

# Budget Committee Meeting (Draft)

April 25, 2013, 2:30 PM

Minutes

## Present:

Ken Takeda	VPAS, Chair
Judith A. Friedman	VPAS, for R.L. Sprague
Phyllis Braxton	VPSS
Adrienne Foster	Academic Senate
Judy Chow	Academic Senate
Dionne Morrissette	AFT Classified
Olga Shewfelt	AFT Faculty
Eric Ichon	Teamsters
Rebecca Tillberg	Planning & Institutional Effectiveness Committee Liaison
Fran Leonard	Guest, College Council
Helen Lin	Resource, Academic Affairs
Hansel Tsai	Resource, Admin Services
Maureen O'Brien	Resource, Admin Services

1. **Call to Order/Approval of Agenda.** The meeting was called to order by the Chair at 2:40PM. A quorum was not immediately achieved so the approval of the agenda was postponed.
2. **Approval of Minutes.** The minutes of the February 28, 2013 meeting were postponed due to the lack of a quorum.
3. **Old Business:** none
4. **New Business:**

**Item 4a. PIE Committee Report.** Rebecca Tillberg presented the resource list for 2013-14 which was compiled from the resource requests included in the recently completed college-wide Program Review, prioritized by a sub-committee of the PIE Committee, and presented at the last PIE Committee meeting on April 10, 2013. Ms. Tillberg stated that it became obvious during the prioritization process that, in the future, the cost of each request should be documented and should be characterized as on-going or one-time. Ken Takeda asked that the referral of this resource list to the Budget Committee should be clearly noted in the PIE minutes. The process of referral will be: PIE to Budget Committee to College Council to the President.

Olga Shewfelt motioned that the Budget Committee ratify this process. All present were in favor of this motion. The purpose of referral to the Budget Committee is to obtain an agreed-upon spending threshold to accompany the resource request list being forwarded to College Council.

Ms. Tillberg noted that she had requested documentation for the cost estimates on the resource list after the prioritization process, but that not all the information had yet been collected so the Budget Committee was reviewing the list without cost modification. Adrienne Foster asked if the first item on the list was truly a compliance requirement. Phyllis Braxton reported that Athletics does not need the position immediately and is withdrawing it for this year.

With regard to the requests for hiring permanent positions, Eric Ichon suggested that the college develop a process for classified positions modeled after the FPIP process for certified positions. Since a permanent hire is a big commitment, we need a staffing plan overall so college needs can be regularly re-assessed. Olga Shewfelt noted that this issue has been addressed before, but not in this forum. For example, the new LACCD budget allocation model Phase I is based on an assumption of administrative costs. It is a complex calculation but it addresses needs and provides flexibility.

Ken Takeda noted that the college addresses WASC Standard III with a Technology Master Plan and a Facilities Master Plan, but what is missing is a Staffing Master Plan. At Pierce College an accreditation sub-committee tasked with developing a staffing plan, of which he was a member, was unsuccessful, primarily due to the lack of similar positions across departments. Adrienne Foster suggested that this subject be referred to College Council.

There ensued some discussion of individual items on the resource list. Ms. Tillberg noted that #0 and #21 should be removed. #21 is an expense that will be covered by the Bond Program and #0 has been withdrawn. She also questioned whether #1, \$14,800 for student tutors to set up a math lab in the library would be in addition to the amount already allocated for math tutoring in the 2013-14 budget. Eric Ichon suggested that we should determine whether growth is needed in non-credit FTES which tutoring would support. Rebecca suggested that the classification of #10, a \$4,500 request from Counseling for software, should be changed to "Other, recurring" as it would doubtless require an annual maintenance fee. Adrienne Foster asked about the \$119,000 item requested by Matriculation/Assessment. Is staff included? Phyllis Braxton answered that no new positions were included in this amount, but it may include additional hourly counseling. She needs time to develop a detailed plan to respond to the challenge of AB 1456.

Ken Takeda stated that, in his opinion, the resource list as currently presented does not contain enough information upon which to base a decision on funding. Rebecca suggested that whatever needs the Budget Committee identifies and comments it

might have should be articulated and attached to the list when it goes to College Council. She also cautioned against making an absolute dollar threshold recommendation as more or less “discretionary” funds may become available as the year unfolds.

Phyllis Braxton asked whether software maintenance would have to be requested each year. Ken Takeda answered that if a piece of software is approved for purchase, the yearly maintenance cost would become part of the permanent budget going forward. The only time software maintenance would have to be requested is the first year the cost was coming off a grant and needed to be covered by the general fund.

Olga Shewfelt noted that if the job of the Budget Committee is to recommend how much money is available to respond to resource requests, then it would be the job of the Budget Committee to develop principles to guide the decision-making process. Fran Leonard spoke in support of this idea, but noted that it is the job of the Budget Committee to specify a dollar limit, not re-prioritize the list. Judith Friedman commented that principles were established to guide the reduction of classes over the last few years and that process has worked very well. She suggested that an ad hoc committee be appointed to develop such principles.

Olga Shewfelt noted that WLAC is one of six Colleges in the District projecting an ending balance for 2012-13. Should we not be able to spend it all? Ken Takeda noted that we needed to make our recommendations in the context of the projected budget for 2013-14.

The preliminary projection for 2013-14 was presented to the Committee last meeting and revenue is summarized as follows (in thousands):

	<u>2012-13</u>	<u>2013-14</u>	<u>Change</u>
Ending balance	1,691	1,752	(61)
General fund allocation	25,963	25,103	
EPA funds	<u>2,456</u>	<u>4,228</u>	
Sub-total	28,419	29,331	(912)
FON subsidy	245	385	(140)
Return of 2.5% reserve	693	-	693
Accreditation supplement	210	-	210
Gala proceeds	80	-	80
Other	<u>535</u>	<u>562</u>	<u>( 27)</u>
Total revenue	31,873	32,030	( 157)

The Chair pointed out that revenue has increased by only about \$157K. Expenses, however, have increased by \$1,236, primarily due to FON hires, cost of living

increases, and benefits increases, leaving a projected ending balance of only \$674K. There may be more growth money available after the Governor's May revise, but we will have to spend proportionately to increase classes to achieve more FTES. Eric Ichon asked if we have done any modeling for future years. The Chair responded that modeling is hard to do as community college revenue is dependent on state revenue, which has been in decline for several years. We might be cautiously optimistic that 2014-15 will be better. Dionne Morrisette commented that benefits costs will probably continue to increase and asked how retirements play into budget planning. The Chair responded that retiring faculty must be replaced, but staff may not be replaced, which results in savings.

Given the budget picture for next year, the Chair recommended that the college not commit to any new permanent positions, but could consider one-time expenditures. If enterprise revenue grows over the year, the committee could recommend increased spending for one-time items. The Chair noted that the President would like to set aside some money for professional development of faculty and staff. Olga Shewfelt urged that each resource request be documented as to annual cost. Ken Takeda reiterated the Budget Committee's obligation to forward a recommended amount for new spending in 2013-14. Ms. Shewfelt stated that she did not feel that the Committee has enough information to come forward with a recommendation, but that it would be safe to propose \$175K. There was consensus on this amount. There was consensus on the recommendation to College Council that a staffing plan be developed for certified and classified staff. Consensus was also achieved on the recommendation that resource requests be reviewed on an on-going basis as the budget evolves.

The Chair recommended that the Committee review the remaining information items on the agenda at their leisure and the date and time of the next meeting were agreed upon: May 23, 2013 at 3:15 PM. The meeting was adjourned at 4:35 PM.