



**Fiscal Advisory Committee
April 6, 2016
Minutes**

Present

Members: Erin Farmer, Neil Glines, Curt Johnston, Jeff Lehfeltdt, Joshua Scott, Lavonne Slaton

Advisory: Gregory Brown, Patrick Killingsworth, Yulian Ligioso

Guests: Kimo Calilan, Peter Cammish, Laura Convento, Celia Esposito-Noy, Mary Jones, Maire Morinec, John Mullen, Jim Petromilli (Strata Information Group)

Absent:

Members: Krysta Daily, Francesca Sisto, Michael Wyly, Vacant – ALG, Vacant-Faculty

Call to Order

The meeting was called to order at 2:17 p.m. by the Chair, Vice President Yulian Ligioso.

Approval of Agenda

It was moved by Jeff Lehfeltdt and seconded by Joshua Scott to approve the agenda.

The motion passed unanimously.

Approval of Minutes

No minutes to approve.

Public Comments

None

Strategic Technology Advisory Committee (STAC)

Kimo Calilan, Interim Chief Technology Officer, presented on the Strategic Technology Advisory Committee (STAC). He noted that he was tasked with updating the College's technology plan. After researching what other community colleges were doing, he came across a school that used Strata Information Group (SIG) with their technology plan. He reported that over the years, Solano worked closely with SIG with Banner, and SIG will now help with updating our technology plan. Current plans are to:

Reinstate the Strategic Technology Advisory Committee

- The current charter and committee composition are outdated, needs to be updated
- Will work in collaboration with Academic Senate and faculty to make updates
- Will bring new composition/charter to Shared Governance (College Governance Council) for approval

K. Calilan introduced Jim Morinelli, from SIG, who has many years of experience with technology plans and accreditation. He just completed a two year assignment at Ohlone College as the Chief Technology Officer.

Status update on plan:

- Held a few meetings
- Laying the groundwork for the plan
 - o The plan will include a replacement plan/schedule
 - Need to build a fiscal plan to address replacements
 - 3-5 year range
- Here today for information
 - o Will return to committee to discuss finance component/budgeting

Additionally, the Technology Plan will be a living document that the STAC committee will review and refresh as needed.

The group discussed OEI, Distance Ed, Banner upgrades, training and tying planning to resource allocation.

IEPI Indicators Subcommittee

Peter Cammish, Dean, Research, Planning and Effectiveness, reported on the Institutional Effectiveness Partnership Initiative indicators. He passed out two handouts, definitions and the previous goals and historical data. He reported that last year's goals were decided by the Shared Governance Committee (since there was no budget committee, at that time). This year, the Fiscal Advisory Committee will set the

financial goals for both short term and long term for the following items:

- Fund balance
- Salaries and Benefits
- Annual Operating Excess/Deficiency
- Cash Balance
- Audit findings – Audit opinion, state and federal.

The committee decided that it would be best if the whole group were involved with setting these goals. Dean Cammish commented on the timelines and that Solano will need to submit this report to the state by June 15th.

Action item: Peter Cammish to send information to Laura Convento for distribution.

320 Report

John Mullen gave a brief overview on reporting Full Time Equivalent Students (FTES). He commented that the State gives us flexibility on how we report summer school classes depending on when the class starts (census before/after July 1). He further described the stability strategy.

Key Comments-

- Actual earnings from this year, from semester to semester have gone down.
- 2014 FTES were more than earned FTES in Fall 2015, Spring 2015 was more than Spring 2016 (downtrend)
- This year, we are reporting all of last year's summer FTES and all of this year's summer FTES, in order to get close (not match) to the funding base
 - o Still cannot reach base
 - Most likely we will get reset.
 - Affects ability to obtain growth funds
- Not alone, 23 other school districts using stability
- Legislature may be tired of stability, days are numbered
- P1 report – Projected Resident FTES at 8576 – Base (Funded at)
- P2 report – 8576 unrealistic, 8279 projected – Best number/more accurate
 - o 8279-8300 optimistic
 - o 836 FTES potential for summer

J. Mullen recommended that we do all we can to bring students in for the summer. Celia Esposito-Noy reported on the outreach efforts, noting at the Enrollment Management Summit an aspirational goal of 1000 summer FTES was made. She commented that ads for summer session will be placed in the school newspapers of four year schools (focusing on the CSUs), working with the high schools, as well as talking to students now.

C. Esposito-Noy commented that we need to reduce our costs while increasing FTES. The increase needs to be substantial. She said we are in a crisis and wants folks to understand the urgency. We need to establish an FTES goal that is reasonable,

achievable and a little stretch. We need to pick and choose what will yield the maximum results, without taxing the currently stretched staff.

J. Mullen commented on zero-based scheduling, where we start off with a blank slate, instead of rolling over the schedule and tweaking it. He added when the schedule is rolled over, there tends to be continued activities that are not as productive, or classes that cater to faculty time preferences and expectations.

C. Esposito-Noy commented at the management meeting the group strategizes to maximize potential enrollment. Mary Jones commented that we can also market to our own staff to take classes.

The group discussed ways to increase FTES, for example, offering computer training/literacy courses for employees (i.e. Basic email, Excel, Word, a Banner course), offering block scheduling, clear pathways – working with counseling to get students out in two years, offer a fixed price menu of courses, and create an MOU for work experience (Prisons).

C. Esposito-Noy reiterated that it is illegal not to collect fees for courses. She commented that in past practices, fees were waived for faculty and staff, and that practice has been stopped when she started. Not collecting fees jeopardizes our apportionment. M. Jones added that professional development is a negotiable item, staff can request for fee reimbursement to a certain limit.

Budget Development Status Update

Y. Ligioso commented that this is a scary time for us. He noted the prospect of ending up at 8279 FTES, when the school's budget is at FTES of 8500. A 200 decline of FTES amounts to about 1 million dollars.

He also noted that the year 16/17 will be the third year on stability.

Patrick Killingsworth presented a comparison of the Budget for 15/16 vs. a first cut of the 16/17 budget at 8275 FTES. The 16/17 budget had the following assumptions, an 8% increase in health care, increases in STRS and PERS, updated position control, adjusted adjunct costs, and savings from retirees (decrease in Academic Salaries). He noted a \$2.5 million dollar decrease in the fund balance, reducing the fund balance from 11.6% down to 7.4%.

He reported that he recently sent a memo to the deans regarding their other expenses and instructional supplies allocation and will receive updates/feedback by mid-April.

And the budget will be further adjusted (revenue assumptions) after the May revise.

Y. Ligioso added that it is very unlikely that we will receive the one time funds of that magnitude in 16/17. He noted for the past several years, we've had a deficit, which is

not a sustainable model. The one time funds we received in 15/16 saved us. He reiterated that as a committee there is a lot of work to do. He asked the group to share this information with their constituent groups so that we may begin the institutional discussions to address this.

C. Esposito-Noy added that this is do-able and we can turn this around. We have to do things differently and management is looking at everything. By June 30th, we will have options in place.

M. Jones commented that we are not the only District facing this (23 others). She asked the group to check with colleagues from other districts to get ideas and expand our thinking beyond what occurs here.

The group brainstormed other ways to generate money for the school, but primarily focused on enrollment.

Actuarial Study

Y. Ligioso briefly reported on the actuarial report. To comply with Governmental Accounting Standards, we are required to have an actuarial study done on other postemployment benefits (OPEB). The District offers 10 years of health coverage at retirement. We hired a consultant to do the study, which is done every other year.

Y. Ligioso noted that the plan does not need to be fully funded, but a plan needs to be in place. We have funds placed in an irrevocable trust, it's not required that we do so, but it is noted if we don't. He commented that we only have a net liability of \$14-15 million compared to other Districts (i.e. Peralta \$200 million).

Once board approved, it will be posted online. Prior years can be located on the Finance and Administration website.

http://www.solano.edu/finance_admin/actuarial.php

Adjournment

It was moved by Jeff Lehfeldt and seconded by Curt Johnston to adjourn the meeting.

The meeting adjourned at 3:50 p.m.

Respectfully submitted by Laura Convento