



Planning and Budget Committee  
2009-10

August 26, 2009  
September 16, 2009  
September 23, 2009  
September 30, 2009  
November 11, 2009  
December 9, 2009  
February 24, 2010  
March 24, 2010  
April 14, 2010  
April 28, 2010  
May 5, 2010  
May 26, 2010  
June 1, 2010



Budget and Fiscal Planning Committee  
August 26, 2009

**Members Present:**

John Lau, VP for Bus Svcs, chair  
Dr. Victor Jaime, Admin. Rep.  
Kevin White, A.S. President  
Dr. Michael Heumann,  
College Council Chair

Eric Jacobson, Faculty Rep.  
Dr. Lianna Zhao, Faculty Rep.  
Carlos Fletes, Director of Fiscal Svcs.  
Dawn Chun, CMCA Representative  
Betty Kakiuchi, CSEA Representative

**Recorder: Mary Carter**

John Abarca, CSEA Representative  
Steven Sciaky, ASG representative

**Non-Voting**

Kathy Berry, VP Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:30 p.m.

**ACTION**

1. Approval of minutes: ***M/S/C Jaime/Kakiuchi to approve the minutes of the June 12, 2009 meeting as presented.***

**DISCUSSION/INFORMATION**

1. Name of Committee: VP Lau reported that the name of the committee has been changed by board action from the Planning and Budget Committee to the Budget and Fiscal Planning Committee (Board Resolution 14423, July 15, 2009).
2. State budget update: VP Lau reported that he and Carlos Fletes, Director of Fiscal Services recently attended a state budget workshop. The College has lost \$1.2 in revenue due to a reduction of the FTE the state will pay for to 6923 (workload reduction), there are also budget cuts that will have a tremendous impact on categorical programs. There is a chance of more budget cuts in December if the state does not meet its revenue projections. The current state budget is being balanced with one time measures, such as deferring payments. There is at least an 18 month turn around before any effects of an economic recovery are felt. The State is not certifying the amount of federal stimulus money that colleges will receive at this time. Mr. Lau stressed that stimulus funds are one-time monies.
3. IVC Budget update: The Chancellor's Office has reduced the College's workload (the FTE the state will pay for) from the 7200 FTE that was funded last year to 6963 for 2009-10. This reduction amounts to a \$1.2 million loss of revenue. There is a reduction to property taxes in the amount of \$200,000, for a \$1.4 total revenue reduction. There is also the possibility that the 7200 FTE for 2008-09 could be reduced in February. The increase in student fees to \$26 a unit does not add revenue to the college because the amount of student fees charged comes off the College's apportionment.

Mr. Lau stated that the College must budget to its revenue; global cuts are needed to achieve a balanced budget. The College must be sure that it achieves the amount of FTE that it will be paid for. Enrollment management is the key to budgeting correctly, and it must drive the budget.

- a. The final budget must be adopted by the Board of Trustees by October 15, 2009.
  - b. Categorical budgets: There is a 32% reduction of state funding for categorical programs which will be a 16% cut if all federal funding is realized. Due to uncertainty about what the federal funding will be, the state has only certified the amount of state funding for categorical programs. Federal funds will be one-time monies; therefore, it is important to plan for a worst case scenario for next year for categorical programs. The cuts to categorical programs affect all community colleges in California. There is a possibility of some programs being completely eliminated. Dr. Jaime will present a plan for categorical programs to the committee.
4. Resource Allocation update (report on site visit to Los Rios CCD – Kevin White, Marilyn Boyle): Marilyn Boyle reported that Los Rios CCD has been using resource allocation for the past 20 years; the plan contains formulas for everything including productivity and efficiency. Salary and benefits account for 80% of the total budget, and the district has a 9% reserve. All employees share in the “bucket”, except the president. The Los Rios faculty and classified she talked to seemed to like the plan because it was a “proportionate system”; all employees shared in the budget ups and downs. The plan also provided for the banking of funds to address future budget reductions. Kevin White stated that he spoke to the faculty representative and there seems to be buy-in from the unions. John Lau stated that IVC’s challenge is to balance the budget and it will take at least a three year period for a transition to occur.
  5. Fiscal Health Risk Analysis: John Lau asked committee members to do one page of the risk analysis per meeting, the exercise will help the committee identify areas of concerns.
  6. Next Meeting: September 16, 2009, 3:30 p.m.

Meeting adjourned at 2:40 p.m.



## Budget and Fiscal Planning Committee

September 16, 2009

Members Present:

√John Lau, VP for Business Services, Chair  
 √Dr. Victor Jaime, Administrative Representative  
 √Kevin White, Academic Senate President  
 √Dr. Michael Heumann, College Council Chair  
 \_Eric Jacobson, Faculty Representative  
 √Dr. Lianna Zhao, Faculty Representative  
 √Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

\_Dawn Chun, CMCA Representative  
 √Betty Kakiuchi, CSEA Representative  
 √John Abarca, CSEA Representative  
 √Steven Sciaky, ASG President  
 √Dave Drury, Faculty Alternate  
Non-Voting  
 \_Kathy Berry, Vice President for Academic Services

**Call to order:** The special meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 3:40 p.m.

**ACTION:** There were no action items.

**INFORMATION**

- 2009-10 Budget: Copies of the 2009-10 "Draft" Final Budget were distributed to committee members for review; discussion and action will take place at the next meeting.

**DISCUSSION**

- Three year budget analysis: Carlos Fletes distributed the following three year funding analysis, dated September 16, 2009.

	<u>08-09</u> Budget	<u>08-09</u> Actual	<u>09-10</u> Proposed Budget	<u>10-11</u> Proposed Budget
Fed Revenue	2,843	2,312	531	531
State Revenue	29,336,593	29,910,045	29,158,592	29,158,592
Local Revenue	7,872,525	7,824,460	7,902,806	7,902,806
<b>Total Revenue</b>	<b>37,211,961</b>	<b>37,736,817</b>	<b>37,061,929</b>	<b>37,061,929</b>
Cert Salaries	18,192,845	18,176,241	18,405,908	18,405,908
CL Salaries	7,390,139	7,045,887	7,210,990	7,210,990
Benefits	8,194,949	8,225,548	8,863,546	8,863,546
Supplies	1,008,269	725,353	722,297	722,297
Services	3,784,530	3,502,029	3,460,087	3,460,087
Capital Outlay	371,169	236,706	217,961	217,961
	38,941,901	37,911,764	38,880,789	38,880,789
Other outgo	920,983	920,917	849,000	849,000
<b>Total Expenses/other</b>	<b>39,862,884</b>	<b>38,832,681</b>	<b>39,729,789</b>	<b>39,729,789</b>
<b>Surplus/-deficit</b>	<b>-2,650,923</b>	<b>-1,095,864</b>	<b>-2,667,860</b>	<b>-2,667,860</b>

Beginning Reserves	6,828,764	6,828,764	4,956,442	2,188,582
Prior year adjustments		-776,458		
Adjusted Beg Balance		6,052,306		
Ending Reserves	4,177,841	4,956,442	2,288,582	-479,278
% of unrestricted GF	10.48%	12.76%	5.76%	-1.21%
Adjustments to fund balance				
Retiree Vacation Accrual			-100,000	
<b>New projected reserves</b>	<b>4,177,841</b>	<b>4,956,442</b>	<b>2,188,582</b>	<b>-479,278</b>
<b>% of unrestricted Gen Fund</b>	<b>10.48%</b>	<b>12.76%</b>	<b>5.51%</b>	<b>-1.21%</b>
<b>New projected deficit</b>	<b>-2,650,923.00</b>	<b>-1,095,864.00</b>	<b>-2,767,860.00</b>	<b>-2,667,860.00</b>

2008-09: The \$2.6 million projected deficit ended up at \$1.1 million due to some unanticipated one-time revenue (interest from the County of Imperial); classified salaries were under budget due to unfilled positions; overall expenditures for services, supplies and capital outlay were less than budgeted. The prior year adjustment of \$776,458 is due to student accounts that will be turned over to collections.

2009-10: The State will fund 6960 FTE for 2009-10; it was 7200 for 2008-09. Enrollment projections show 6400 FTE to be generated for Spring and Fall; Winter has historically generated 450 FTE. The committee discussed placing more emphasis on Winter session and scheduling Summer based on financial and student needs. John Lau stated that the state budget situation is very fluid; mid-year cuts are possible in February. GASB 45 is not being funded in this budget, but at some point the college must address its unfunded liability.

2. Cost savings/containment measures: VP Lau stated that the committee must come up with a budget recommendation, and it needs to take a global view. Program reduction and ways of reducing labor costs need to be considered. He hoped that the recommendation the committee makes addresses the deficit. He acknowledged that the committee won't be able to find the entire \$2.7 million, but to keep in mind that next year reserve funds won't be available to balance the budget. Carlos Fletes stated that a detailed plan is needed, general reductions are hard to implement at the line item level.

Meeting adjourned at 4:29 p.m.



## Budget and Fiscal Planning Committee

September 23, 2009

Members Present:

John Lau, VP for Business Services, Chair  
Dr. Victor Jaime, Administrative Representative  
Kevin White, Academic Senate President  
Dr. Michael Heumann, College Council Chair  
Eric Jacobson, Faculty Representative  
Dr. Lianna Zhao, Faculty Representative  
Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

Dawn Chun, CMCA Representative  
Betty Kakiuchi, CSEA Representative  
John Abarca, CSEA Representative  
Mario de la Torre, ASG Representative  
Dave Drury, Faculty Alternate  
Non-Voting  
Tina Aguirre, Interim VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:35 p.m.

**ACTION:**

1. Committee's recommendation to the Superintendent/President - 2009-10 Budget: **M/S/C Jacobson/Chun to hold a meeting next week to make a budget recommendation (yes 5, no 3).**

VP Lau stated that the committee needs to make a realistic recommendation on the budget; \$2.7 million cannot be found without addressing labor issues. VP Lau will be meeting with the union presidents on Monday, September 28; the meeting will be to share financial information, not to negotiate. Eric Jacobson suggested that the committee postpone making a budget recommendation until after the VP for Business Services meets with the presidents of CTA and CSEA. Committee members noted that budget recommendations have been made previously, but that spending has not stopped.

The committee reviewed a list of budget discussion items (memo from the Director of Fiscal Services, dated September 22). Alternate Drury stated that he would like to know the savings from freezing spending at the June 2009 level. It was suggested that summer session be cancelled, and a minimum winter session be held. VP Lau stated that the College must have a strategy for Winter session in order for it to be cost effective, with good fill rates.

Carlos Fletes stated that the Business Offices has found a \$250,000 item that was double budgeted. Department heads need to scrutinize their budgets for errors. It was suggested that an e-mail be sent to budget managers to review their budgets, and hopefully find some cost savings. John Abarca stated that there is still a lot of fat in the budget, for example copier budget lines of up to \$12,000.

It was noted that departments put everything in their 2009-10 Program Reviews and also their budgets. Tina Aguirre, interim VP for Academic Services stated that it will be a different world for the 2010-11 Program Review and budget. John Lau stated that departments must take ownership of their budgets, reserves are dwindling and will be gone by the end of next year unless significant action is taken. The long term goal is to have a formula driven budget for the College.

Meeting adjourned at 2:20 p.m.

**IMPERIAL VALLEY COLLEGE**  
**Office of the Director of Fiscal Services**

**M E M O R A N D U M**

TO: John Lau, VP of Business Services

FROM: Carlos Fletes, Director of Fiscal Services

SUBJECT: 09-10 Budget Discussion items

DATE: September 22, 2009

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John, here is some information to consider when we look at the proposed 09-10 Budget:

**Cost of 1%, 5% and 10% salary by group:**

	1%	5%	10%
All Faculty	\$107,229	\$536,147	\$1,072,294
Administrators (Exc. President)	\$18,680	\$93,400	\$186,801
Classified Mgmt	\$8,115	\$40,577	\$81,154
All other Classified Staff	\$75,576	\$377,880	\$755,760
Totals	\$209,600	\$1,048,005	\$2,096,010

One day of furlough/salary reduction per month equates to a 5% reduction or \$1,048,005. A two day of furlough/salary reduction equates to a 10% reduction or \$2,096,010. This is based on a 20 day work-month.

**Non-Credit Total Cost:**

Non-Credit	Total Budget	Total exp-to-date	Total Balance
	\$162,385	\$52,590	\$109,795

**Winter Intersession:**

Total budgeted for pro-rata pay for 2010 Winter Intersession is \$723,276. Based on information provided by Randy, if the pay were to be reduced to the adjunct rate of \$55.00, there would be about a 40% **savings or \$289,000**

**Budgeted Cost for various departments**

<b><u>Department Name</u></b>	<b><u>Proposed 09-10 Budget</u></b>
General Athletics	\$147,670
Basketball – Women	\$38,965
Baseball – Men	\$31,433
Softball – Women	\$34,069
Tennis – Women	\$11,421
Tennis – Men	\$18,293
Soccer – Women	\$21,918
Soccer – Men	\$22,770
Volleyball – Women	\$21,006
General Athletics – Cheer	\$8,362
General Athletics – Playoffs	\$4,263
Cross Country – Women	\$12,683
Extended Campus – Calexico	\$424,470
Extended Campus – El Centro	\$514,534
Tech Center	\$74,882
Building Construction	\$120,338
SBDC	\$35,000
Welding Tech	\$152,774
Auto Body	\$40,797
Automotive Tech	\$305,567

**2009-10 Cash Deferral Impact**

According to the information provided by the Chancellor’s Office, the total cash impact on Imperial Valley College will be \$5,984,297. The \$6,000,000 TRANs that IVC obtained for 09-10 should suffice, but to be on the safe side, we should consult with the county for a line of credit in case we come up short. I say this because we are scheduled to repay the TRANs in two payments, one in January 2010 and the final payment o





## Budget and Fiscal Planning Committee

September 30, 2009

Members Present:

√John Lau, VP for Business Services, Chair  
\_Dr. Victor Jaime, Administrative Representative  
\_Kevin White, Academic Senate President  
\_Dr. Michael Heumann, College Council Chair  
√Eric Jacobson, Faculty Representative  
√Dr. Lianna Zhao, Faculty Representative  
√Carlos Fletes, Director of Fiscal Services  
√Dawn Chun, CMCA Representative

Recorder: Mary Carter

\_Betty Kakiuchi, CSEA Representative  
√John Abarca, CSEA Representative  
√Steven Sciaky, ASG Representative  
√Dave Drury, Faculty Alternate  
√Lisa Cross, CSEA Alternate  
√Jessica Waddell, College Council Alternate  
Non-Voting  
\_Kathy Berry, VP for Academic Services

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**Call to order:** The special meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:30 p.m. in the Transfer Center.

**ACTION:**

1. Committee's recommendation to the Superintendent/President - 2009-10 Budget: **M/S/C Jacobson/Abarca (No: Fletes) to approve the 2009-10 Budget as presented, with no less than a 6.37% reserve. It was further recommended that budget tightening activities be continued.**

Discussion: VP Lau reported that he had talked to the union presidents about the budget situation, but has been informed that it is inappropriate to talk about wage issues outside of the negotiation process. The committee's recommendation on the budget cannot address labor issues either. VP Lau reported that the budget is being reviewed line item by line item, and meetings will be scheduled with budget managers if department budgets are higher than last year's actual expenditure amounts. The budget review is about half way complete, and some cost savings have been identified; however, there is still a tremendous budget deficit to address. VP Lau stated that he understands the limitations on the recommendation that the committee can make, but if reserves are used to balance this year's budget there will be no reserves available next year.

Carlos Fletes distributed a revised three year budget analysis that reflects the updated numbers, both cost savings found and additional expenses; the projected deficit is \$2.5 million. For 2010-11, projecting revenue and expense at the same level as 2009-10 (even though expenses will be higher, and revenue could potentially be lower), there will be no reserve. VP Lau stated that using reserves to balance the current year will leave the College with a deficit for next year and not available reserves.

A handout showing budget adjustments with net savings of \$229,999 was distributed. Mr. Fletes recommended that the College stay above a 5% reserve every year. He cautioned that the State will see the downward trend on the College's quarterly reports and will ask for an explanation. The College must be prepared to answer how the College is going to address having no reserves for next year. A plan for 2010-11 is needed because the College is going deeper into the red and there is no windfall coming from the State. The College must have a plan to maintain at least a 5% reserve for every year;

he cautioned that the committee's recommendation does not offer a plan for the college to maintain at least a 5% reserve every year.

VP Lau stated that department will be asked to cut 10%. In November, budgeting for 2010-11 will start, with departments being told to budget at 90% of their previous budget. Each vice president's area should have an overall 10% cut. The College will be looking at the services that are offered and will be asking "what do we want each program to accomplish?" VP Lau cautioned that there will not be reserve funds available to address mid-year cuts. Next year, the College will be in a fragile position.

Dave Drury stated that the motion being considered is not very responsible; it is not prudent to use all of the reserve funds to balance the budget.

John Abarca stated that he believed that there were still areas where savings could be found.

Dr. Zhao stated that she supported the motion, and the recommendation to continue to look at the budget; she stated that she was optimistic and hopefully that every area would be frugal.

Next Meeting: VP Lau stated that he would like to have the committee go through the Fiscal Health Risk Analysis worksheet (previously distributed and available on the committee web-site).

Meeting adjourned at 2:00 p.m.

### 3 year funding analysis, Sept 30, 2009, for discussion purposes

#### Unrestricted General Fund Only

	<u>08-09</u> Budget	<u>08-09</u> Actual	<u>09-10</u> Proposed Budget	<u>10-11</u> Proposed Budget
State Revenue	29,336,593	29,910,045	29,158,592	29,158,592
Local Revenue	7,872,525	7,824,460	7,902,806	7,902,806
<b>Total Revenue</b>	<b>37,209,118</b>	<b>37,734,505</b>	<b>37,061,398</b>	<b>37,061,398</b>
Cert Salaries	18,192,845	18,176,241	18,199,095	18,199,095
CL Salaries	7,390,139	7,045,887	7,154,398	7,154,398
Benefits	8,194,949	8,225,548	8,850,650	8,850,650
Supplies	1,008,269	725,353	751,197	751,197
Services	3,784,530	3,502,029	3,477,988	3,477,988
Capital Outlay	371,169	236,706	217,961	217,961
<b>Total Expenses</b>	<b>38,941,901</b>	<b>37,911,764</b>	<b>38,651,289</b>	<b>38,651,289</b>
Other outgo	920,983	920,917	849,000	849,000
<b>Total Exp/other</b>	<b>39,862,884</b>	<b>38,832,681</b>	<b>39,500,289</b>	<b>39,500,289</b>
<b>Surplus/-deficit</b>	<b>-2,653,766</b>	<b>-1,098,176</b>	<b>-2,438,891</b>	<b>-2,438,891</b>
Beginning Reserves	6,828,764	6,828,764	4,954,130	2,415,239
Prior year adjmts		-776,458		
Adjusted Beg Bal		6,052,306		
<b>Ending Reserves</b>	<b>4,174,998</b>	<b>4,954,130</b>	<b>2,515,239</b>	<b>-23,652</b>
<b>% of unrestricted GF</b>	<b>10.47%</b>	<b>12.76%</b>	<b>6.37%</b>	<b>-0.06%</b>
Adjustments to fund balance				
Retiree Vac Accrual			-100,000	
Total			-100,000	0
<b>New projected reserves</b>	<b>4,174,998</b>	<b>4,954,130</b>	<b>2,415,239</b>	<b>-23,652</b>
<b>% of unrestricted GF</b>	<b>10.47%</b>	<b>12.76%</b>	<b>6.11%</b>	<b>-0.06%</b>
<b>New projected deficit</b>	<b>-2,653,766</b>	<b>-1,098,176</b>	<b>-2,538,891</b>	<b>-2,438,891</b>

Imperial Valley College  
09-10 Budget adjustments  
September 30, 2009

Description	Fund	Org	Acct	Prg	+	-
Imperial County IT Agreement	11001	801	5620	6770		8,000
CSEA - travel	11001	107	5220	6600	842	
Public Relations Salaries	11001	104	2108	6790		3,648
Public Relations consulting	11001	104	56110	6790	4,500	
SLO coordination	11001	205	1270	6010		17,613
SLO coordination	11001	205	3111	6010		1,453
SLO coordination	11001	205	3331	6010		255
SLO coordination	11001	205	3411	6010		2,189
SLO coordination	11001	205	3511	6010		53
SLO coordination	11001	205	3611	6010		96
Beh/Soc Sc prof grwth	11001	221	2398	6190	575	
Exercise Sci SLO Coord	11001	241	1270	1200		31,226
Exercise Sci SLO Coord	11001	241	3111	1200		2,576
Exercise Sci SLO Coord	11001	241	3331	1200		453
Exercise Sci SLO Coord	11001	241	3411	1200		5,031
Exercise Sci SLO Coord	11001	241	3511	1200		94
Exercise Sci SLO Coord	11001	241	3611	1200		172
IT Programmers position	11001	508	2104	6780		53,520
IT Programmers position	11001	508	3220	6780		4,981
IT Programmers position	11001	508	3320	6780		3,318
IT Programmers position	11001	508	3340	6780		776
IT Programmers position	11001	508	3520	6780		161
IT Programmers position	11001	508	3620	6780		294
IT Programmers position	11001	508	3420	6780		12,456
Matriculation PT counseling	11001	905	1330	2200	3,503	
Matriculation PT counseling	11001	905	3110	2200	289	
Matriculation PT counseling	11001	905	3330	2200	51	
Matriculation PT counseling	11001	905	3510	2200	11	
Matriculation PT counseling	11001	905	3610	2200	19	
Admin Salary Adj	11001	103	1213	6730	1,820	
Admin Salary Adj	11001	201	1214	6010	3,879	
Evening Admin sal adj	11001	204	1212	6010		50,000
Admin Salary Adj	11001	301	1212	6010	4,985	
Admin Salary Adj	11001	371	1213	6010	2,473	
Admin Salary Adj	11001	443	1212	6010	8,430	
Admin Salary Adj	11001	501	1213	6120	1,669	
Admin Salary Adj	11001	508	1212	6120	2,691	
Admin Salary Adj	11001	801	1214	6720	3,879	
Admin Salary Adj	11001	901	1214	6310	8,320	
Admin Salary Adj	11001	907	1213	6960	6,175	
Admin Salary Adj	11001	931	1212	6460	9,413	
Admin Salary Adj	11201	902	1213	6200	3,475	
Admin Salary Adj	11301	903	1213	6420	3,148	
Librarian position	11001	501	1210	6120	84,202	

Librarian position	11001	501	3111	6120	6,946	
Librarian position	11001	501	3331	6120	1,221	
Librarian position	11001	501	3411	6120	12,227	
Librarian position	11001	501	3511	6120	253	
Librarian position	11001	501	3611	6120	459	
English winter - double Health Science & PE summer	11001	211	1325	1500		54,495
Health Science & PE winter	11001	241	1320	1200		110,587
Misc adj WC	11001	242	3620	1200		13
Playoff travel	11001	293	5220	6960		4,263
Apprentice prg	11001	306	5890	6010	8,123	
IT Demarcation Points fee	11001	509	5620	6780	9,200	
Science Instructional Splys	11001	271	4320	1900	27,000	
Renewable Energy Dept	11001	309	4455	6010	1,000	
Renewable Energy Dept	11001	309	4460	6010	400	
Renewable Energy Dept	11001	309	5220	6010	3,000	
Renewable Energy Dept	11001	309	5310	6010	700	
Renewable Energy Dept	11001	309	5210	6010	2,000	
Renewable Energy Dept	11001	309	5740	6010	1,500	
Renewable Energy Dept	11001	309	5860	6010	300	
					228,678	458,677
						Net increase + decrease -
						-229,999



## Budget and Fiscal Planning Committee

November 11, 2009

Members Present:

√John Lau, VP for Business Services, Chair  
\_Dr. Victor Jaime, Administrative Representative  
√Kevin White, Academic Senate President  
√Dr. Michael Heumann, College Council Chair  
√Eric Jacobson, Faculty Representative  
√Daniel Gilson, Faculty Representative  
\_Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

\_Dawn Chun, CMCA Representative  
√Betty Kakiuchi, CSEA Representative  
\_John Abarca, CSEA Representative  
\_ASG Representative  
√Jan Magno, for Dr. Victor Jaime  
Non-Voting  
√Kathy Berry, VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:30 p.m. in the Transfer Center.

**ACTION:**

1. Approval of minutes: ***M/S/C Kakiuchi/Magno to approve the minutes of the August 26, 2009, September 16, 2009, September 23, 2009 and September 30, 2009 meetings as presented.***

**DISCUSSION/INFORMATION**

1. **State budget update:** John Lau reported that the State will most likely not hit its revenue projections for this year, it is estimated that it will be about two and one half years before the economy starts to recover.
2. **IVC Budget update:** John Lau reported that he has been meeting with budget managers, with about five more meetings to go. He will report on the savings that was found at the next committee meeting. He estimates the savings to be about \$300,000. Kathy Berry stated that notices will be going out to departments that have not completed their program reviews. VP Lau stated that the budget is a work in progress, and the District will be addressing the deficit through a menu of items.

**Discussion:** Eric Jacobson asked about the District granting sabbaticals. Kathy Berry stated that the contract allows for sabbaticals, and there have been four requests received (with one withdrawn). Mr. Jacobson asked to have an item on sabbaticals on the next agenda. Suzanne Gretz expressed concern that in these tight fiscal times, it appears that the number of administrators is being increased and the Deans of HR and IT are being promoted to Associate Vice Presidents. The District has lost full time faculty members, and classified retirees have not been replaced. In addition, the recommendations of the Thaw Committee are not being followed. The committee asked for the budget impact of the proposed re-organization.

3. **Fiscal Health Risk Analysis:** The committee completed page # 1 of the Fiscal Health Risk Analysis worksheet. Questions from the worksheet included:

Deficit spending:

Is the District availing deficit spending in the current year? No

Is the District avoiding deficit spending in the two subsequent fiscal years? unknown

Has the district controlled deficit spending over the past two fiscal years? No

Is the issue of deficit spending addressed by fund balance, ongoing revenues, or expenditure reductions? No

Has the board approved a plan to eliminate deficit spending? No

Fund Balance:

Is the fund balance consistently above the recommended reserves? Yes

Is the fund balance stable or increasing due to ongoing revenues and/or expenditure reductions?  
No

Does the fund balance include any designated reserves for unfunded liabilities or one time costs above the recommended reserve level? No

Reserve for Economic Uncertainty

Is the district able to maintain its reserve for economic uncertainty in the current and two subsequent years based on current revenue and expenditure trends? No

Does the district have additional reserves in Fund 17, Special Reserve for Non Capital Projects? No

If not, is there a plan to restore the reserve for economic uncertainties in the district's multiyear financial projection? No

John Lau stated that the trend of using reserves to balance the budget has to stop; on-going revenue needs to equal on-going expense and one-time revenue should be used for one-time expense. VP Lau asked how the District can change this trend. The District is looking at the concept of a formula driven budget, and has an ad hoc committee investigating the Interest Based Approach (IBA) to collective bargaining. VP Lau stated that cost centers have to be able to provide justification to support expenditures. Another issue is budgeted accurately for adjunct expenses. VP Berry stated that the enrollment management program will help with budgeting for adjuncts.

4. Next Meeting: Wednesday, December 9, 2009, 2:00 p.m.

Meeting adjourned at 2:00 p.m.



## Budget and Fiscal Planning Committee

December 9, 2009

Members Present:

√John Lau, VP for Business Services, Chair  
\_Dr. Victor Jaime, Administrative Representative  
√Kevin White, Academic Senate President  
√Dr. Michael Heumann, College Council Chair  
√Eric Jacobson, Faculty Representative  
√Daniel Gilson, Faculty Representative  
√Carlos Fletes, Director of Fiscal Services  
√Dawn Chun, CMCA Representative

Recorder: Mary Carter

√Betty Kakiuchi, CSEA Representative  
√John Abarca, CSEA Representative  
\_ASG Representative  
√Jan Magno for Dr. Victor Jaime

Non-Voting

√Kathy Berry, VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 2:00 p.m. in the Board Room.

**ACTION:**

1. Approval of minutes: ***M/S/C Abarca/Heumann to approve the minutes of the November 11, 2009 meeting as presented.***

**DISCUSSION/INFORMATION**

1. Budget update: VP Lau stated that there is no new information from the State. In January, the Governor will present his budget, and in late February the first principal apportionment will be released. Carlos Fletes, Director of Fiscal Services, presented a report showing expenditures through November 30, 2009 (unrestricted General Fund).
2. Fiscal Health Risk Analysis – no discussion.
3. Results of line-by-line review of current budget: VP Lau reported that he met with budget managers (General Fund) and was able to identify some areas of savings. The discussions concentrated on controllable costs (services and supplies). A list of the proposed budget reductions totaling \$322,585 was distributed to the committee. There were some areas where the budget increased due to items being left out during the budgeting process. The list of adjustments does not include an increase to the Maintenance Dept. budget that will be needed due to the impact of the new 2700 building. VP Lau stated that he will present the list to Dr. Gould.

Discussion: The committee asked if program cuts (i.e. Athletics) was discussed, VP Lau stated that the intent was to find savings in current operating costs. John Lau stated that he will take the committee's recommendation to the Executive Council. VP Lau stated that the committee needs to talk about all costs, including labor. Salary and benefits currently account for 93% of the budget. The District also needs to take care of infrastructure needs and fund GASB 45.



VP Lau stated that budget development starts with operational objectives. VP Lau stated that the budget process needs to start early for 2010-11. Program Review will allow the committee to take an early look at the budget. VP Berry stated that the enrollment management program assigns cost to each class and allows the college to have a target FTE. VP Lau stated that projection of overload and adjunct costs need to be more precise. Eric Jacobson asked what the breakeven FTE is for fulltime faculty versus part-time. VP Berry stated that it varies due to salaries. VP Berry stated that there is also overhead attached to every class. Asked about the fulltime/part-time ratio, VP Berry stated that IVC's ratio is about 60% fulltime. VP Lau stated that a labor matrix is needed in order to budget more accurately for adjunct and overload costs.

4. Creating a flexible budget process: Eric Jacobson distributed a "Flexible Budget Process" handout. Mr. Jacobson stated that he looked at several colleges and used a model from Willamette University. The flexible budget process is developed with three possible funding levels. Program Review is the basis for the budget, and adjustments are made depending on enrollment and revenue.
5. Update on 4000 – 6000 accounts: no discussion
6. Cost and timeline for divisions moving into the 2700 building: Rick Webster, Director of Maintenance reported on the move into the 2700 building. Furniture delivery and installation is scheduled for December 1 – 12. The move into the building will start on December 14, and should be complete by December 31. Winter intersession classes will be held in the new building. The ribbon cutting will be on January 22, 2010. VP Lau stated that the opening of the 2700 building (70,000 square foot) adds maintenance and other incremental costs to the budget.
7. Freezing future sabbaticals for faculty: no discussion
8. Updated project savings due to:
  - a. Extended Campus closures: Closing Extended Campus in El Centro as of January 31, 2010 resulted in a saving of five months' rent (the annual rent is approximately \$67,000). Classes are on-going at the high schools in El Centro.
  - b. Small Business Development Center: The lease on the SBDC office will end January 31. The SBDC has been running budget deficits every year.
  - c. Elimination/reduction of administrative positions: no discussion
  - d. Reorganization: VP Lau stated that the re-organization is still being developed, but he could comment on the Business Services area. The proposed Business Services re-organization is revenue neutral due to the retirement of three staff members and the downgrading of two positions. The re-organization plan proposes hiring a new Director of Purchasing and Accounting. The Purchasing Department is currently a one person office.
9. Next Meeting: Wednesday, February 24, 2010

Meeting adjourned at 3:35 p.m.



## Budget and Fiscal Planning Committee

February 24, 2010

### Members Present:

John Lau, VP for Business Services, Chair  
Dr. Victor Jaime, Administrative Representative  
Kevin White, Academic Senate President  
Dr. Michael Heumann, College Council Chair  
Eric Jacobson, Faculty Representative  
Daniel Gilson, Faculty Representative  
Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

Dawn Chun, CMCA Representative  
Betty Kakiuchi, CSEA Representative  
John Abarca, CSEA Representative  
Mario de la Torre, ASG Representative

### Non-Voting

Kathy Berry, VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:30 p.m. in the Board Room.

### **ACTION:**

1. Approval of minutes: ***M/S/C Fletes/Abarca to approve the corrected minutes of the December 9, 2009 meeting.***
2. Election of committee chair: ***M/S/withdrawn Jacobson/White*** to appoint John Abarca as committee chair. It was the consensus of the committee to have an action item on the next meeting agenda to appoint a co-chair. The committee would then have two people to carry its recommendations forward. The committee further agreed that its recommendations would be made in memo form.

### **DISCUSSION/INFORMATION**

1. Introductions/new member (Yethel Alonso, CSEA representative): VP Lau welcomed Yethel Alonso to the committee as a CSEA representative (replacing Betty Kakiuchi), and thanked Betty Kakiuchi for her service on the committee.
2. Program Review budget module (presentation by Omar Ramos): VP Berry stated that the Program Review budget module was developed by Omar Ramos and Tina Aguirre and it will be a powerful planning tool going forward. The on-line process saves time, and makes report generation easier. Sub-committees for each plan (Technology, Staffing, Facilities, Professional Development, Marketing, SLOs, etc.) are prioritizing budget requests keeping in mind the institutional goals of student success, retainage, and institutional effectiveness. ~~Department submissions are reviewed by the appropriate vice president or the President.~~ The Program Review data will be available to the committee members. VP Lau stated that the budget needs to address the needs of the campus globally; the role of the Business Office is to determine the amount of revenue available. Carlos Fletes, Director of Fiscal

Services stated that there are some bugs to work out (i.e. data has been input in different ways, especially salary data). VP Berry stated that departments also need to be consistent on how they categorize routine versus new costs. VP Berry stated that all budget requests need to be in Program Review; eventually budget will be a year round process.

3. Budget update (John Lau/Carlos Fletes): VP Lau reported that there is nothing new on the State budget. The College will have a cash flow issue if apportionment payments are deferred. Carlos Fletes reported that the State has not certified the First Principal Apportionment report yet; it is unknown if there will be further work load reductions (changes to the funding cap).
4. Development of 2010-11 Budget calendar: The committee reviewed the 2009-10 budget development calendar. Carlos Fletes stated that there will be some changes to the process for 2010-11 due to Program Review. VP Lau stated that individual budget meetings will be held earlier in 2010-11 to look at variances.
5. Role of the Budget and Fiscal Planning Committee: VP Lau stated that the committee needs to review its role and its goals and objects as a part of the Accreditation process. Carlos Fletes stated that the committee needs to be able to discuss the entire budget, including salary and benefits. VP Lau stated that a 10% cut is not possible if 93% is salary and benefits. Any sizable cut involves salary and benefits. The deficit is \$2 to \$2.5 million if there are no changes in expenses and revenue growth is flat. The budget has to shrink, the College cannot grow out of the problem and it cannot use reserves any more. John Abarca stated that CTA and CSEA analyzed the budget and stated that 86% is salary and benefits; John Lau stated that calculation is based on backing out the use of reserve funds. The 93% amount is calculated using on-going expenses and on-going revenue. VP Lau stated that the 5-year budget analysis can be reviewed again at the next meeting.
6. Review of the committee structure/function/bylaws: see item #5.
7. Next Meeting (March 24, 2010)



## Budget and Fiscal Planning Committee

March 24, 2010

Members Present:

John Lau, VP for Business Services, Chair  
Dr. Victor Jaime, Administrative Representative  
Kevin White, Academic Senate President  
Dr. Michael Heumann, College Council Chair  
Eric Jacobson, Faculty Representative  
Daniel Gilson, Faculty Representative  
Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

John Abarca, Co-Chair, CSEA Representative  
Dawn Chun, CMCA Representative  
Yethel Alonso, CSEA Representative  
Mario de la Torre, ASG Representative

Non-Voting

Kathy Berry, VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order by John Lau, Vice President for Business Services at 1:30 p.m. in the Board Room.

**ACTION:**

1. Approval of minutes: M/S/C Heumann/Chun to approve the corrected minutes of the February 4, 2010 meeting.
2. Election of committee co-chair: M/S/C Jacobson/White to appoint John Abarca as committee co-chair.
3. Approval of the 2010-11 Budget Calendar: M/S/C Abarca/Fletes to adopt the revised 2010-11 budget calendar.

**DISCUSSION/INFORMATION**

Budget update/First Principal Apportionment

Carlos Fletes, Director of Fiscal Services distributed a handout with information on the First Principal Apportionment. Total funded FTES (P1) is 6729, down from 6960; FTES reported is 7295 (estimate). P-1 shows no COLA and no growth.

Mr. Fletes directed the committee's attention to Section VIII *District Revenue Source*; he stated that counties submit property tax projections in November for 2009-10; Imperial County submitted a \$5.3 million estimate for 09-10 but P-1 shows \$3.5 million. It appears that the State adjusted property tax by \$1.7 million; therefore, taxes are reduced but the state apportionment is increased. Mr. Fletes is waiting for Imperial County to confirm the tax estimates before calling it to the State's attention. If the county overestimates taxes, the state does not have to backfill-- which works to the College's advantage. Mr. Fletes is hoping for a correction before June in case money is owed back to the State. The total revenue figure won't change. The District is being a little cautious because a shortfall in property tax won't get backfilled; it is better to get the money through property taxes.

### 2010-11 Program Review Planning Budget

The committee reviewed detail and summary reports of the 2010-11 Program Review Planning Budget. Carlos Fletes stated that the detail report, with long justifications will be posted to the web. VP Lau stated that the budget process starts with Program Review; the first challenge is determining the intent of Program Review. Some wish list items have been included but those need to be on the radar for future planning. Now that everything has been put into Program Review, who does the weeding? Areas are competing for the same dollar. VP Lau stated that the committee is not here to micromanage, but due to the severity of the budget crisis, it needs to make specific recommendations.

VP Lau asked, "How do we make Program Review a better budget document?" It is \$4.5 million over, which is not a good start on budgeting. The final budget cannot exceed revenue plus an undetermined amount of reserve (Mr. Lau suggested 1%). VP Lau noted that Program Review does not include a possible \$900,000 insurance increase, which will take the District below zero for reserves.

VP Lau stated that constraint #1 should be revenue, and constraint #2 should be no new positions or reclassifications unless money is available. VP Lau called the committee's attention to the 5 year budget analysis; 2006-07 was the last balanced budget; reserves have gone down since then. The College is expending more than it is taking in and salary and benefits make up the bulk of the budget. The job of the committee is to make a recommendation on how to reduce the budget.

Tina Aguirre suggested that while the committee should look at the budget detail, setting budget criteria and priorities needs to come first; if global criteria is established it will make looking for cost savings easier.

Dawn Chun noted that revenue is less than last year; Carlos Fletes stated that cash flow has been reduced so there is less interest and some revenue was one-time, such as ARRA.

John Lau suggested that the committee's recommendations be of a general nature to help departments reduce the budget but giving them some flexibility in supplies, services and capital outlay. He suggesting going back to the 2007-08 expenditure level, which would require a 12% reduction (\$1 million cut). A 12% reduction campus-wide in supplies would allow departments to make cuts without micromanaging. Mr. Lau suggested that next year the preliminary revenue figure be determined earlier in order to establish budget constraints for Program Review.

Yethel Alonso noted that some budgets nearly doubled in Program Review. Eric Jacobson stated that the Program Review is cumbersome, and more time is needed to review it.

Kevin White stated that there needs to be a clear understanding that if there is more money than anticipated there is a process to address those areas that have been cut. John Lau stated that if reserve funds are used to balance the budget, then reserves should be restored first.

Yethel Alonso asked if travel has been frozen. John Lau stated that the budget areas with most flexibility are: travel, training and consultants. Some funds are needed in these areas for the good of the organization, but there needs to be a detailed list to support the budget request. Detail is needed to help create an accurate budget.

In response to questions from the committee on the cost of the re-organization, John Lau stated that the President intends for the re-organization to be cost neutral.

Eric Jacobson stated that not replacing faculty who have left or retired could result in less FTES. John Lau responded that the College has not lost any FTES; the College is overcap and there is adequate staff to ensure FTES generation.

Kevin White stated that there are many aspects to look at in regards to the budget, and recommended that the committee take time over the break to review it and come back with some criteria for what should be implemented.

Next meeting

The committee agreed to hold its next meeting on Wednesday, April 14, 2010.

# IMPERIAL VALLEY COLLEGE

## 2010-11 BUDGET DEVELOPMENT CALENDAR

	<u><i>On or about</i></u>
1. Budget development by departments and divisions incorporating institutional goals and objectives, Student Learning Outcomes and Program Review objectives; input of budget by departments and divisions into Program Review on-line budget module	August 2009 – December 2009
2. “Draft” Program Review Budget is compiled	March 2010
3. Initial review of “Draft” Program Review Budget by Budget and Fiscal Planning Committee	March 24, 2010
4. Discussion of adjustments to the “Draft” Program Review Budget by the Budget and Fiscal Planning Committee	April 2010
5. “Draft” Program Review Budget is presented to College Council and Academic Senate: <ul style="list-style-type: none"> <li>• College Council, April 26, 2010</li> <li>• Academic Senate, April 21, 2010</li> </ul>	April 2010
6. “Draft” Program Review Budget is made available to the college community (posted to the web)	April 2010
7. “Draft” Program Review Budget is reviewed by the Budget and Fiscal Planning Committee at its April and May meetings; committee makes recommendations to the Superintendent/President	April – May 2010
8. Final adjustments to “Draft” Program Review Budget as directed by the Superintendent/President; Tentative Budget is posted to the web	June 2010
9. Adoption of the Tentative Budget by the Board of Trustees <i>(on or before July 1, Title 5, section 58305a)</i>	June 16, 2010
10. Adjustments to budget based on adoption of State Budget; compilation of “Final” Budget; “Final” Budget published to web	by July 31 <b><i>(if the State Budget is signed on time)</i></b>
11. Budget and Fiscal Planning Committee recommendation to the Superintendent/President regarding adoption of the “Final” Budget	August 2010
12. Adjustments to the “Final” budget if needed, as directed by the Superintendent/President	September 2010
13. Adoption of the Final Budget by the Board of Trustees <i>(on or before September 15, Title 5, Section 58305c)</i>	by September 15

*Approved 3/24/10 by Budget and Fiscal Planning Committee*



## Budget and Fiscal Planning Committee

April 14, 2010

Members Present:

John Lau, VP for Business Services, Chair

\_Dr. Victor Jaime, Administrative Representative

Kevin White, Academic Senate President

Dr. Michael Heumann, College Council Chair

Eric Jacobson, Faculty Representative

Daniel Gilson, Faculty Representative

Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

John Abarca, CSEA Representative, Co-Chair

\_Yethel Alonso, CSEA Representative

Dawn Chun, CMCA Representative

\_ASG Representative

Non-Voting

Kathy Berry, VP for Academic Services

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**Call to order:** The special meeting of the Budget and Fiscal Planning Committee was called to order at 1:35 p.m. on Wednesday, April 14, 2010 by John Abarca, committee co-chair. The meeting was held in the board room.

Approval of Minutes

***M/S/C Heumann/White to approve the minutes of the March 24, 2010 meeting as presented.***

### DISCUSSION/INFORMATION

Budget update

No new information on the state budget was presented.

2010-11 Program Review Planning Budget

VP Lau reported that there were inconsistencies in how departments entered their budgets into Program Review, particularly labor costs. The budget as entered results in a \$3.5 million deficit. At this point, the process has to take a step back in order to find a common starting point. The Business Office has drafted a memo, which the President has approved, instructing departments to reduce their budget requests in the 4000, 5000 and 6000 accounts by 10% from their 2008-09 actual expenditure (memo attached as Exhibit A). There will be a hearing process for department to make their case for exceptions to the 10% cut. The deficit will also have to be addressed through collective bargaining. Carlos Fletes, Director of Fiscal Services, stated that departments should submit their revised budgets and to their area vice president by Monday, April 19. Departments are also to verify the names on the payroll listing that the Business Office is providing. The vice presidents are to review the budgets for accuracy and to verify that the budgets are reasonable and realistic; vice presidents are to submit their area budgets to the Business Office by Wednesday, April 21.

Eric Jacobson made a motion to adjourn the meeting stating that the committee had nothing to do until it receives the new budget numbers. The motion died for lack of a second.



Criteria for budget recommendations

Kevin White presented a handout entitled "Planning and Budget Committee Assumptions" which was developed by Tina Aguirre. Mr. White stated that the document was a good starting point, and he proposed forming an ad hoc committee to draw up guidelines to be used to evaluate the budget.

***M/S/C White/Heumann to suspend the Rules of Order (No: Jacobson)***

***M/S/C White/Chun to form an ad hoc committee to develop global budget guidelines.*** An ad hoc committee was formed with the following members: Kevin White, Kathy Berry, Dawn Chun, Tina Aguirre, Yethel Alonso, Carlos Fletes and Dave Drury.

Kathy Berry presented a diagram of the Lassen Budget process as a suggestion for the IVC planning cycle; July 1 the board adopts budget criteria (status quo, reduction, increase) based on the state budget; September program review process begins; Fall master planning occurs; December budgets are entered and reviewed by vice presidents to ensure that criteria is met and do not contain any red flags; January governor's budget comes out and adjustments are made if necessary; in the Spring the budget is ready to be reviewed with time to make refinements.

Possible budget recommendations: No discussion occurred.

Next meeting

The next regularly scheduled meeting will be held on Wednesday, April 28, 2010 at 1:30 p.m. John Lau stated that Dr. Gould is planning on attending the next committee meeting to discuss the role and responsibilities of the committee.

Meeting adjourned at 2:20 p.m.

April 14, 2010

Re: Budget Guidelines for 2010-2011 Budget Proposal

To: All interested parties involved in the development of the 2010-2011 Budget for Imperial Valley College

After having an opportunity to review the proposed budgets submitted via the Program Review process, many inconsistencies were discovered. To resolve these inconsistencies, please follow these budget development guidelines:

- All full-time contract positions (Classified and Certificated) have to be validated and confirmed with each Vice President by the appropriate division chair or department head. You will need to confirm the accounts codes and the appropriate percentage of funding out of each account code. All VPs have received a list of approved positions for the current year. Based on this list, each Vice President will need to submit a list of all positions that are considered approved to be budgeted for the year 2010-2011 to the Business Office and Human Resources.
- Regarding all full-time faculty teaching in the winter and/or summer, the VPs will need to submit to the Business Office and Human Resources a total number of instruction hours by instructor and by Org number with a separate total for summer and winter.
- Regarding adjunct teaching faculty positions and/or over load, the VPs will need to submit to the Business Office and Human Resources the total number of instructional hours by ORG number. There needs to be a total for both fall and spring, a separate total for winter and a separate total for summer.
- Regarding part-time counselor positions and extra duty agreements, the VPs will need to submit to the Business Office and Human Resources the account code and total budget needed.
- There will be no budget for student salaries.
- There will be to no over-time budgeted for classified staff.
- **ALL** fringe benefits will be calculated by the Business Office and Human Resources departments.
- Supplies (4000s) and Services (5000s) accounts: Budget at a 10% reduction of what your total actual expenditure was for 08-09 (see report attached for 08-09 actual numbers).

- Conference travel, consultants, contracts, lease agreements and memberships: Submit a detailed list of all items that support your proposed budgets for conference/travel, consultants, contracts, lease agreements and memberships.
- Capital Outlay (6000 accounts): There will be no capital outlay budgeted out of the District unrestricted General Fund unless it has been approved by the Program Review Facilities sub-committee. The Business Office will enter approved budget items.

**Submit all budget information to your Vice President by Monday April 19, 2010** so that the Vice Presidents can submit their budget proposals to the Business Office by Wednesday April 21, 2010.

After all the information has been submitted and processed, you will have an opportunity to appeal to your VP on any matters related to the proposed budget.

Please let myself or Carlos know if you have any questions.

Thank you,

John Lau  
Vice President for Business Services

Carlos Fletes  
Director of Fiscal Services

## Planning and Budget Committee Assumptions

The final budget shall

- be 'balanced'
- support student success
- support college mission
- be submitted in accordance with federal, state, and other regulatory entities
- be developed with an opportunity for participation from all segments of the college community

## P&B Guidelines

1. The final 'global' budget shall be balanced. Defined as total expenses shall be within 1% of total revenue, regardless of funding source and shall not exceed the reserve limit mandated by the Board and the state of California
2. Depending on the fiscal restraints for the year and goals of the college, the following should be considered while prioritizing recommendations from the P&B Committee.
  - a. **1000 Category (instructional salaries) – this is a negotiable item**
    - i. Large increases or decreases could have a statement from HR
    - ii. Variations in the part-time and overload could have a statement from HR
  - b. **2000 Category (non-instructional salaries) – this is a negotiable item**
    - i. Large increases or decreases could have a global comment from HR
  - c. **3000 Category (benefits) – these are negotiable items,**
    - i. Large increases or decreases could have a global comment from the HR
  - d. **4000 Category (supplies): ranking is in order of prioritization**
    - i. Is it a safety or a regulatory compliance issue – was it sufficiently explained or is more info needed
    - ii. Is it a requirement for instructional support – is there another way to offset the costs
    - iii. ??
    - iv. ??
  - e. **5000 Category (travel , consultant, memberships, advertising, postage): ranking is in order of prioritization**
    - i. Is it mandated - how many are mandated
    - ii. Is it compliance related
    - iii. Is it required for an approved course/program; i.e. sports
    - iv. Is it faculty development – is it a requirement or is there a need for a 1 yr moratorium
    - v. ??
  - f. **6000 Category (capital and site improvements)**
    - i. Is it a safety or regulatory compliance issue – is there another way to meet the mandate
    - ii. Is it cost effective – will it decrease an expense, or would failure to do this now will cost more money later
    - iii. Is it required for an approved course/program
    - iv. Is it funded by other than District
    - v. Is it 'growth' related
    - vi. Is it desirable



## Budget and Fiscal Planning Committee

April 28, 2010

Members Present:

John Lau, VP for Business Services, Chair

Dr. Victor Jaime, Administrative Representative

Kevin White, Academic Senate President

Dr. Michael Heumann, College Council Chair

Eric Jacobson, Faculty Representative

Daniel Gilson, Faculty Representative

Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

John Abarca, CSEA Representative, Co-Chair

Yethel Alonso, CSEA Representative

Dawn Chun, CMCA Representative

Mario de la Torre, ASG Representative

Non-Voting

Kathy Berry, VP for Academic Services

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**Call to order:** The regular meeting of the Budget and Fiscal Planning Committee was called to order at 1:30 p.m. on Wednesday, April 28, 2010 by John Abarca, committee co-chair. The meeting was held in the board room.

Approval of Minutes

***M/S/C White/Heumann to approve the minutes of the April 14, 2010 meeting as amended:***

Eric Jacobson made a motion to adjourn the meeting stating that the committee had nothing to do until it receives the new budget numbers. He stated that the committee ought to follow the direction of the President at the April town hall meeting (slide 12): "We are \$4 million over budget and the vice presidents will be sending instructions to budget status quo plus 5%". The motion died for lack of a second."

**DISCUSSION/INFORMATION**

Budget update

VP Lau reported that the budget is being currently being reviewed and one-on-one budget meetings will be held with departments to look for cost effectiveness, as well as verify that budget numbers are realistic.

Report by ad hoc committee re: budget guidelines/criteria

Kevin White presented the "IVC Budget Principles, Guidelines and Priorities" document developed by the ad hoc committee; he thanked Tina Aguirre for her work in helping put the document together. The document is now being presented to the whole committee for review and comments. It will be an action item for next meeting.

Budget update: Carlos Fletes presented the Draft 2010-11 Tentative Budget, which is a result of the attempt to cut 10% from the 4000 and 5000 accounts. Budget assumptions include: no classified overtime, no student help budgeted at this point, all salaries budgeted as currently

negotiated (current salary schedules with step increases), overload at \$55, pro-rata for winter and summer, PERS increase and workers comp increases included; no increase budgeted for health and welfare at this time. The result was not an overall 10% reduction to the 4000 and 5000 accounts, but a \$600,000 increase (due partly to utilities for the new building). Some areas cut 10%, but some stated that it was impossible. When budgets are reviewed with the department head, there will be a chance to appeal. There is a question about the substantial reduction in certificated salaries (\$1.2 million); the assistance of departments is needed to try to identify possible omissions. The budget document will be made available on the web.

VP Lau reported that the second round of individual budget meetings will start next week

Next meeting

Wednesday, May 5, 2010

Meeting adjourned at 2:20 p.m.



## Budget and Fiscal Planning Committee

May 5, 2010

Members Present:

Recorder: Mary Carter

John Lau, VP for Business Services, Chair

John Abarca, CSEA Representative, Co-Chair

Dr. Victor Jaime, Administrative Representative

Yethel Alonso, CSEA Representative

Kevin White, Academic Senate President

Dawn Chun, CMCA Representative

Dr. Michael Heumann, College Council Chair

Mario de la Torre, ASG Representative

Eric Jacobson, Faculty Representative

Daniel Gilson, Faculty Representative

Non-Voting

Carlos Fletes, Director of Fiscal Services

Kathy Berry, VP for Academic Services

**Call to order:** The special meeting of the Budget and Fiscal Planning Committee was called to order at 4:35 p.m. on Wednesday, May 5, 2010 by John Abarca, committee co-chair. The meeting was held in the board room.

### ACTION

Adoption of "IVC Budget Principles, Guidelines and Priorities"

***M/S/C Heumann/Alonso to adopt the "IVC Budget Principles, Guidelines and Priorities."***

***M/S/C Heumann/White to add #16 to page 2 of the "IVC Budget Principles, Guidelines and Priorities" document: "Departments will not be penalized for implementing cost efficiencies in one fiscal year in the subsequent year."***

### DISCUSSION/INFORMATION

#### 2010-11 Draft Tentative Budget

Carlos Fletes reported that the Business Office is waiting for feedback on the budget from departments and the results of meetings with department chairs before generating an updated budget document. There is an issue with the 2008-09 actual expenditures for instructional divisions because Lottery funds were used for instructional supplies, reducing district expenditures in the 4000 accounts. Certificated salaries are also being verified. Mr. Fletes is working with IT to produce a budget sorted by ORG and then by fund.

Next meeting: Wednesday, Wednesday, May 19 at 4:30 p.m. to review the revised budget.

Meeting adjourned at 5:20 p.m.



## Budget and Fiscal Planning Committee

May 26, 2010

Members present:

John Lau, VP for Business Services, Co-Chair

\_Dr. Victor Jaime, Administrative Representative

Kevin White, Academic Senate President

Dr. Michael Heumann, College Council Chair

Eric Jacobson, Faculty Representative

Daniel Gilison, Faculty Representative

Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

John Abarca, CSEA Representative, Co-chair

Dawn Chun, CMCA Representative

Yethel Alonso, CSEA Representative

\_ASG Representative

Non-Voting

Kathy Berry, Vice President for Academic Services

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The regular meeting of the Budget and Fiscal Planning Committee was called to order at 1:35 p.m. by John Abarca, committee co-chair.

**Recommendation re: 2010-11 Tentative Budget: no action taken**

The committee agreed to meet again on June 1, 2010 in order to have time to consider the list of possible budget solutions developed by the President and vice presidents.

VP Lau stated that the items were presented for discussion, with the understanding that some items are negotiable. A total of \$3.1 million in budget adjustments is needed to balance the budget and to retain a 5% reserve.

VP Lau stated that there is a one-time deposit of \$250,000 required by VEBA that will be designated from board reserves.

VP Lau reported on the District's cash flow situation: due to the State of California deferring apportionment payments, the District's cash flow situation is "fragile". The District will be asking for an emergency loan of up to \$4 million from the County Office of Education to cover its cash needs through the end of this fiscal year and it will be issuing a TRANs to re-pay the County. A TRANs in an amount of up to \$14 million will be issued for 2010-11. VP Lau stressed the importance of a balanced budget in obtaining a favorable credit rating when seeking financing.

Meeting adjourned at 3:00 p.m.

Next Meeting: Tuesday, June 1, 2010 at 3:30 p.m.



Imperial Valley College  
Budget and Fiscal Planning Committee  
List of budget solutions  
Recommendation by President and VPs  
5/26/2010

District instructional supplies transfer to lottery	41,800
Do not replace welding instructor	75,705
Reduce student tutorial budget by 25%	41,009
Eliminate winter intersession	1,002,724
Furlough 10 days Classified Staff	253,870
Furlough 10 days Classified Managers	46,900
Furlough 10 days Classified Confidential	28,970
Furlough 10 days Administrators	76,130
Freeze steps on all faculty	221,665
Freeze steps on classified managers	29,061
Freeze steps on classified confidential	28,657
Freeze steps on classified staff	238,956
Freeze steps on administrators	40,202
Reducing counselors from 199 to 189 days	74,460
Reducing division chairs from 199 to 189 days	69,966
Subtotal budget solutions (Expenditures)	2,270,075
Projected 1.2% growth revenue	383,764
Use of prior year fund balance	500,000
Subtotal budget solutions (Revenues)	883,764
Total budget solutions recommended	3,153,839



## Budget and Fiscal Planning Committee

June 1, 1010

Members present:

John Lau, VP for Business Services, Co-Chair

\_Dr. Victor Jaime, Administrative Representative

Kevin White, Academic Senate President

Dr. Michael Heumann, College Council Chair

Eric Jacobson, Faculty Representative

Daniel Gilison, Faculty Representative

Carlos Fletes, Director of Fiscal Services

Recorder: Mary Carter

John Abarca, CSEA Representative, Co-chair

Dawn Chun, CMCA Representative

Yethel Alonso, CSEA Representative

\_ASG Representative

Non-Voting

Kathy Berry, Vice President for Academic Services

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The special meeting of the Budget and Fiscal Planning Committee was called to order at 3:35 p.m. by John Abarca, committee co-chair.

**Recommendation re: 2010-11 Tentative Budget**

M/S/C Fletes/Heumann to recommend that the District adopt a balanced budget for 2010-11, and sends both lists of possible budget solutions forward to the Superintendent/President for consideration.

Meeting adjourned at 4:30 p.m.



## Budget and Fiscal Planning Committee

Members:

**John Lau, VP for Business Services, Co-Chair**

Dr. Victor Jaime, Administrative Representative

Kevin White, Academic Senate President

Dr. Michael Heumann, College Council Chair

Eric Jacobson, Faculty Representative

Daniel Gilison, Faculty Representative

Carlos Fletes, Director of Fiscal Services

**John Abarca, CSEA Representative, Co-chair**

Dawn Chun, CMCA Representative

Yethel Alonso, CSEA Representative

ASG Representative

Non-Voting

Kathy Berry, Vice President for Academic Services

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To: Dr. Ed Gould, Superintendent/President

From: Budget and Fiscal Planning Committee

Re: Budget Recommendation

Date: June 1, 2010

At its June 1, 2010 meeting, the Budget and Fiscal Planning Committee made the following recommendation regarding the 2010-11 budget:

The Budget and Fiscal Planning Committee recommends that the District adopt a balanced budget for 2010-11, and sends the attached two lists of possible budget solutions forward to the Superintendent/President for consideration.

Respectfully submitted,



John Abarca, Co-chair  
Planning and Fiscal Planning Committee

Imperial Valley College  
Budget and Fiscal Planning Committee  
List of budget solutions  
Recommendation by President and VPs  
June 1, 2010

District instructional supplies transfer to lottery	\$41,800	
Do not replace welding instructor	\$75,705	
Reduce student tutorial budget by 25%	\$41,009	
Eliminate winter intersession	\$1,002,724	<u>1,161,238</u>
Furlough 10 days Classified Staff	\$253,870	
Furlough 10 days Classified Managers	\$46,900	
Furlough 10 days Classified Confidential	\$28,970	
Furlough 10 days Administrators	\$76,130	
Freeze steps on all faculty	\$221,665	
Freeze steps on classified managers	\$29,061	
Freeze steps on classified confidential	\$28,657	
Freeze steps on classified staff	\$238,956	
Freeze steps on administrators	\$40,202	
Reducing non-teaching faculty from 199 to 189 days	\$74,460	
Reducing division chairs from 199 to 189 days	\$69,966	<u>1,108,837</u>
Subtotal budget solutions (Expenditures)		<u><u>2,270,075</u></u>
Projected 1.2% growth revenue	\$383,764	
Use of prior year fund balance	\$500,000	<u>883,764</u>
Subtotal budget solutions (Revenues)	\$883,764	<u><u>883,764</u></u>
Total budget solutions recommended		<u><u><u>3,153,839</u></u></u>

Imperial Valley College  
Budget and Fiscal Planning Committee  
List of budget solutions

June 1, 2010

District instructional supplies transfer to lottery \$41,800  
Do not replace welding instructor \$75,705  
Do not replace VP for Information Technology \$125,328  
Reduce student tutorial budget by 25% \$41,009  
Eliminate winter intersession \$1,002,724  
Summer 4/10 Schedule Savings \$50,000  
Travel & Conferences by 50% \$100,595  
Reduce Membership & Dues by 32.84% \$41,721 (back to 09-10 actual)  
Reduce Other Services & Expenses 45.67% \$115,012 (back to 09-10 actual)

Subtotal budget solutions (Expenditures) \$1,593,894

Projected 1.2% growth revenue \$383,764  
Use of prior year fund balance \$500,000  
Additional funds used from reserves \$676,181

Subtotal budget solutions (Revenues) \$1,559,945

Total budget solutions recommended \$3,153,839