reduction of 7.3%
    - $159.9 million Deferral Buydown would be lost–Deferrals left at $961 B
    - $50 million in “Restoration” would be lost

**2012-2013 Adopted Budget Highlights – College of the Canyons**
- 2012-13 Adopted Budget was Board approved on 9/12/12
- The Governor signed an on time budget on June 27, 2012
- The Senate made recommendations including $6 Billion of revenue which assumed Proposition 30 passing
- The Assembly declined to make recommendations
- No Conference Committee convened since there was nothing to reconcile between the Senate and the Assembly versions of the budget

If Proposition 30 Passes
- Enrollment Management Committee has decided to increase 300 sections in Winter intercession (online) as well as Spring and Summer
- We made strategic reductions in the 2012-2013 Adopted Budget
- The fund balance for 2011-12 was higher than budgeted at 6/30/12 as the result of:
  - $1 million savings – ISA Expense savings plus additional Adjunct Expense
  - $1 million savings – Salary savings from vacant positions
  - $1.3 million savings - Unspent Budgets of $500,000 reduced by Executive Cabinet mid-year and then $800,000 fell to the bottom line
If Proposition 30 Fails

- The State Chancellor’s Office recommended:
  - That Districts should be prepared for Trigger cuts by including them in their budget
  - To prepare for additional revenue shortfalls at State level by having sufficient reserves to absorb.
  - That Districts should do 3 year projections and develop financial strategies to maintain 5% fund balance.

Budget Discussion

GO Bonds for Repairs/Construction

- **Question:** - If we use Measure M for scheduled maintenance, do we have to pay it back?
- **No – Okay to use GO bonds for all appropriate costs except:** Land, Operations
- **Can’t use GO bond money incorrectly there are ramifications

Measure M

- **Question:** A member asked if we use Measure M funding for scheduled maintenance, do we have to pay it back.
- The District does not have to pay the funds back, as it is appropriate to use Measure M GO Bond funding for all capital projects and expenditures except the purchase of land or administrative salaries.
- You cannot use GO Bond money incorrectly or there are ramifications.

Three Year Projection: Sharlene reviewed the Three Year Projection Chart on page 14 of the PowerPoint.

- K-12 Districts are required to do a two year budget projection.
- We do not have a similar requirement, but we do a three year projection to assist with planning and other areas such as GO Bond ratings.
- The projections are conservative.
- There is a $5 million structural deficit in the 2012-13 Adopted Budget.
- In 2013-14, the structural deficit grows to $7.6 million, with a $7.8 million shortfall to reaching a 6% fund balance.
- The District can take action by not refilling vacant positions, but the FON forces us to hire 7 full time faculty mid-year in 2012-13.
- Districts worry about hiring even one Full Time Faculty (FTEF) because the district “owns” the cost of that Full Time Faculty.

A member asked why the $1.2 million was added back in the revenue for the 2013-14 projection.

- Sharlene explained that the $1.2 million transfer from the GASB Retiree Health and Welfare Fund, which is included in the 2012-13 revenue total, is one-time revenue and therefore will not repeat in 2013-14.

A member asked if there was a proposal to raise fees again if Proposition 30 fails.

- Sharlene responded that another fee increase was not being proposed.
- The community colleges are cost effective at $46/unit vs. $150/unit actual cost
  - CSU’s average $200/unit
  - Master’s College $338/unit
  - University of Phoenix $840/unit
- The State continues to want to provide free education, but may not be able to in the future.
- When the fees increased to $46/unit, the BOG Fee Waivers increased and the system had a shortfall.
  - Enrollment fee shortfalls are not backfilled, so districts lost funding.
A member pointed out that they view PAC-B as a very important committee going forward. PAC-B will need to be involved in FTES projections, funding cuts and their impact on accreditation, and will play a role in making sure planning is integrated into budget.

**Decision Making Guide Revision:**
- Sharlene distributed two versions: strike through version and original
- She indicated that after a couple of very productive meetings with Joe Gerda, Greg Mucha and Edel Alonso, the revision reflected a number of changes:
  - Intro: added response for short-term & long term budget projections and expectation that committee members would not have an agenda and should be objective
  - Communication
  - Committee Responsibility

**Program Review Question:**
- It was requested that feedback be provided from level 2 to level 1 and level 3 to level 2 – to explain why not moving forward with recommendations.
- Moving further away from level of expertise as go up the ladder- so need feedback. Need rationale in program review

**Action/Response:**
- Build into Program Review - 1st level needs to have access to level 2 & 3 so they can see what happened to their areas.
- The level 1 person should be able to go into program review isn’t always open to a level? Working with Noris to always have it open.
- Jim Temple – Enhancement email they are working on: the first level that it has been moved up so person can see the changes. Same with level 3.

**Action/Response:**
- Greg is going to Academic Senate the week after PAC-B to do an update.
- All PAC-B members should share the information given at PAC-B. Joe gives to Deans – etc.
- All meeting materials are posted on PAC-B Website.

**Action/Response:**
- Academic Senate is looking at Program Review: At what level should a request to allowed to be labeled a Forced Cost.
- The Forced Cost definition: needs to be re-established in Program Review - It was removed at first level due to lack of understanding - not a good reason.

**Next Agenda:**
- Clean version of Decision Making Guide updates
Committee Review

Approval of Minutes, September 17, 2012 Meeting: Accepted

Agenda: Accepted with revisions**

**Revisions to the October 29, 2012 Agenda:

- Add Action Items 3, 4, and 5:

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Review of Action Items

1. **Update on Fall 2013 Full Time Faculty Obligation (FON):** Sharlene reported that she checked with the State Chancellor’s Office and the FON will not go down any further in 2012, even if Proposition 30 does not pass and Districts take additional base cuts and Districts’ FTES caps are further reduced (rebased).

2. **Equipment Funded by Grants:** There was a discussion regarding the need for equipment maintenance funding in 2013-14 for grant funded equipment and what is included in the budget.

3. **Build into Program Review-First Level needs to have access to level 2 and 3 to see what happened in their areas:** The group discussed options for communicating Division Dean and Executive Cabinet rankings. Barry Gribbons explained that the disposition of augmentation and equipment requests can be communicated through the excel sheets posted on the intranet. A member suggested that a column for Division Dean comments and a way for Department Chairs to view their ranking and comments, as well as Executive Cabinet final rankings right in program review would be desirable. It was agreed to look into this issue further. Everyone agreed that for 2013-14 better communication is needed. Barry explained that only the Department Chair will have the authority to cut a budget, and they can put a comment that they were instructed to cut their funding.

   ➢ **NEW ACTION ITEM:** Cindy will e-mail 2012-2013 list of augmentations and equipment requests to the group for their review.

   ➢ **NEW ACTION ITEM:** Barry will check with Jim Temple about adding a link from Program Review to the list of Augmentations and Equipment.

4. **Greg Mucha will attend Academic Senate Meeting:** Greg reported he attended the meeting.

5. **Academic Senate is looking at Program Review and at what level a request should be labeled a forced cost:** Barry Gribbons explained that when the Program Review system was designed it was decided that level 1 should not have the ability to label budget requests as forced costs. Forced cost reasons were included in the Budget Parameters, and a suggestion was made to add examples of forced costs also.

Additional Program Review comments:
- A Program Review Manual is being prepared and could include guidance on some of these discussion points. The manual will include screen shots.
- Beginning with 2013-14, the PDF copied of Program Review will include the budgets.
- It will be important to monitor the Program Review and Budget Process for 2013-14 and see where there are issues or where communication could be improved.

New Business
State Budget Update:
Sharlene provided the group with a State Budget Update based on information she received at the Association of Chief Business Officer’s (ACBO) Conference on October 22 and 23, 2012.

- Proposition 30 is surveying under 50% and will likely not pass. Trigger cuts are then likely.
  - One-third of colleges have budgeted the trigger
  - One-third of colleges have not budgeted the trigger
  - One-third of colleges have taken a middle of the road budgeting approach
- 50% Law
  - 7 Districts requested a waiver for 2011-12
  - Next year this number is expected to increase
- Mandated Costs
  - $33 million block grant has been funded for 2012-13
  - 5 districts have opted out of the new Mandated block grant funding of $28/FTES
  - The funds allocated for these 5 districts will be reverted
- Cash Flow
  - Deferrals are more aggressive than ever
  - District will need Tax Revenue Anticipation Notes (TRANS) to provide cash flow next year
- Growth Projections
  - Tidal Wave #1 – came and went while the Community Colleges were being cut
  - Tidal Wave #2 – 2020 Estimated at 1% Increase
  - Between 4% to 10% DECLINE is projected, so no growth funding is anticipated
- STRS is underfunded
  - It would take an 8% increase in BOTH employer and employee contributions to correct the problem

Decision Making Guide:
This topic will be held over and discussed next time.

- **NEW ACTION ITEM:** Sharlene will send out the Decision Making Guide revisions again and label as “use this one” to make sure the committee knows this is the version that will be discussed at the next meeting.

Next Meeting
November 19, 2012.
Minutes

Committee Review

Approval of Minutes, October 29, 2012 Meeting: Accepted with revisions*
*Revisions to the October 29, 2012 Minutes.

- Page 1, Item 5. Cross out “Academic Senate is looking at” and replace with “discussion about”
- Page 2, Item 5, change from “Academic Senate is looking at “ to “Discussion about “ and move section 5 below “additional program review comments section.”

Approved Agenda: Accepted with revisions**
**Revisions to the November 19, 2012 Agenda:
- Delete Item 3:
- Item 4: Status change to on-going, and responsible party to Barry Gibbons.

Review of Action Items

1. Adding a link from Program Review to the list of Augmentations and Equipment: Done.

2. Discuss giving first users level access to level 2 and 3 to see what happened in their areas: First level would like to see rank order of their requests based on 2nd and 3rd level approval.
   Augmentation rankings and Forced cost rankings will be posted by IT at 2nd and 3rd level. Noris will download Excel spread sheets on “due dates” for each level.

3. Academic Senate is looking at Program Review and what level a request should be labeled a Forced Cost: Deleted by committee on 11/19/12

4. Discussion Regarding Maintenance and Replacement of Equipment Funded by Grants: Historically, grants have funded equipment but funding for the cost of on-going maintenance and future replacement was not funded. The grant process requires an estimate of “instructional commitments with input from Business Services, and
Executive Cabinet. The Chancellor makes the final decision. Grants are often removed from development because the District does not want the institutional commitment. District may decide to not replace grant funded equipment and surplus it. Barry suggested that if you need to replace a piece of equipment that was funded by a grant, follow the process in Program Review.

5. **Provide Augmentation/Equipment Lists:** Membership List: Completed

6. **Sent out Decision Making Guide Revisions:** Completed

**New Business**

1. **Committee Membership List:** Sharlene asked for corrections to the list. Edel indicated the goal is to have one faculty member from each Division, per Academic Senate.

2. **State Budget Update:** Nothing to Report

3. **Decision Making Guide:** Tabled as agenda item – to be discussed in December or January.

4. **Budget Parameters:** The prior year Budget Parameters were presented to the Committee for review and discussion. Edel asked what the purpose of the parameters were. Sharlene explained that they are the framework for the development of the District Budget within the context of the State Budget. Joe Gerda suggested that the Budget Parameters are too broad and don't give good direction for approving budget requests. Sharlene explained that it is a document that provides guidelines and is not supposed to be so specific that there is no room for interpretation by Administration. She explained that it also should not be a “How To Guide” for Program Review.

Edel suggested we organize parameters into major categories like Decision Making Guide new language i.e.

- Flexibility
- Enrollment Management
- Sources of New Revenue (beyond Sacramento)
- Operational & Infrastructural
- Spending Priorities

Joe suggested that Budget/Parameters are too broad and don’t give good direction for approving budget requests. Barry suggested starting with the purpose of the parameters, then a pre-amble, then priorities for the year.

Sharlene shared that the Board Approved Budget Parameters serve as a Fiscal “Policy” Statement for the District that has been provided to Rating Agencies (Standard & Poors and Fitch) as well as the Accreditation Team to support the District’s approach to fiscal responsibility. It has been well received and is the only document that exists for the District that can be used for these purposes.

A subcommittee to work on the parameters was suggested, but Sharlene expressed that this type of revision work is too difficult to do by committee and suggested that she revise based on the feedback and send in advance of the next meeting.

Further discussion continued after the meeting officially ended by smaller groups who continued to discuss the best way to approach revising the Budget Parameters and suggested it be done via email rather than formally meeting because of time constraints.

**Next Meeting**

December 10, 2012.
Santa Clarita Community College District
PAC-B Committee Meeting Minutes/December 10, 2012

Minutes

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Committee Review

Approval of Minutes for November 19, 2012: Approved

Approval of Agenda for December 10, 2012: Approved

Review of Action Items

No prior action items to review.

New Business

2013-14 Revised Budget Parameters:

Sharlene passed out 2013-14 revised Budget Parameters based on discussion at the November 19, 2012 PAC-B meeting and input from Edel Alonso, Joe Gerda, and Greg Mucha, as well as Executive Cabinet. Sharlene reported that she met with Joe Gerda and Edel Alonso on the morning of December 10th and followed up with Greg Mucha that afternoon. As back-up the following documents were also provided:

- 2012-13 Budget Parameters.

Sharlene reviewed the handouts with the group and pointed out that the supporting documents had been highlighted in yellow to show the items contained in both documents. PAC-B recommended that all of the items in the original parameters should be carried over to the new Parameters.

Sharlene reviewed the 2013-14 revised Budget Parameters with the group. These Parameters have been reorganized and streamlined to include background and broad headings to help organize the information.
2013-14 Revised Budget Parameters:

- COC Mission Statement
- Background – Context for Budget Parameters
- Categories of the Parameters
  - Criteria for a Fiscally Responsible Budget
  - Student Access and Success
  - Revenues
  - Expenses
  - Community College Regulations

There was some discussion about how the Budget Parameters related to Program Review and budget development. Sharlene explained that only a small percentage of the Unrestricted General Fund budget was discretionary. About 80% of the budget is attributable to salaries and benefits, and another 10% to insurance and utilities. This leaves only about 10% of the budget available through Program Review to be allocated, reallocated, and increased through forced cost and augmentation requests.

Sharlene explained that with revenues it is important for the District to be conservative, using formulas and the State Chancellor’s Office Budget Guide to make projections.

The group discussed the revised parameters, the process that had been followed to date, and how to proceed with finalizing the parameters. Input on minor additional changes was provided by various group members. The group discussed that the changes made were largely to better format and organize the Parameters, and that the main points have remained intact.

Sharlene emphasized that she had mentioned previously the importance of the Budget Parameters as a fiscal statement that could be used with rating agencies and accreditation. Since the District was scheduled for a Bond Rating presentation in January 2013 for a GO Bond Refunding, it was important to wrap up the Parameters and have them approved at the January 16, 2013 Board of Trustees meeting.

The following process was agreed to in order to finalized the revised 2013-14 Budget Parameters:

1. Sharlene would incorporate the changes suggested by PAC-B today, and then review the latest document with Executive Cabinet on Tuesday, December 11, 2012.
2. Sharlene would incorporate any changes from Executive Cabinet and e-mail the latest document to PAC-B on Wednesday December 12, 2012.
3. PAC-B should respond to Sharlene with any concerns, such as items missing from the parameters, by noon on Monday, December 17, 2012.
4. Sharlene would submit the final Budget Parameters and Budget Calendar to the Board of Trustees for approval on January 16, 2013.

**Budget Calendar:**

The group reviewed the Budget Calendar, and made minor changes to clarify the deadlines for Level 1, 2 and 3 Program Review submission. It was agreed that the Budget Calendar should be included in the Resource Section of the Program Review.

**Next Meeting**

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Committee Review

Approval of Minutes for December 10, 2012: Approved

Approval of Agenda for February 25, 2013: Approved

Review of Action Items

No prior action items to review.

New Business

Budget Update

Sharlene and Cindy went to Sacramento on January 11, 2013 to attend the State Budget Workshop for the January Governor’s Budget which was issued on January 10, 2013. Sharlene provided an overview of that workshop with information that was also included in the joint memo sent out to coc-all on January 30, 2013 by Dr. Van Hook and Sharlene.

This memo provided background on the five-year history preceding the 2013-14 budget and highlights of the January Governor’s Budget proposal. She said it was important to know that even with Proposition 30, the proposed 2013-14 budget would still be $600 million below the 2007-08 Community College system budget. This is because the system has experienced 10% in base revenue reductions over the last five years, and Proposition 30 just helped us avoid a 3rd year of cuts. In addition, she emphasized that Proposition 30 is short-term funding, 4 to 7 years, and after that it is uncertain to what extent State revenues will increase to offset the loss of Proposition 30 funds. The 2013-14 Budget does reflect approximately 5% increase in funding with 3.66% base revenue increase. The highlights of Proposition 30 as well as the 2013-14 Governor’s January Budget are attached.
Q & A

Q: What will happen with the $11 million Proposition 30 shortfall Sharlene described while explaining the Education Protection Act (EPA)?

A: Sharlene explained that in 4-7 years there could be an $11.5 million “hole.” She indicated Proposition 98 commits the State to provide 40% of State revenue to schools and it is assumed that if total State revenue goes up, this will also increase. At this time, the District is not sure what will happen in 7 years.

Q: Would there be budget restorations to department cuts?

A: Sharlene indicated that there are no plans to restore cuts made over the last several years.

2013-14 Budget Development/Program Review

Sharlene discussed that we need to start building the 2013-14 Budget. Program Review due dates are:

- March 1, 2013 Level 1
- March 15, 2013 Level 2
- April 5, 2013 Level 3

Barry reported that only department chairs can make cuts in Program Review.

Updates by the Committee

- Spring classes are full with a 91% fill rate.
- Some colleges have lost a lot of students and are dipping into Stability Funding.
- COC lost some students due to low availability of classes but didn’t cut a lot of sections in the past few years in order to retain our market share.
- Canyon Country Campus (CCC) is doing well with 4,800 spring students.
- The mix of students for spring is: 20% CCC, 70% Valencia, and 10% online.

2013-14 Budget Parameters and Calendar

Sharlene reported that the final Budget Parameters and Calendar were included in the packet handed out at this meeting. She shared that the rating agencies wanted to see the Budget Parameters during recent rating calls to refund a portion of our General Obligation Bonds in February 2013.

New Action Items

- A member requested that budget documents on the Intranet be linked to Program Review. Jim Temple reported that these documents are under Program Review under District Budget on the left side. The group asked that the documents be more easily accessible.
- A member requested that the PAC-B website be reorganized for ease of use.

Next Meeting

Pending receipt of Program Review and May Revise, meetings will be rescheduled.

Meeting was Adjourned
Committee Review

Approval of Minutes for April 15, 2013: Approved

Approval of Agenda for June 3, 2013: Approved

Review of Old Business

- PAC-B Website Reorganization: Table to July meeting. The Committee should bring ideas in July. Sharlene asked the Committee to review the handouts illustrating the current website set-ups.
- Copy and Summary of Policy and Procedures on Program Discontinuance/Funding: Edel was not in attendance and this item will be continued to the July meeting.
- Email the Committee Forced Cost, Augmentation, and Equipment Lists: Done.

New Business

- Update on State Budget/May Revise: Sharlene showed a PowerPoint presentation that was provided by Theresa Tena, CCLC. It provided an historical context of what has happened in the State. The main points Sharlene highlighted were:
  - State revenue shortfalls led to base cuts in 2009-10 and 2011-12.
  - Categorical cuts of $313 million systemwide severely impacted districts. Our District institutionalized the positions formerly funded by categorical funds in the amount of $3.5 million.
  - Unfunded FTES – All districts cut back in 2009-10 and 2010-11 on class offerings to address their unfunded FTES that resulted from apportionment revenue cuts.
  - No COLA between 2007-08 and 2012-13 has had the effect of an 18.3% cumulative loss of revenue. COLA is for more than just salaries. COLA funds items like utilities increases, insurance, and steps and columns.
  - Sections have gone down 5-15% systemwide.
  - Fees went up from $20 to $46 per unit – a 130% increase over 5 years.
  - Access was lost and programs were put on hiatus or terminated.
Proposition 30 in 2012-13 is a temporary fix for revenue shortfalls. These temporary taxes kept funding flat for community colleges from 2011-12 to 2012-13 with 2012-13 revenues the same as 2007-08.

- 4-year sales tax increase
- 7-year income tax increase

Student Success Task Force has brought new expectations and accountability. Access and Success is the new mantra of the Community College System.

Per the Proposition 98 Guarantee, Community Colleges receive 11% of 40% of the State’s revenues. There is no Proposition 98 increase included in our District’s Tentative Budget. If there is an increase, and it is one-time funding, we might receive a block grant. One of the big problems with State revenue projections is that the Department of Finance and the Legislative Analyst’s Office don’t agree on revenue projections amounts.

Highlights of the May Revise include:

- Adult Education from $300 million to $30 million (grant to research)
- COLA $87.5 million – 1.57%
- Access $89.4 million – 1.63%
- Student Success/Matriculation $50 million
- Proposition 39 Energy Efficiency $51 million
- Online Education $16.9 million

The Community College System is being rebuilt to be better/streamlined/accountable

- The census proposal was withdrawn that would fund districts based on completion vs. Access
- Student Success Taskforce brings 2014 goals
- All students need to file a FAFSA to receive a BOG waiver
- Adult Education shifting to community colleges is on the horizon

System Budget Requests

- Restore foregone COLA
- True up each apportionment year
- Secure new funding
- Decentralize and allow what works best for the individual districts

Sharlene shared handouts from the CCLC/Scott Lay that illustrated the changes from the Governor’s January Budget to the May Revise:

- The Legislature is going through the process of discussing the May Revise. This did not occur last year. It went straight to the Governor for approval.
  - Growth is now referred to as Access
  - Matriculation funds are doubled – renamed Student Success Funding
  - Online Education received funds for statewide licenses, possibly Massive Open Online Courses (MOOCs), statewide website
  - Adult Education was put off another year
  - Deferral buy-down was included
  - There is new funding for COLA and Access
  - Lottery is projected to be up due to higher FTES
  - The Proposed Tentative Budget simulates the forced costs
  - Sharlene will give a budget presentation at the June 26, 2013 Board of Trustees meeting
Update on District 2013-14 Tentative Budget:

Sharlene shared COC’s Budget Development Process with the group:

- The 2012-13 Adopted Budget is rolled over and becomes the 2013-14 Tentative Budget.
- Program Reviews are completed and departments shift discretionary budgets between expense categories. Discretionary budgets are approximately $7-$10 million of the $70 million Fund 11 budget.
- Forced costs are submitted through Program Review. They are reported to Executive Cabinet and PAC-B.
- Salaries are calculated and each person is budgeted with steps using a salary database. Fringe Benefits are calculated based on the salaries.
- The Tentative Budget is a rough draft. The fund balance is one-time funding and could be used to fund emergency needs like a roof failure. We strive for revenues to equal or exceed expenses.
- In 2012-13, we cut $7.5 million, but still had more expenses than revenue and had to use fund balance to cover expenses.

Review Forced Cost, Augmentation and Equipment Lists

- Executive Cabinet members in attendance reviewed their forced costs with the committee:
  - Student Services – Mike Wilding
  - Districtwide – Sharlene Coleal
  - Business Services – Sharlene Coleal
  - Instruction Office – Joe Gerda
- If there are one-time funds available from the State in the final budget, such as a possible equipment block grant, Executive Cabinet will have a chance to look at the lists and determine the highest priority.
- Deans will let the faculty know their forced costs were funded and that they will be in the 2013-14 Tentative Budget.

Set PAC-B Meeting Schedule for 2013-14:

The Committee received the proposed list of meeting dates for 2013-14. The Committee agreed that the next meeting would be on July 15th.

New Action Items

- Work with Computer Support to add a link from the PAC-B site to the District Budget Section in the Fiscal Services Office Directory site. Cindy Grandgeorge
- Contact Computer Support to post the Forced Cost, Augmentation, and Equipment Request lists on the PAC-B website. Cindy Grandgeorge
- Send out meeting requests to the Committee for the dates listed on the new meeting schedule. Business Services

Next Meeting

July 15, 2013

Meeting was Adjourned