BUDGET DEVELOPMENT COMMITTEE

Meeting Notes April 5, 2010
(Accepted at the Meeting of April 21, 2010)

Members Present:  Adam O’Connor, Dan Willoughby, Cyndi Grein; Chrystal Van Beynen; Sharon Kelly

Absent: Marcus Wilson, Ken Collins, Tyler Speer, Jesse Garcia

Meeting commenced at 2:05 p.m.

Meeting Notes from 3/3/10 were accepted.

Follow-up:

Categorical Programs: there is no update regarding the categorical programs at this time. There are some potential federal dollars the district thinks we might be able to capture. We need to still work on the $1 million shortfall. Adam indicated that Toni DuBois is coming forth with positions to fill at President’s Staff on Tuesday. A discussion ensued about moving a counselor out of EOPS and the cost savings to that area. Adam indicated that it would amount to about $80,000. Adam then spoke about moving classified to BFAP, and that he has a request to move out of matriculation into general fund, but nothing has happened yet. He then added that Toni DuBois has an interest in filling the management position in EOPS and will be talking about that on Tuesday. Adam then told the committee that he was exploring the possibility of moving classified positions out of categoricals to general fund so that we wouldn’t have to pay the benefit costs. One member asked what happens if we move positions to general fund and we then get an increase to categoricals—what would happen? Adam indicated that this exact question is on his list of notes to confirm. Adam will keep the BDC informed of any decisions—in the broader discussion of the categoricals vs. general fund. One member added that Fullerton College had the largest EOPS program in the state but now they need to cut back. Don’t think long term that the staffing will ever come back to the same level. If we set a precedence Adam would not recommend doing it.

Technology & Engineering Position Approved: Adam informed the committee that this position did come back around and has been approved and is being flown.

State and District Budget Update: Adam indicated that $3.5 million is the estimated district-wide deficit next year. There was an apportionment recalculation that saved some money and Fred thinks that property tax revenues are coming in better than originally anticipated.
Discussion of Board Budget Priorities and Recommendation regarding overcap FTES: Adam reviewed the documents that he e-mailed to the committee and shared his notes from the meeting and the Board Budget Priorities, highlighting comments made by each board member.

Adam indicated that he would like to have an opinion from BDC as to what to do with our overcap FTES and opened the meeting up for discussion.

FTES has gone both ways—do we want to be overcap or just serve the number of students the state pays us for? We lose money if we are under cap and there is some incentive to go over. Maybe 9% is too much. If we take money out of the extended day budget the number of FTES will go down. At 5%, translates to approximately 1688 FTES district wide which would calculate to about 800-900 for FC. If we average the 6 years that we were overcap, it would total 5%. Adam thinks that 5% is a good number—Fred Williams would probably think 2-3% would be good.

What are our thoughts with what to do with our FTES? Cyndi thinks that we should stay at the 5% amount. Sharon added that we should be overcap. Discussion ensued about student trends and class size. Students are enrolling in all different areas and then dropping—shopping for classes. In some instances the students are enrolling and not dropping because they can’t find a job, etc. We shouldn’t try to shoot for zero overcap because if we do not reach cap there is too much risk. Dan Willoughby thinks that we should ask the VPI. We are currently at 13% overcap which includes the non credit earned in our labs. Without non credit we are at 7.5% to 8% overcap. If there is a $1 million reduction in extended day, how many FTES would we lose? There was much discussion about how to calculate FTES, classes, class size, credit, non-credit and enhanced non credit and the difficulty in doing the calculation. Right now we are cutting dollars not necessarily FTES. Adam said that the district will give us a dollar number to cut not an FTES number to cut. After some quick calculations, Dan came up with a very rough estimate that $1 million would equal about 900 FTES.

Adam summarized the discussion: BDC is supportive of being overcap for the reason we talked about—but @ 2, 3, or 5%, not sure of the appropriate level to recommend. If there is growth on the table and other districts are under, we could pick them up if we had overcap FTES. The VPI should be included in the discussion.

Adam feels that our faculty are on board with serving as many students as we can. If we get another decrease of $1 million, our recommendation was to cover it out of our carryovers.

If we are going to be overcap, should we all be treated equally? The overcap should be at the colleges not at our non credit option at SCE. The non credit programs should not be given equal weight as it is not as high a priority.

Not aware of what the impact would be if they cut SCE by that amount. Philosophically we are a college campus and teach college courses. One member asked if the high schools offered continuing education classes. Sharon asked if we get money from the high schools for continuing education? Basically we have cornered the market in continuing education in our area. We are serving a large number of people in the community. It is possible that we could offer our own non credit courses at the college rather than have a separate school for this. When there are cutbacks we could decide to shrink or grow our non credit offerings. There was some discussion about the differences of credit vs. non credit courses. If they transfer to fee based it would have a positive affect on our FTES and we would be able to serve more people.
Support being overcap to some level. No arguments against supporting credit vs. non credit. Prefer that the district overcap is attributed to credit not non credit FTES.

**Carryovers for 10/11:** Adam informed the committee that there are a number of things looming for carryover dollars next year and that we are on target for a similar $8 million carryover. Below are some of the items that will be coming up for discussion in BDC in the future.

- $228,000 department carryovers & PIPs
- $500,000 for campus projects
- $215,000 holding for the foundation
- $371,000 in personnel contingency
- $300,000 for the International Students program

Leaving $6.4 million

Of that there are potential costs such as:

- $1 million for categoricals
- $2 million for capital projects
- $2 million for potential cuts to our budget
- $500,000 additional cuts to extended day
- $100,000 to a few programs in Dynamic Fund—do we want to continue to do this again for another year?
- $100,000 for vehicle replacement
- Restoring cuts?
- An undecided amount for a technology plan.
- Possibly set some money aside to carryover to future years.

Meeting adjourned at 3:25 p.m.