

Budget Committee Meeting

October 25, 2012, 2:30 pm
Minutes

Present:

Ken Takeda	VPAS, Chair
Gabriel Brown	ASO
Dionne Morrissette	AFT Classified
Vidya Swaminathan	AFT Faculty
Rebecca Tillberg	Guest, Academic Services
Helen Lin	Resource, Academic Services
Karina Weatherly	Resource, Admin Services
Hansel Tsai	Resource, Admin Services
Maureen O'Brien	Resource, Admin Services

1. **Call to Order/Approval of Agenda.** Meeting called to order by the Chair at 2:40 PM. Current agenda approved as written.
2. **Approval of Minutes.** The approval of the minutes of the August 30, 2012 and September 27, 2012 meetings were postponed because a quorum was not achieved.
3. **Old Business** (none).
4. **New Business:**
 - a. **District Budget Committee, October 5, 2012.** The Chair reviewed information from the most recent DBC meeting: There was only one agenda item for this meeting.
 - **“Accreditation Budget Augmentation Requests.”** The Chair set the context for the budget requests that were before the District Budget Committee. The three “seaside” colleges who were subject to the accreditation self-study review this spring are all on sanction. West is on the least serious sanction, i.e. warning. Harbor and Southwest are on the second level of three, i.e., probation. All three colleges are to be revisited in spring 2013 and the college presidents of each made a formal request to the District for additional one-time funding to help address their deficiencies. Harbor requested \$249,000, Southwest requested \$279,300 and West \$210,000. All three requests were recommended by the DBC to the Chancellor for funding. Since this meeting these requests have been

approved by the Board and budgets have been established. The Chair reviewed West's justification item by item and noted that it was important that the funds be spent as proposed. Helen Lin asked why West received the least funding. Ken Takeda replied that West received what was requested, as did the other colleges. Dionne Morrissette asked if the funds were subject to repayment. Ken Takeda replied no. Helen Lin inquired whether item number 2 on West's list, which refers to security, could be used to cover on-going costs for security software. Ken Takeda replied no, that an important characteristic of these funds was that they must not replace items that are already budgeted. He said further, that item number two does not refer to software costs, but rather to erecting a physical barrier to prevent students from circumventing book checkout by tossing books to confederates in the lobby of the library.

b. This subject covered in (a) above.

c. **FY 12/13 1st Quarter Report and Meeting.**

- Soon after each of the first three quarters of the fiscal year, the nine colleges in the District are required to submit an expenditure projection by quarter. It is also customary for college budget personnel to meet with District budget and enrollment personnel to discuss this report and any issues it might raise. A copy of West's report and other documents from the first quarter meeting were distributed to meeting attendees. West's meeting occurred October 15, 2012. Prior to this meeting District Budget personnel prepare their own projection of each college's expenditure based on financial reports from the immediately preceding quarter end and most of the meeting centers around any variances between the two projections. The Chair directed the committee's attention to the columns titled "Total District" and Total College". District is projecting a year-end deficit of \$640,225 and the college is projecting a larger deficit of \$1,165,678. The Chair also noted that this projection assumes full use of the ending balance and still projects a deficit. Helen Lin asked if the difference between the District and the college projection is due to date differences. Ken Takeda replied no, the difference is due to different assumptions on each side. For example, the District projection for teaching hourly is based on September expenses; the College projection includes the expense of late start classes that start in October. Similarly the college projection includes increased electricity costs due to the malfunctioning chiller on the roof of SSB.
- This quarter's meeting also included a discussion of the increased scrutiny by WASC regarding institutions "achieving and sustaining

institutional effectiveness in the area of financial resources>”A letter from WASC Associate Vice President Norval L Wellsfry ED.D, was included in the handouts from the College’s quarterly meeting with the District. This letter outlines the three levels of financial risk upon which the Commission bases its assessment of the need for additional monitoring. “N” is for normal risk; “M” is for moderate risk, and “R” stands for “referred.” “The colleges of the LACCD have been identified as category R or have been identified as category M or R for three years” which means that they will receive a more in-depth analysis by the Financial Reviewers. The Chair reported that Jasmine Delahoussaye indicated that West may be exempt from immediate review based on past performance. However, it should be noted that the prediction of a negative ending balance for 12/13 could trigger a review.

- The final topic covered in the quarterly meeting was funded FTES. West met their funded base last fiscal year (6,764) with a final FTES of 6,781. This fiscal year our best-case target is 6,655, and worst-case target is 6,170. Fall 2012 FTES is tracking at 2,990 for credit which is less than expected and, at worst-case budgeting, unless made up for in spring, could bring us in under base. Rebecca Tillberg commented that many changes in data collection could have influenced this underperformance.

d. **Program Review 2012; Coordination with PIE.** After much thought and discussion of this important, accreditation-related item, Rebecca Tillberg made the following suggestions:

- That the Budget Committee include a description of the formal monthly and quarterly review processes in the accreditation write-up.
- That the Committee undertake a multi-year review to see if any anomalies or consistencies emerge.
- That the Committee review student statistics, like completion and transfer rates as part of their on-going effort to link budget and planning.
- That the Committee relate budget detail to the college’s stated mission and goals.

Ken Takeda remarked that January would be a good month for this kind of review. There was general agreement on these suggestions.

5. **Adjournment.** Some discussion occurred prior to adjournment regarding the next meeting time. November 15 and November 29 were suggested as possibilities. At 4:05 pm the meeting was adjourned.