

BUDGET COMMITTEE

MEETING AGENDA

June 4, 2014

3:00 p.m.



Location: Building 4, Conference Rm. #2460

Time: 3:00 p.m. – 4:30 p.m.

Committee Members:

Mike Gregoryk, Chair	Mark Fernandez	Edmond Xiong (Student)	Bill Scroggins (Guest)
Richard McGowan, Co-Chair	Martin Ramey	Fernando Aguayo (Student)	
Irene Malmgren	Rosa Royce	Lance Heard	
Audrey Yamagata-Noji	Michelle Sampat	Gary Nellesen	Kerry Martinez (Notes)
	Johnny Jauregui	Confidential Vacancy	

AGENDA ITEMS:

- 1. Agenda Check**
- 2. Review Budget Committee Meeting Summary of May 21, 2014**
- 3. Review 2014-15 Tentative Budget**
- 4. Annual Review of College Committees**
- 5. Establish Date for Budget Committee Review of the Adopted Budget**
- 6. Accreditation Assistance – GAP Analysis – Review for Discussion at September 3, 2014 Budget Committee Meeting**
- 7. Final Template for New Resources Allocation Requests**

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**Mt. San Antonio College
Budget Committee
Summary of June 4, 2014**

Revised 6.18.14

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
<p>Committee Members:</p> <p><input checked="" type="checkbox"/> Mike Gregoryk, Chair <input checked="" type="checkbox"/> Richard McGowan, Co-Chair <input checked="" type="checkbox"/> Irene Malmgren <input checked="" type="checkbox"/> Audrey Yamagata-Noji</p> <p><input checked="" type="checkbox"/> Michelle Sampat <input checked="" type="checkbox"/> Martin Ramey <input checked="" type="checkbox"/> Mark Fernandez <input checked="" type="checkbox"/> Rosa Royce</p> <p><input type="checkbox"/> Edmond Xiong (Student) <input type="checkbox"/> Fernando Aguayo (Student) <input checked="" type="checkbox"/> Johnny Jauregui <input type="checkbox"/> Gary Nellesen</p> <p><input type="checkbox"/> Lance Heard <input checked="" type="checkbox"/> Bill Scroggins (Guest) <input type="checkbox"/> <input checked="" type="checkbox"/> Kerry Martinez (Notes)</p>	<p>1. Agenda Check</p> <p>2. Review Budget Committee Meeting Summary of May 21, 2014</p> <p>The Budget Committee Meeting Summary of May 21, 2014, was approved, as presented. Mike Gregoryk stated he and Richard McGowan will meet on the Monday before each Budget Committee meeting to review the Agenda. Kerry will send out the meeting notes and Agenda on that Monday afternoon.</p> <p>The committee discussed the need to update the Budget Committee webpage and what documents should be posted. It was noted that the Budget Process should be evaluated and updated, and should be a high priority for accreditation purposes.</p> <p>Dr. Scroggins suggested evaluating the whole budget process; and documenting any changes to the process. He noted the prioritization process should be included in the process, and based on the Mission and Strategic Plan. He suggested closing the loop by determining that money was allocated according to the priorities that came out of PIE; and whether or not the resource allocations were effective and accomplished the plan that was indicated in PIE, and in the budgeting/prioritization process. A process to "close the loop" should be created, and included in the budget process and PIE.</p> <p>Audrey Yamagata-Noji asked if a person is hired, and is funded with one-time money, and the justification was provided but later on it was found that there are no good results, do we fire this person? Dr. Scroggins suggested that the College be more flexible by repurposing that person somewhere else where the funding is available. Mike noted his concern about hiring people with one-time money. Dr. Scroggins suggested that there are three outcomes after getting the responses for the rationales for the one-time money: 1) we have the money, we have the rationale, we allocated it, and now it becomes ongoing;</p>	<p>Approved, as presented.</p> <p>Approved, as presented.</p>

	<p>2) we have the money, we got a good start on it, it's not proven to be an ongoing need, so authorization is given for another year of one-time money, and 3) you stop doing something, either because you don't have the money or because the outcome that was expected wasn't realized with the resource. Richard asked Dr. Scroggins where the decision is made in deciding if a new resource allocation should remain one-time or become ongoing. Dr. Scroggins stated Budget Committee makes a recommendation and it is decided in President's Cabinet.</p> <p>Dr. Scroggins noted that last year the Budget Managers were provided a 3-year profile of their status quo budgets and were given forms asking them to justify them. This process was very helpful and should also be added to the updated budget process. Concern was expressed regarding the difference between budgeted numbers and actuals, so we don't start ending up with a bigger gap.</p> <p>Mark Fernandez asked who would analyze a new program and do the assessment as to whether or not it is a good one. It was suggested that Institutional Effectiveness should determine how effective the program is, and Budget Committee should look at the numbers. Irene Malmgren said this would go through Curriculum and Program Planning, and watching over it is the PIE process. Dr. Scroggins noted that we don't have new program processes in place outside of Instruction. He gave the Employee Wellness Program as an example.</p>
<p>3. Review 2014-15 Tentative Budget</p>	<p>Rosa explained her handouts titled Changes to Fund Balance from 2013-14 Adopted Budget to 2014-15 Tentative Budget (as of May 9, 2014), 2013-14 Estimated Variances (May 9, 2014), 2013-14 Estimated Variances, 2013-14 Adopted Budget Versus 2013-14 Very Preliminary Estimated Actuals, Work in Progress 2014-15 Budget Scenarios, and 2014-15 Budget Scenarios Definitions and Footnotes. Mike suggested the Budget Committee members review these documents and bring any questions you may have to the June 18, 2014, meeting. Rosa explained these reports are very preliminary and the numbers will change on June 30, 2014.</p>
<p>4. Annual Review of College Committees</p>	<p>The Budget Committee reviewed the revised Annual Review of College Committees. Mike asked for an addition to end of the sentence for Number 2 under <u>Function</u>: "and review the current budget process for effectiveness." The committee agreed that the current Confidential vacancy should be changed to Member-at-Large, recommended by the Vice President, Administrative Services, and confirmed by the Budget Committee.</p>
<p>5. Establish Date for Budget Committee</p>	<p>Mike stated that the Budget Committee previously discussed reviewing the Adopted Budget on August 20, 2014. This date may change to August 27, 2014, depending</p>

Review of Adopted Budget	whether or not the information needed has been received from the State.
<p>6. Accreditation Assistance – Gap Analysis – Review for Discussion at September 3, 2014, Budget Committee Meeting</p>	<p>Mike asked the committee members to review the document titled ACCJC “New” Standards Gap Analysis – Budget Committee, and bring their comments. Irene Malmgren suggested developing a strategy with teams formed with one person from each constituency to be responsible for a standard so that not everybody is doing all of it; to share the load as opposed to everyone doing it all. Mike recommended the Budget Committee meet one more time on June 18, 2014, to spend some time on the Gap Analysis document. Richard, Mike, and Irene agreed to meet to review the document prior to the meeting on June 18, 2014.</p>
<p>7. Final Template for New Resources Allocation Requests</p>	<p>The committee reviewed the final template for New Resources Allocation Requests.</p>

FUTURE AGENDA ITEMS:

- Review 2014-15 Adopted Budget and Prioritized New Resources Allocation Requests
- Continue Review of the Budget Review and Development Process
- Budget Committee Web Page – Documents to be Posted

FUTURE MEETING DATES:

- June 18, 2014
- August 20, 2014 (Tentative)
- September 3, 2014
- September 17, 2014

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**CHANGES TO THE FUND BALANCE
FROM 2013-14 ADOPTED BUDGET TO 2014-15 TENTATIVE BUDGET
(As of May 9, 2014)**

	<u>Tentative Budget</u>
UNRESTRICTED GENERAL FUND	
2013-14 Adopted Budget Fund Balance (Reserves)	\$ 19,694,989
Additional COLA as result of the Additional Growth Restoration of the 2011-12 Workload Reduction	4,751
Additional Non Resident Tuition (International and out-of-state)	793,727
Additional Growth Restoration (Restored 2011-12 Workload Reduction)	302,586
2012-13 Statewide Structural Deficit Improved with Apportionment Recalculation	1,025,815
Increase in One-Time Apportionment Structural Deficit Estimated at 1% ⁽¹⁾	(3,093)
Redevelopment Revenues Backfill (Was Offset by Property Taxes)	2,012,207
Prior Year Lottery Adjustment	190,291
Miscellaneous Revenues	283,122
Estimated Changes in Revenues as of May 9, 2014	4,609,406
2013-14 Positive Budget Balances	1,744,615
Salary and Benefit Savings, net of increase to Managers, Confidential and Supervisors of \$623,633	1,759,217
2013-14 New Resources Allocation Requests	(886,111)
One-time Immediate Needs and Other One-time approved expenditures	(306,512)
Additional Cost of 1,030 FTES Course Offerings in Hourly Adjunct for 2013-14	(1,495,536)
Estimated Changes in Expenditures as of March 25, 2014	815,673
Total 2013-14 Estimated Variance - Unrestricted General Fund	5,425,079
Revenues, Revenue-Generated Accounts (Includes Converted Auxiliary Trust Accounts)	1,341,196
Expenditures, Revenue-Generated Accounts (Includes Converted Auxiliary Services Trust Accounts)	1,557,472
Total 2013-14 Variance - Unrestricted General Fund, Revenue Generated Accounts	2,898,668
Total 2013-14 Estimated Variance	\$ 8,323,747
2013-14 Estimated Ending Fund Balance (Reserves)	28,018,736
Estimated 2014-15 Ongoing Budget Deficit	(12,137,122)
Estimated 2014-15 One-time Revenues and Expenditures - Savings ⁽²⁾	2,324,223
Estimated 2014-15 Ongoing and One-Time Budget Deficit	(9,812,899)
Estimated 2013-14 Revenues, Revenue-Generated Accounts	1,585,602
Estimated 2013-14 Expenditures, Revenue-Generated Accounts	(4,484,270)
Estimated 2013-14 Ongoing, One-Time, and Revenue Generated Accounts Budget Deficit	(2,898,668)
Estimated 2014-15 Fund Balance (Reserves)	\$ 15,307,169
Fund Balance Percentage	9.87%

(1) Estimated at \$1,295,780 in the 2013-14 Adopted Budget, which had slightly increased to \$1,298,873. In P1, this deficit is estimated at 4.36% or \$5,723,210. The deficit is the result of the volatility of the Redevelopment revenues and the Education Protection Account. The final 2012-13 apportionment deficit was known on February 2014, and it was reduced to only .22% or \$282,894. The final apportionment deficit will be known in February 2015.

(2) Includes \$2,639,645 funding for the Annual Contribution to the OPEB Trust. The Retiree Benefit Premiums of \$4,272,474 will be paid from the OPEB Trust.

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2013 - 14
ESTIMATED VARIANCES
(May 9, 2014)

Adopted Budget	Revised Budget	Estimated Actuals	Estimated for Tentative Budget	Explanation
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UNRESTRICTED GENERAL FUND 11 AND 12:

ONGOING REVENUES:

2013-14 Base Apportionment Revenue	\$ 125,762,935	\$ 125,762,935	\$ 125,762,935	-	
2013-14 COLA	\$ 1,974,478	\$ 1,974,478	\$ 1,979,229	4,751	
Total Apportionment	127,737,413	127,737,413	127,742,164	4,751	
Nonresident Tuition - International	2,600,000	2,600,000	3,148,081	548,081	Carryover International Student Fee estimated at \$811,235 to 2014-15.
Nonresident Tuition - Out of State	650,000	650,000	895,646	245,646	
Interest	200,000	200,000	260,860	60,860	Interest increased mainly as a result of the decrease of apportionment deferrals.
Parking Citations	620,000	620,000	680,680	60,680	
JPA Property Tax Delinquency	23,000	23,000	23,000	-	
Administrative Allowance 2% Enrollment	168,752	168,752	168,752	-	Per 2012-13 second principal apportionment.
Part-time Faculty Health Insurance & Office Hours	54,456	54,456	54,456	-	
Faculty Parity	672,548	672,548	672,548	-	
Performing Arts Ticket Sales	45,000	45,000	25,083	(19,917)	
Student Records	20,300	20,300	30,927	10,627	
Student Fees Visa Application	14,000	14,000	11,650	(2,350)	Carryover Student Fee Visa Application estimated at \$11,650 to 2014-15.
Medicare Part D Subsidy	340,000	340,000	340,000	-	
BOG Fee Waiver Administration	392,960	361,841	361,841	(31,119)	Per 2013-14 first principal apportionment.
Administrative Allowance, Financial Aid Programs	120,000	120,000	48,094	(71,906)	
Prior Year Lottery Adjustment	-	-	190,291	190,291	Adjustment to 2012-13 Lottery funds.
Sale of Fixed Assets	-	-	6,209	6,209	
Other Misc. Revenue	37,054	209,435	191,251	154,197	Includes \$19,394 for Return to Title IV, \$7,120 for American Fidelity Reimbursement, and \$152,987 as a result of terminating the Chevron Energy Solutions agreement for energy savings not fully achieved by the plant.
Rentals and Leases	14,300	14,300	14,300	-	48th Agricultural District and Auxiliary Services rent.
Self Insured Retention Trust	-	121,386	121,386	121,386	Insurance Fund for legal expenses, claims and settlements.
Current Year Lottery	3,698,982	3,698,982	3,698,982	-	
TOTAL ONGOING REVENUES	137,408,765	137,671,413	138,686,201	1,277,436	

2013 - 14
ESTIMATED VARIANCES
(May 9, 2014)

	Adopted Budget	Revised Budget	Estimated Actuals	Estimated for Tentative Budget	Explanation
ONE-TIME REVENUES:					
2012-13 Additional Growth	-	-	302,586	302,586	Final 2012-13 Growth received in February 2014. Restoration of the 2009-10 and 2011-12 Workload reductions.
2013-14 Growth	1,842,576	1,842,576	1,842,576	-	Estimated Growth Restoration of the 2011-12 Workload Reduction. This figure will change in February 2015 when final FIES are reported by all Districts.
2012-13 Apportionment Statewide Structural Deficit	-	-	1,025,815	1,025,815	Per final 2012-13 apportionment recalculation received on February 2014. The final statewide structural deficit was reduced from 3.74% to .22%.
2012-13 RDA Backfill Deficit in Dispute	1,383,392	1,383,392	3,395,599	2,012,207	2012-13 Redevelopment Revenues Deficit. Guaranteed Backfill fully recovered.
2013-14 Apportionment Statewide Structural Deficit	(1,295,780)	(1,295,780)	(1,298,873)	(3,093)	Apportionment deficit estimated at .1% of total apportionment.
TRANS Interest	96,086	96,086	90,541	(5,545)	The TRANS net gain is estimated to be \$3,789 as March 31, 2014. An arbitrage report will determine the actual gain for tax purposes.
Mandated Cost Block Grant	790,520	790,520	790,520	-	District elected to participate in the Mandated Costs Block Grant for 2013-14. Election requested on September 27, 2013.
TOTAL ONE-TIME REVENUES	2,816,794	2,816,794	6,148,764	3,331,970	
TOTAL REVENUES	140,225,559	140,488,207	144,834,965	4,609,406	

2013 - 14
ESTIMATED VARIANCES
(May 9, 2014)

	Adopted Budget	Revised Budget	Estimated Actuals	Estimated for Tentative Budget	Explanation
EXPENDITURES:					
Savings from Faculty Regular Salaries	39,217,296	38,455,852	38,059,899	1,157,397	When actuals are compared to the revised budget, savings in this section total \$95,953 due to several retirements and unpaid leave of absences. Portions of the budget were transferred to backfill the adjunct faculty hourly budget.
Savings from Managers, Classified, Supervisors and Confidential Regular Salaries	35,222,761	35,770,946	34,540,790	681,971	When actuals are compared to the revised budget, savings in this section total \$1,230,156 due to several vacancies, docked time, and positions funded with the 2013-14 New Resources Allocation that have not been filled.
Hourly Faculty	26,105,353	26,905,994	28,155,904	(2,050,551)	When actuals are compared to the revised budget, the deficit is estimated at 1,249,910. The revised budget was increased by existing budget for a total of \$800,641. The deficit is the result of the increase in courses for the 2013-14 of approximately 1,030 FTEs.
Blended Rate Overtime Salaries and Benefits	-	-	22,318	(22,318)	
Short-term Hourly and Overtime	3,257,717	3,273,596	3,154,445	103,272	
Benefits	23,934,495	24,229,211	23,437,313	497,182	Savings as a result of vacant positions and over budget Local Experience SUJ Charges.
Retiree Benefit Health and Welfare Premiums	-	-	-	-	One-time expenditures savings for Retiree Health Premiums and OPEB Trust Contribution.
Stars of Excellence	217,450	217,450	103,333	114,117	Conserved Budget; Balance of unspent funds.
Travel and Conference and Management Dept. Funds	77,484	229,485	205,040	(127,556)	
Instructional Equipment	342,019	342,019	200,671	141,348	The Instruction Office intentionally did not allocate all of these funds in order to save for emergencies. The estimated Carryover balance to 2014-15 is \$141,348 when actuals are compared to the revised budget.
Catalog and Schedules	113,872	113,872	25,458	88,414	Instruction discontinued the mailing of the schedule of classes to the community, which was a deliberate cost saving strategy. When actuals are compared to the revised budget the balance is \$88,414.
Marketing Savings (Accounts 561000, 583000 and 589000)	53,283	45,738	31,169	22,114	
Energy Maintenance Projects	489,240	693,396	704,508	(235,268)	The savings, as a result of terminating the Chevron agreement, have been used to fund the central plant generators maintenance agreement with Quinn Power Systems.
Postage	336,950	186,722	160,255	176,695	Information Technology purposely save in postage to carryover the balance to 2014-15 to be used in security related infrastructure.
Rideshare Program	16,000	16,000	12,207	3,793	
Institutional Memberships	198,168	198,221	202,324	(4,156)	
Human Resources - Recruitment, Employment Related, & HR Fingerprinting	258,142	346,351	280,667	(22,525)	
Accreditation	37,200	37,200	14,871	22,329	
Utilities - Gas & Electric	2,669,077	2,669,077	2,967,784	(298,707)	Due to the failure of the meters at the central plant, Edison performed an analysis of all billings from 2010 through March 2013, which resulted in an additional payment of \$343,457 in September 2013.
Utilities - Telephone	204,432	204,432	86,907	117,525	
Utilities - Water	284,721	284,721	315,305	(30,584)	
Utilities - Waste Disposal and Recycling	238,485	238,485	206,162	32,323	
Utilities - Cable	1,200	1,200	3,484	(2,284)	
Liability Insurance Premiums	1,144,424	1,144,424	1,144,424	-	
Rate-Driven Increases Budget	509,590	509,590	-	509,590	Ongoing Unallocated Budget Balance.

2013 - 14
ESTIMATED VARIANCES
(May 9, 2014)

	Adopted Budget	Revised Budget	Estimated Actuals	Estimated for Tentative Budget	Explanation
Balances from Unspent Status Quo Budgets	10,164,503	11,351,889	10,114,399	50,104	
Telephone System	119,290	119,290	107,025	12,265	
Child Development One-time Support	80,000	80,000	80,000	-	
DSPS One-time Support	65,268	66,673	65,411	(143)	
Vacation Accrual	-	-	-	-	To be determined at year-end.
Indirect Cost	-	-	38,376	(38,376)	
Allowance for Doubtful Accounts	-	-	-	-	To be determined at year-end.
TRAMS Interest Expenses	201,404	201,404	201,404	-	The TRAMS net gain is estimated to be \$3,789 as March 31, 2014. An arbitrage report will determine the actual gain for tax purposes.
Self Insured Retention Trust	-	111,593	111,593	(111,593)	Insurance Fund for legal expenses, claims and settlements
Community Services Over Expenditure and Indirect Cost	-	-	(29,295)	29,295	The over expenditure includes \$29,295 for Indirect Cost.
TOTAL EXPENDITURES	145,539,824	148,044,831	144,724,151	815,673	
TOTAL 2013-14 ESTIMATED VARIANCE - UNRESTRICTED				5,425,079	

2013 - 14
ESTIMATED VARIANCES
(May 9, 2014)

Adopted Budget	Revised Budget	Estimated Actuals	Estimated for Tentative Budget	Explanation
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UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS

REVENUES:

Revenue-Generated Accounts	1,585,602	2,525,034	2,343,097	757,495	
Revenue-Generated Accounts - Converted Auxiliary Trust Accounts	-	600,493	583,701	583,701	
TOTAL REVENUES	1,585,602	3,125,527	2,926,798	1,341,196	

EXPENDITURES:

Revenue-Generated Accounts	3,528,872	4,468,304	1,975,496	1,553,376	Estimated Carryover \$2,310,871 funds to 2014-15.
Revenue-Generated Accounts - Converted Auxiliary Trust Accounts	777,434	1,377,927	773,338	4,096	Carryover \$587,797 funds to 2014-15.
TOTAL EXPENDITURES	4,306,306	5,846,231	2,748,834	1,557,472	

TOTAL 2013-14 ESTIMATED VARIANCE - UNRESTRICTED GENERAL FUND REVENUE-GENERATED ACCOUNTS

2,898,668

TOTAL 2013-14 ESTIMATED VARIANCE

\$ 8,323,747

Funds will be carried over to 2014-15 and budgeted as one-time

Revenue Generated Accounts

Matching Revenue and Expenditures

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MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT
2013-14 ADOPTED BUDGET VERSUS 2013-14 VERY PRELIMINARY ESTIMATED ACTUALS
 Unrestricted General Fund
 (As of May 9, 2014)

	2013-14 Adopted Budget	2013-14 Estimated Actuals	Difference	%	Comments
UNRESTRICTED GENERAL FUND 11 AND 12					
ONGOING REVENUE SOURCE:					
Base Apportionment	\$ 125,762,935	\$ 125,762,935	\$ -	0.0%	
COLA	1,974,478	1,979,229	4,751		Funded COLA at 1.57%. COLA on the \$302,586 2012-13 Addit. Growth
Total Apportionment	\$ 127,737,413	\$ 127,742,164	\$ 4,751	0.0%	
Miscellaneous	\$ 5,972,370	\$ 7,245,055	1,272,685	21.3%	Increase of Nonresident Fees International and out-of-state of \$793,727. Lottery prior year adjustment of \$190,291, and revenues for terminating the Chevron Energy Solutions contract of \$152,987.
Lottery - Current Year	3,698,982	3,698,982	-	0.0%	
TOTAL ONGOING REVENUES:	\$ 137,408,765	\$ 138,686,201	\$ 1,277,436	0.9%	
TOTAL ONGOING EXPENDITURES:					
	\$ (146,853,655)	\$ (143,485,883)	\$ 3,367,772	-2.3%	The savings are: \$395,953 in full time faculty positions due to retirements and unpaid leave of absences; \$1,230,256 in management and classified vacant positions, docked time, and the balance is savings from departments budgets.
SURPLUS/(DEFICIT) - ONGOING	\$ (9,444,890)	\$ (4,799,682)	\$ 4,645,208	-49.2%	
ONE-TIME REVENUE - INCREASES/(DECREASES)					
Additional 2012-13 Growth (Restored 2011-12)	\$ -	\$ 302,586	\$ 302,586		Received with final 2012-13 Apportionment Recalculation(February 2014)
2012-13 Growth estimated at 1.63% (Restored 2011-12)	1,842,576	1,842,576	-		
RDA Backfill Deficit in Dispute	1,393,392	3,395,599	2,012,207		Shortfall in RDA Revenues. Legislation was introduced to obtain backfill.
Community College System Statewide Structural Deficit 2012-13	-	1,025,815	1,025,815		Deficit was reduced from 3.74% to 0.22%.
Community College System Statewide Structural Estimated Deficit 2013-14	(1,295,780)	(1,298,873)	(3,093)		Estimated at 1% of total 2013-14 apportionment
Tax and Revenue Anticipation Notes	96,086	90,541	(5,545)		
Mandated Cost Block Grant	790,520	790,520	-		\$28 per funded FTES at P2. District must opt in.
TOTAL ONE-TIME REVENUE:	\$ 2,816,794	\$ 6,148,764	\$ 3,331,970		
ONE-TIME EXPENDITURES - INCREASES/(DECREASES)					
One-Time Expenditures	\$ (4,529,822)	\$ (5,586,385)	\$ (1,056,563)	23.3%	Mainly increase of 1.0% salaries and \$1,500 annual health & welfare of \$254,552 for Managers, Confidential and Supervisors, \$306,512 for Immediate Needs One-time, and \$886,111 for the 2013-14 New Resources Allocation, and the decrease in various carryover budgets that have not been expensed for a total of \$289,729.
One-time Expenditures Course Offerings	(1,105,014)	(2,600,550)	(1,495,536)		The adopted budget included a total of \$1,105,014 to cover for 539 FTES to earn the 1.63% growth. The cost of \$2,600,650 is for the cost of approximately 1,030 FTES in 2013-14.
One-Time Expenditure Savings (Retiree Health Premiums/OPEB)	6,948,667	6,948,667	-	0.0%	
TOTAL ONE-TIME EXPENDITURES:	\$ 1,313,831	\$ (1,238,266)	\$ (2,552,099)	-194.2%	
SURPLUS/(DEFICIT) - ONGOING AND ONE-TIME	\$ (5,314,265)	\$ 110,814	\$ 5,425,079	-102.1%	
UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS					
TOTAL REVENUES:	\$ 1,585,602	\$ 2,926,798	\$ 1,341,196	84.6%	
TOTAL EXPENDITURES:	(4,306,306)	(2,748,834)	1,557,472	-36.2%	The projected fund balance slightly increased. The final fund balance will be
TOTAL REVENUE GENERATED INCREASES/DECREASES	\$ (2,720,704)	\$ 177,964	\$ 2,898,668	-106.5%	determined when books are closed on June 30.
SURPLUS/(DEFICIT) - ONGOING, ONE-TIME, AND REVENUE-GENERATED	\$ (8,034,969)	\$ 288,778	\$ 8,323,747	-103.6%	

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2013-14 Adopted Budget	2013-14 Estimated Actuals	Difference	%	Comments
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**SUMMARY OF FUND BALANCE:
UNRESTRICTED GENERAL FUND 11 AND 12**

Assigned Fund Balance				
City of Industry - Legal Settlement	\$ -	\$ -		
Assigned Fund Balance - New Resources Allocation Requests	1,238,791	(1,238,791)		
Total Assigned Fund Balance:	\$ 1,238,791	\$ (1,238,791)	-100.0%	
Unassigned Fund Balance				
10% - Board Policy	\$ 14,984,613	\$ (237,314)	-1.6%	
Unassigned Fund Balance	3,471,585	6,901,184	196.8%	
Total Unassigned Fund Balance:	\$ 18,456,198	\$ 6,663,870	36.1%	
Total Fund Balance:	\$ 19,694,989	\$ 5,425,079	27.5%	
Total Fund Balance Percentage:	13.53%	17.36%		

UNRESTRICTED GENERAL FUND 13 - REVENUE-GENERATED ACCOUNTS

Assigned Fund Balance				
Revenue-Generated Accounts	\$ -	\$ 2,898,668		
Total Fund Balance Unrestricted General Fund (Funds 11, 12, and 13):	\$ 19,694,989	\$ 8,323,747	42.3%	
Total Fund Balance Percentage Unrestricted General Fund (Funds 11, 12 and 13):	13.14%	19.00%		

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MT. SAN ANTONIO COLLEGE

PRESIDENT'S OFFICE
909.274.4250

M E M O R A N D U M

Date: April 9, 2014
To: Governance/Academic Senate Committee Chairs
From: President's Advisory Council
Subject: **ANNUAL REVIEW OF COLLEGE COMMITTEES - 2014**

As you know, each year the President's Advisory Council conducts an annual review of College Committees. Please complete the following questionnaire and return the information to the President's Office, Attention: Denise Lindholm, by **Friday, June 6, 2014**. If you have any questions about the questionnaire, please contact Denise at extension 5431.

Please Note: The purpose, function, and membership of a council/committee cannot be changed without approval by the President's Advisory Council. If your council/committee believes that changes are warranted, they need to be recommended during this annual review process. As a reminder, if you need to change your purpose and/or function statements, or add/delete members to your committee, Senate committees must have Senate approval before the request is made through the President's Advisory Council.

Council/Committee: **Budget Committee**

Chair/Co-Chair: **Michael Gregoryk, Chair**
Richard Mc Gowan, Co-Chair

Changes: When making changes to the Purpose and Function Statement, please delete by ~~striking through~~ and add by **bold and underline**.

Membership: If the membership is not satisfactory, please provide a rationale for the changes.

Member Terms: Note that member terms are for three years, and the terms should be staggered so that not all of any one group rotates out in a given year.

Meeting Times: First and third Wednesdays of each month, 3:00-4:30 p.m., Building 4, Room 2460)

Submitted to Denise 6.5.14

To: Governance/Academic Senate Committee Chairs
Subject: Annual Review of College Committees
April 9, 2014
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College Website: [Kerry Martinez, kmartinez@mtsac.edu, 909.274.5502](#)
Website Link: www.mtsac.edu/governance/committees/budget
Last Updated: [April 9, 2014](#)

WTS:dl

Attachment

To: Governance/Academic Senate Committee Chairs
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BUDGET COMMITTEE

(Governance Committee – Reports to President’s Advisory Council)

Purpose

The Budget Committee is the primary governance body for developing, recommending, and evaluating policies and procedures relating to planning and its link to all aspects of College finances.

Function

1. Develop and recommend policies and procedures relating to overall resource generation and allocation.
2. Develop and recommend policies and procedures for budget development, **and review the current budget process for effectiveness.**
3. Develop and recommend policies and procedures for allocating discretionary revenue.
4. Evaluate effectiveness of policies and procedures relating to all aspects of College finances.
5. Evaluate the College budget models using an ongoing and systematic cycle of evaluation, integrated planning, resource allocation, implementation, and re-evaluation (ACCJC Standard I.B.3).
6. Reports to President’s Advisory Council on the evaluation of the College budget models and informs the campus about budget-related matters.

Membership (14)

Vice President, Administrative Services (Chair)	Mike Gregoryk (ongoing)
Associate Vice President, Fiscal Services (Co-Chair)	Rosa Royce (ongoing)
Three Managers	Irene Malmgren (ongoing)
(one from Facilities Planning & Management, one from Student Services, and one from Instruction)	Gary Nellesen (ongoing)
Four Faculty	Audrey Yamagata-Noji (ongoing)
(<u>Three Appointed by the Academic Senate and one appointed by Faculty Association</u>)	*Richard McGowan, (2012-15)
<u>* 1 Appointed Co-Chair</u>	<u>Co-Chair</u>
	Martin Ramey (2013-16)
	Michelle Sampat (2011-14)
	<u>Lance Heard</u> (2013-16)
Two Classified	Johnny Jauregui (2013-16)
	Mark Fernandez (2012-15)
One Confidential <u>Member at Large</u>	Vacant (2011-14)
(<u>Appointed by V.P. Administrative Services, confirmed by Budget Committee</u>)	
Two Students	Karina Maureira (2013-14)
(Appointed by Associated Students)	<u>Fernando Aguayo</u>
	Edmond Xiong (2013-14)
	<u>Vacant</u> (2013-14)

Person responsible to maintain committee website:

Kerry Martinez
Kmartinez@mtsac.edu, 909-274-5502

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Accreditation Assistance

Kristina Allende to: Michael Gregoryk

04/15/2014 10:46 AM

Mike,

As you may be aware, Mt. SAC is preparing for its 2016 Accreditation Site Visit. A part of this preparation is to engage in a gap analysis to determine in which areas we may need to improve. The Accreditation Steering Committee has determined that the Budget Committee is best able to help with the gap analysis in specific areas that overlap with its purpose and function. I have attached a template that needs your review. You can determine whether you would like your committee to work on the gap analysis this semester, or if you would like to wait until fall. In either case, please attempt to have the gap analysis completed by October 15, 2014. Please don't hesitate to contact me with any questions. Your assistance with this all important project is greatly appreciated.



KMA Gap Analysis- Budget Comm.docx

Kristina M. Allende
Professor of English, ELJ Department Chair
Faculty Accreditation Coordinator
Mt. San Antonio College
909-274-4127
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ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective Ineffective	Description	Systematically Collected? Yes No	
Standard I: Mission, Academic Quality, Institutional Effectiveness and Integrity						
I.A.1. The institution’s mission describes its broad educational purposes, its degrees and credentials offered, its intended student population, and its commitment to student success, as reflected in student learning and student achievement. The institution’s programs and services are aligned with its mission.						
I.A.2. The institution uses data to determine how effectively it is accomplishing its mission, and whether the mission directs institutional priorities and educational needs of students.						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes		No		Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective	Ineffective			
I.A.3. The mission guides institutional decision-making, planning, and resource allocation and informs institutional goals for student learning and achievement.							
I.B.1. The institution demonstrates a substantive and collegial dialog about student outcomes, academic quality, institutional effectiveness, and continuous improvement of student learning and achievement.							
I.B.4. The institution uses assessment data, organizes its institutional processes and allocates and reallocates resources to support student learning and student achievement.							

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

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	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
I.B.6. The Institution disaggregates and analyzes outcomes for subpopulations of students important to its mission. When the institution identifies performance gaps, it implements strategies, which may include human and fiscal resources, to mitigate those gaps and evaluates the efficacy of those strategies.						
I.B.7. The institution regularly evaluates its policies and practices in educational programs and student and learning support services, resource management, and governance to assure their effectiveness in supporting academic quality and accomplishment of mission.						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)	
	Yes	No		Description	Systematically Collected?		
	Highly Effective	Effective	Somewhat Effective		Ineffective	Yes	No
<p>I.B.8. The institution engages in continuous, broad based, systematic evaluation and planning. The institution integrates program review, planning, and resource allocation that leads to accomplishment of its mission and improvement of institutional effectiveness and academic quality. Institutional planning addresses short- and long-range needs for educational programs and services and for human, physical, technology, and financial resources.</p>							
<p>I.C.5. The institution regularly reviews institutional policies, procedures, and publications to assure integrity in all representations of its mission, programs, and services. CW IVA5</p>							

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes	No		Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective	Ineffective	Yes	No
Standard III: Resources						
III.B.2. The institution plans, acquires, builds, maintains, and upgrades or replaces its physical resources, including facilities, equipment, land, and other assets, in a manner that assures effective utilization and the continuing quality necessary to support its programs and services and achieve its mission. CW IIIB1a						
III.B.4. Long-range capital plans support institutional improvement goals and reflect projections of the total cost of ownership of new facilities and equipment. CW IIIB2a						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
III.C.2. The institution continuously plans for, updates and replaces technology to ensure its technological infrastructure, quality and capacity are adequate to support its mission, operations, programs, and services. CW IIC, IIC1d, IIC2						
III.D.1. Financial resources are sufficient to support and sustain student learning programs and services and improve institutional effectiveness. The distribution of resources supports the development, maintenance, allocation and reallocation, and enhancement of programs and services. The institution plans and manages its financial affairs with integrity and in a manner that ensures financial stability. CW IIID Intro						

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes	No		Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective			Ineffective
III.D.2. The institution's mission and goals are the foundation for financial planning, and financial planning is integrated with and supports all institutional planning. The institution has policies and procedures to ensure sound financial practices and financial stability. Appropriate financial information is disseminated throughout the institution in a timely manner. CW IIID1, IIID1a, IIID2c						
III.D.3. The institution clearly defines and follows its guidelines and processes for financial planning and budget development, with all constituencies having appropriate opportunities to participate in the development of institutional plans and budgets. CW IIID1d						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
III.D.6. Financial documents, including the budget, have a high degree of credibility and accuracy, and reflect appropriate allocation and use of financial resources to support student learning programs and services. CW IIID2a						
III.D.7. Institutional responses to external audit findings are comprehensive, timely, and communicated appropriately. CW IIID2b						
III.D.8. The institution's financial and internal control systems are evaluated and assessed for validity and effectiveness, and the results of this assessment are used for improvement. CW IIID2e						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes	No		Description	Systematically Collected? Yes No	
	Highly Effective	Effective	Somewhat Effective			Ineffective
III.D.9. The institution has sufficient cash flow and reserves to maintain stability, support strategies for appropriate risk management, and, when necessary, implement contingency plans to meet financial emergencies and unforeseen occurrences. CW IID3a						
III.D.10. The institution practices effective oversight of finances, including management of financial aid, grants, externally funded programs, contractual relationships, auxiliary organizations or foundations, and institutional investments and assets. CW IID3b						

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What's Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
III.D.11. The level of financial resources provides a reasonable expectation of both short-term and long-term financial solvency. When making short-range financial plans, the institution considers its long-range financial priorities to assure financial stability. The institution clearly identifies, plans, and allocates resources for payment of liabilities and future obligations. CW IIIID1c						

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Revised 4/15/14

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	Somewhat Effective	No Ineffective	Description	Systematically Collected? Yes No	
III.D.12. The institution plans for and allocates appropriate resources for the payment of liabilities and future obligations, including Other Post-Employment Benefits (OPEB), compensated absences, and other employee related obligations. The actuarial plan to determine Other Post-Employment Benefits (OPEB) is current and prepared as required by appropriate accounting standards. CW IIID3c, d							
III.D.13. On an annual basis, the institution assesses and allocates resources for the repayment of any locally incurred debt instruments that can affect the financial condition of the institution. CW IIID3e							

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
<p>III.D.14. All financial resources, including short- and long-term debt instruments (such as bonds and Certificates of Participation), auxiliary activities, fund - raising efforts, and grants, are used with integrity in a manner consistent with the intended purpose of the funding source. CW IIID2d</p>						
<p>III.D.15. The institution monitors and manages student loan default rates, revenue streams, and assets to ensure compliance with federal requirements, including Title IV of the Higher Education Act, and comes into compliance when the federal government identifies deficiencies. CW IIID3f</p>						

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Revised 4/15/14

Standard	1. Do we meet the Standard?				2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes	Effective	Somewhat Effective	No	Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective	Ineffective		Yes	No
III.D.16. Contractual agreements with external entities are consistent with the mission and goals of the institution, governed by institutional policies, and contain appropriate provisions to maintain the integrity of the institution and the quality of its programs, services, and operations. CW IID3g							

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes	
Standard IV: Leadership and Governance						
IV.A.2. The institution establishes and implements written policy authorizing administrator, faculty, and staff participation in decision-making processes. The policy makes provisions for consideration of student views and judgments in those matters in which students have a direct and reasonable interest. Policy specifies the manner in which individuals bring forward ideas and work together on appropriate policy, planning, and special-purpose committees. CW IVA2						

ACCJC “New” Standards Gap Analysis – Budget Committee

Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes	No		Description	Systematically Collected?	
	Highly Effective	Effective	Somewhat Effective			Ineffective
IV.A.3. Administrators and faculty have a substantive and clearly defined role in institutional governance and exercise a substantial voice in institutional policies, planning, and budget that relate to their areas of responsibility and expertise. CW IVA2a						
IV.B.3. Through established policies and procedures, the CEO guides institutional improvement of the teaching and learning environment by: <ul style="list-style-type: none"> ▪ establishing a collegial process that sets values, goals, and priorities; ▪ ensuring the college sets institutional performance standards for student achievement; 						

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)
	Yes Highly Effective	Effective	No Somewhat Effective	Description	Systematically Collected? Yes No	
<ul style="list-style-type: none"> ▪ ensuring that evaluation and planning rely on high quality research and analysis on external and internal conditions; ▪ ensuring that educational planning is integrated with resource planning and allocation to support student achievement and learning; ▪ ensuring that the allocation of resources supports and improves learning and achievement; and ▪ establishing procedures to evaluate overall institutional planning and implementation efforts to achieve the mission of the institution. CW IVB2b 						

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Revised 4/15/14

Standard	1. Do we meet the Standard?			2. Evidence (Based on What Data?)		3. Gaps (What’s Missing/ Next Steps)	
	Yes	No		Description	Systematically Collected?		
	Highly Effective	Effective	Somewhat Effective			Ineffective	Yes
IV.B.5. The CEO assures the implementation of statutes, regulations, and governing board policies and assures that institutional practices are consistent with institutional mission and policies, including effective control of budget and expenditures. CW IVB2c, d							

File location: Dropbox\ACCJC 2016\Gap Analysis\Committee Templates – Budget Committee

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2014-15 BUDGET SCENARIOS DEFINITIONS AND FOOTNOTES

Definitions:

Conservative:

- Information available at the time the budget is prepared
- Worst case scenario of state - at risk
- Historical patterns for revenues and expenditures

Likely:

- Worst case scenario may not happen because they do not materialize and are mitigated during the year. Example: revenues are backfilled, or economic situation changes.
- Offline conversations with decision makers

Optimistic:

- Most favorable outcome of every situation

Footnote

Narrative

(1) This is Ending Balance of the 2013-14 Adopted Budget included in 2013-14 Adopted Budget, page 24 under the column "Scenario 2 Will Recover \$1.4 M 2013-14 Adopted Budget" for a total of \$19,694,989 or 13.14%.

(2) The 2013-14 Salary Increase of 1.57% for Faculty, CSEA 262 and CSEA 651 was included in the 2013-14 Adopted Budget.

(3) The calculations are as follows:

Conservative:

Per May Revise Governor's Budget the proposed rate increase is from 8.25% to 9.5% , the employer contribution is estimated to increase by \$837,000.

Likely:

After May Revise, per Senate Budget Committee, the proposal is to increase the rate from 8.25% to 8.88%, which is an estimated increase of \$492,000.

(4) The very preliminary estimate for the Reclassification is \$418,306 plus and additional \$100,000 in employer contributions for a total of \$518,306

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