

Budget Committee Meeting

July 25, 2013, 2:30 PM

Minutes

Present:

Ken Takeda	VPAS, Chair
R.L. Sprague	VPAA
Phyllis Braxton	VPSS
Adrienne Foster	Academic Senate
Judy Chow	Academic Senate
Ashanti Lyles	AFT Classified
Eric Ichon	Teamsters
Abel Rodriguez	SEIU 721
Nabil Abu-Ghazaleh	Guest, President
Rebecca Tillberg	Guest, PIE Chairperson
Michael Goltermann	Guest, Enrollment Management
Fran Leonard	Guest, College Council
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 2:43 PM. A quorum was not immediately achieved so the approval of the agenda was postponed.
2. **Approval of Minutes.** A quorum was achieved so the minutes of the May 23, 2013 meeting were reviewed, corrections were made, and the minutes were adopted as amended by consensus.
3. **Old Business:** none
4. **New Business:**

Item 4a. International Students Initiative.

Michael Goltermann, Dean of Admissions and Records, on behalf of the foreign student stakeholder group, presented a proposal to expand the office which supports international student applications. The first year of expanded services would include the addition of salary and benefits for an office assistant, student workers, international tutors and mentors, recruitment, advertising, software and supply costs. To mitigate this increase in cost, Mr. Goltermann pointed to the increase in foreign

student revenue of 24% in academic 2012-13 as compared to the previous year, and the increase of 12% in academic 2011-12 from the previous year. Increased staff and other support costs should help the school maintain this growth.

President Abu-Ghazaleh spoke in support of this proposal, indicating that as a limited effort on the part of the college had produced good results and had provided valuable experience for staff, additional efforts should bring continued success and the expected growth of the program.

Adrienne Foster asked for demographics of the students currently enrolled. Mr. Goltermann responded that West's 170 students are from 26 countries with no large majority from any one country. Eric Ichon noted that such a dispersion of countries of origin encourages students to learn English. Adrienne asked further if there were plans to formalize this stakeholder group of campus personnel into the campus' committee structure. She felt this increased openness would be a healthy and appropriate move.

VP Sprague echoed the President's remarks of support and indicated that some effort was in progress to formalize the support group (currently voluntary) on campus. The Development Committee had sent a recommendation to College Council to institutionalize the stakeholder group and rename it "All Things Global".

VP Takeda also endorsed the proposal, citing his own successful undergraduate experience as a study abroad student and subsequent campus host upon return from abroad. He stated further that this year the college is in a unique place fiscally. It has a sizable ending balance, a part of which if used to invest in this program, could strengthen an independent revenue stream, thus reducing the college dependence on state apportionment.

Fran Leonard motioned that the Budget Committee forward a recommendation on this proposal to the College Council. Adrienne Foster seconded the motion. The Chair called for a vote and the motion was passed unanimously. The Chair suggested that this program be revisited by the Budget Committee each year to assess progress.

Item 4b. Program Review Resource Requests for 2013/14.

The Chair reviewed the recommendation on funding that was decided at the last Budget Committee meeting, May 23, 2013: \$175,000 of new spending was the recommendation to College Council and then to the President. This amount was based on the expectation of \$175K of new facilities rental income in 2013-14. Phyllis Braxton reiterated that two Student Services items have been withdrawn. The 3rd item from the top for \$119K has been withdrawn due to the increased State funding of the Student Success Support Program, a categorical program that replaces Matriculation. Although the State's spending rules are not yet published, it is

expected that this resource request can be funded from the SSSP allocation, especially since the allocation is going to be increased considerably, state-wide. Also, the first item on the list, \$16,960 is withdrawn because not an urgent compliance issue as originally thought by the committee that prioritized the resource requests.

Adrienne Foster recommended that the Matriculation Advisory Committee should be elevated to a College committee, under College Council. It should have representatives of all College constituencies. Ken Takeda mentioned that the same idea had been advanced at the last DBC meeting. VP Braxton concurred.

Rebecca Tillberg suggested that the Matriculation Advisory Committee be folded into the Student Success Committee which already exists.

The Committee returned to the topic of the resource requests, and Eric Ichon asked how the decision would be made between the two items prioritized as #4. Rebecca Tillberg thought presidential judgment would come into play, possibly between the costs of a permanent position vs. a one-time expenditure. Adrienne Foster cautioned against funding any permanent position which, if funded through this process, might by-pass existing procedures.

Discussion ensued about the meaning of item #6 on the list, \$120K for 1.0 SLO Coordinator. Since there is currently a .5 position filled for SLO Coordinator, it was decided that this item should be interpreted as an additional .5 position. Eric Ichon suggested that the amount be changed to \$70K.

Adrienne Foster asked if there is a timeline for the decision on the funding of these requests and how would the campus be informed? Ken Takeda responded that the President is interested in finalizing the decisions before fall semester starts. Rebecca Tillberg said the communication to campus would likely come from the President's office.

Item 4c. District Budget Committee.

The Chair commented that LACCD is facing a shrinking contingency reserve, primarily due to State revenue shortfalls and the use of the contingency reserve to backfill this shortage in F2013. The State anticipated more revenue to be freed up from the closing of the redevelopment departments than was actually achieved and the District contingency fund absorbed the LACCD share of the shortfall of \$22.360M, leaving a balance of only \$2.02M.

Ken Takeda spoke next to the subject of enrollment growth. One of the consequences of an improved state economy is that funding becomes available to the community colleges for growth. For F2014 the rate is 1.63%.

The District Budget Committee approved a proposal from the District Budget Office that the colleges target a growth rate at least 2% higher than the expected funding, between 3.63 and 4%. The rationale for this proposal is that many colleges in California had difficulty meeting their enrollment targets in F2013 and are expected to experience the same difficulty in F2014. When this happens, at the end of the year, the State redistributes unused growth funds to colleges who have achieved growth. To support this effort, the District will help fund the extra expense, but at a rate less than the state funding rate of more than \$4K per FTES. The District will fund at a rate of \$2,324 per FTES. This amount is expected to cover the direct costs of classroom instruction.

Adrienne Foster asked if this would mean more class offerings and Bob Sprague responded that it would mean more sections offered in fall and spring, a plan for a slightly smaller summer than was offered in 2013, and possibly a winter session. Eric Ichon commented that instructors are reluctant to add students in short sessions, and therefore achieve smaller FTES. VP Sprague commented that class sizes appear to be dropping and we need to get the word out about growth. Ken Takeda remarked that the extra growth requested by the District would not be added to the college's base, but it is hoped that in the future permanent additions to funded FTES would be forthcoming.

Item 4d. FY 2013/14 State Enacted Budget.

The College allocations were presented at the last DBC meeting, with an amount of \$29,866,584 for West; allocated in two major categories, unrestricted and EPA (Education Protection Act). The "final budget" goes to the Board of Trustees for approval in August. Adrienne Foster asked for a look at the detail of West's budget and Ken Takeda obliged with an overhead of our current projection. The carry forward ending balance estimated at \$2,371K is larger than expected, significantly due to the late addition of a credit for the amount that non-resident student tuition exceeded budget (\$155K) and an apportionment adjustment (\$139K).

In light of this healthy ending balance, Adrienne Foster asked if it would be possible to increase the resource request spending to an amount higher than \$175K. Ken Takeda reminded the committee that even though there is a small increase in allocation from F2013 to F2014, we project an operating loss in F2014. In other words, increased expenses in F2014, primarily salary and benefits costs would result in a deficit if we were unable to count on an ending balance from F2013.

After the Chair's brief review of the F2014 budget projection which included the information that advertising expense had been increased at the President's request so that the college could achieve its FTES target, Rebecca Tillberg requested that the \$175K of approved resource request spending also be included in the projection. Eric Ichon repeated the request that this amount be increased in light of the higher than expected ending balance. Ken Takeda said he would support an amount as high as

\$275. Eric reiterated that he was confident that non-resident tuition would increase this year to help defray this cost. He also stated that funding resource requests at a reasonable level is a good faith sign that planning and budgeting are linked and that the work to request resources through the program review process is worthwhile.

VP Sprague stated that he supported the increase in resource request allocation in principle, but would like to see a complete list of resource requests which would include any that have come forward since program review, plus all additional costs to the F2014 budget, before the Committee votes on an increase. Adrienne Foster agreed, noting that there would be a 1.2 additional reassigned time recommendation coming from the Academic Senate.

Item 4e. Committee Self Evaluation.

Ken Takeda submitted a draft Committee self-evaluation for member review and finalization at the next Budget Committee meeting.

Item 4f. PIE Committee.

Rebecca Tillberg stated that there was no report for this meeting.

Item 4g. Selection of Co-Chair.

Fran Leonard noted that the selection of co-chairs was an agenda item not discussed at the last College Council meeting due to lack of time. She does not however anticipate a problem and will send out her communication to the Council Executive. Adrienne recommended that we comply with the current co-chair model: one administrator and one faculty person.

Next Meeting Date:

As the fourth Thursday of August, our regular meeting time, would interfere with faculty flex week, Ken Takeda suggested we meet on August 15 at 2:30 and asked everyone to e-mail him their availability

Adjournment:

The meeting was adjourned by the Chair at 4:10 PM.

