

YOSEMITE COMMUNITY COLLEGE DISTRICT

DISTRICT COUNCIL MEETING

April 27, 2011

3:00 p.m. – 5:00 p.m.

Gene Bianchi Community Center

110 South Second Avenue, Oakdale
Conference Room 1

AGENDA

Facilitator: Joan Smith

Recorder: Graciela Molina

1. ★ Approval of Minutes of the Minutes of March 23, 2011 – Joan Smith
2. ★ Budget Update – Teresa Scott
3. ★ Final YCCD Strategic Plan 2007-2015 – Joan Smith
4. ★ Priority Registration Proposal – Nick Stavrianoudakis
5. De-Reg Proposal Update – Teresa Scott/Mike Adams

★ Attachments

Next DC Meeting – August 24, 2011 – TBD

Yosemite Community College District

District Council Meeting Minutes

Gene Bianchi Community Center, Conference Room 1

April 27, 2011

Members Present: Michael Adams, Raelene Juarez, Rhonda Green, Richard Jones, Joan Smith, Gaither Loewenstein, Rose LaMont, Jeff Swank, Jillian Daly, Sam Pierstorff

Members Absent: Rosanne Faughn

Other's Present: Teresa Scott, Diane Wirth, Gina Rose, Bill Kaiser, Brian Sanders, Tina Giron, and Graciela Molina (recorder)

Meeting called to order at 3:05 p.m. in Oakdale at the Gene Bianchi Community Center, Conference Room 1.

1. Approval of Minutes of the Meeting of March 23, 2011

Rose LaMont made a motion to approve the minutes of the meeting of March 23, 2011, and it was seconded by Mike Adams. District Council members approved the minutes, as amended, with a vote of 6-0.

2. Budget Update

Executive Vice Chancellor Teresa Scott previously provided to DC members a three page budget update which included YCCD Budget Targets for 2011-12, a draft of the CS Deficit Reduction Plan, and draft of the YCCD General Fund Budgets: Amended Budget 2010-2011 and Tentative Budget 2011-12. The State is not providing much information; YCCD has estimated savings; and in response to an inquiry regarding CS savings and cut targets, it was reported there will be influx.

BUDGET TARGETS 2011-12 Teresa Scott provided current budget targets that address worst case scenario at approximately \$13.5 million, assuming fees do not increase from \$26 to \$36 or \$66. Discussion ensued regarding workload, and workload percentage and revenue; Teresa Scott reported that calculations would be estimates, until the State provides us this information. Next year the State will re-benchmark the numbers we are serving. Teresa Scott stated that more information will be provided following the May Revise. The budget targets include the 2010-11 adopted budget, share of \$13.5 million in cuts, share of \$1.9 million growth, and carry over funds from 2010-11 (savings in current year to offset next year). As a District, we agreed to calculate growth revenue and carryover funds to each college.

Discussion ensued regarding the possible fee increase to \$66 and about the temporary closure of MJC West Business Services and Bookstore. Dr. Smith stated, with regard to the fee increase, that as a system we are not cohesive, some districts are pushing for the higher fee increase and noted that politics are involved in this discussion; more than 60% of colleges with high BOG waivers do not receive additional funding. The fee increase to \$36 has been approved. As for the West Campus Business Office and Bookstore, Teresa Scott reported that Fiscal Services was not giving up space for they suspect the need will be greater in the future; the Bookstore Advisory Committee has been vocal to have the services. Past accreditation recommendations regarding this matter arose during the discussion. Chancellor Joan Smith asked that the College discuss this matter in further detail and asked Rhonda Green and Teresa Scott to meet President Loewenstein on this issue.

A review of "growth" funding was provided and further discussion ensued regarding cash flow, TRANs and enrollment management. With regards to carryover, the District has planned and scheduled for it, and makes fund balance large by design so that we can plan to carry money over. Teresa Scott and Chancellor Smith discussed deferred payments and noted that Stanislaus County

provides cash flow assistance. Teresa Scott stated that governmental accounting is very different and within the last three years have been different even in this realm.

CS DEFICIT REDUCTION PLAN The draft deficit reduction plan identifies the 2010-11 savings and 2011-12 cuts for the major units within Central Services. Teresa Scott reported this year CS set a target and each area looked at their services and identified where cuts could be made. After multiple years, a savings for CS of \$3.6 million is huge considering CS does not receive any additional monies like colleges receive with increase in FTES. The 2010-11 savings are year-end estimations. Teresa Scott spoke to Facility Operations and the lack of savings for 2010-11 due to meeting the need of the colleges and District. The following savings/cuts were mentioned: Information Technology kept three positions vacant and cut back on equipment; Controller's Office is eliminating a position; Transportation eliminated two positions. In addition, Assistant Chancellor Gina Rose worked out a lease tower agreement that identified \$250,000 one time funding and lease income may increase due to Tri-Star's usage; the IT budget was reduced by this amount.

Teresa Scott reported that MJC is awaiting May Revise figures and final budget. There are ongoing discussion regarding auxiliary operations and CS reductions. Chancellor Smith stated that none of these cuts were easy this year; \$13.5 million is a large amount to cut. Dr. Loewenstein's job coming in as President was difficult; Chancellor Smith took time with CS cuts; there are possible retirements not yet announced. The bottom line, CS is working with a bare budget; CS will have to identify how we operate in new ways, if deeper cuts are required. The State Chancellor's Office is sanctioning presidents/chancellors for not addressing their budgets at worst case scenario. If the May Revise is worse we will have to come back and address additional cuts. Chancellor Smith stated the District will stop using its reserves. DC members were cautioned that 2010-11 savings are one-time funds and we still have \$3.2 million dollar problem.

YCCD GENERAL FUND BUDGET

Teresa Scott provided DC members a copy of the draft General Fund Budget. The Amended Budget 2010-11 adjustments included growth revenue earned as of P-2 was not previously included in State Apportionment plus property tax shortfall; prior year State adjustment to Apportionment; adjusted down the non-resident tuition fee and interest income to estimated actual; and recognized one time funds from microwave tower lease and mandated cost reimbursement. Teresa Scott reported that mandated costs are about \$600K and the balance is \$250K for the tower lease. Discussion ensued regarding the budget ending balance. Jillian Daly asked Teresa Scott to meet with YFA Rep Council to review the budget and help the constituency group understand that ending balance does not mean additional funding. Jillian Daly finds it hard to explain the budget to her constituency group. Teresa Scott put it simply that any ending fund balance provides relief to the following year budget. The District continues to increase expenditures without having the revenue to support expenditures. Chancellor Smith suggested administration draft an email with talking points to review the last three years to assist with explanation. In the interest of transparency, Teresa Scott stated the budget is as comprehensive as possible; the fund balance is critical to the budget; this is a tentative budget, conceptual and will change. Final point, regarding carryover and high ending budget balance; the piece of ending balance line 32 is a deficit spending budget until things shift.

Jeff Swank asked that talking points be sent to District Council membership to share with their constituency groups. Sam Pierstorff thanked Teresa for her calm and clear answers to budget inquiries even after receiving questions year after year; he inquired if in the talking points she could address the question "You can't look at the ending balance in isolation because...".

Chancellor Smith stated if DC members want information, or have questions, to please forward them and we are happy to explain them in more detail. We've been living beyond our means and can't do this anymore. She understands that in looking at the draft budget, questions may arise as to why is the District is carrying over so much money. She would be happy to explain in further detail.

Action Items:

- Send DC members talking points regarding the budget to share with constituency groups. Asked to address the following statement... "You can't look at the ending balance in isolation because..."

3. Final YCCD Strategic Plan 2007-2015

DC members received a copy of the final YCCD Strategic Plan 2007-2015. The document will be presented to the Board of Trustees at their May 11 general meeting. It was recommended that the pixilated images be adjusted, specifically the MJC logo on the cover.

4. Priority Registration Proposal

Nick Stavrianoudakis previously provided DC members with the changes to Procedure 5055 - Registration Priorities. It was reported there were no changes to the proposed language other than writing out the college names and changing the title; the procedure is awaiting approval. In response to an inquiry by President Gaither Loewenstein, it was reported about 100 of 20,000 students are affected by procedure #4 (Continuing students who have completed and have in progress more than 160 local units). It was reported that MJC College Council has discussed the proposal and it has been fully vetted at MJC; Columbia College Council agrees with the proposed changes, as well.

DC members approved Procedure 5055 - Registration Priorities. Discussion ensued regarding the implementation timeline. Chancellor Joan Smith requested that Assistant Chancellor Gina Rose identify a timeline of when the procedure can be implemented. Information will be relayed to DC members once a timeline is identified.

5. De-Reg Proposal Update

Nick Stavrianoudakis provided an update on the De-Reg Proposal. Executive Vice Chancellor Teresa Scott reported that she and Controller Deborah Campbell have discussed the topic; no payment plan is being discussed; mailnet does not have a payment plan option. A committee, led by Joanne Nielson and Myra Rush, is working on a ten day ten dollar rule where a student will have 10 days to pay their fees or they won't attend class and propose de-reg; the group is developing language; one critical change if the student has an application for financial aid in progress. The plan is to test in the summer and implement spring of 2012. Dr. Loewenstein expressed concern with making enrollment target with schedule reductions. Discussion ensued regarding the possible loss in apportionment which is greater than the loss of fees. After some discussion, District Council approved moving forward with the De-Reg Proposal.

OTHER BUSINESS

Presentation of Award: Mike Adams was presented an award for his two years of service on DC from 2009-2011.

Summer Meetings: Summer meetings are tentative; DC members will be sent an email if there is a need to call a meeting.

Dr. Smith reported that DC did a lot this year; she thanked the council for their work and noted that this constituency group is most important and addressed the importance of getting information to this group to share with their membership.

The District Council meeting adjourned at 4:55 p.m.

The next DC meeting – August 24, 2011, Oakdale Gene Bianchi Community Center