

WEST VALLEY-MISSION COMMUNITY COLLEGE DISTRICT
District Budget Advisory Committee
Mission College, CC 219/220
Monday, March 22, 2010
1:00 - 3:00p.m.

Members:

<u>Present</u>		
X	Teresa Amos	District Administrative Services Representative
X	Christina Booth	Confidential Unit Representative & Recorder
	Randy Castello	ACE Representative
X	Queenie Chan	MC Classified Senate Representative
X	Charles Clemons	SEIU Representative
X	Michelle Donohue	Teamsters Representative
X	Brigit Espinosa	District Administrative Services Representative
	Linda Francis	Director, Fiscal Services
	John Hendrickson	Chancellor (non-voting)
	Victoria Hindes	WVC VP, Student Services
X	Penny Johnson	MC, VP Student Services
X	Stephanie Kashima	MC Academic Senate Representative
X	Laurel Kinley	WVC Classified Senate Representative
X	Rick Lee	District Principal Financial Analyst (non-voting)
	Hugh Leonard	WVC Student Representative
X	Ed Maduli	Vice Chancellor, Administrative Services
X	Graciano Mendoza	District Budget Manager (non-voting)
X	Worku Negash	MC VP, Administrative Services
X	Michael Renzi	WVC VP, Administrative Services
X	Lance Shoemaker	WVC Academic Senate Representative
	Vacant	MC Student Representative
	<u>Others</u>	
X	Roberta Berlani	ACE President

APPROVED MINUTES

The meeting was called to order by Brigit Espinosa at 1:08pm. Quorum was achieved at 1:30pm.

1. Approval of the order of the agenda (A)

Mr. Maduli asked that "(I/A)" be added to item #7. The agenda was approved as amended. (Negash/Johnson)

2. Approval of the February 8, 2010 meeting minutes (A)

Ms. Amos asked that item #6, third paragraph, be changed to reflect the following: "...allow any increases. Ms. Amos then ~~reminded~~ asked Mr. Maduli about his previous comments to cut the Honeywell contract as a cost saving measure, and also ~~reminded him that the cuts were contingent on hiring regular staff~~ asked about the recruiting process for hiring the two new staff to take over the duties performed by Honeywell. He indicated that changes to the existing job descriptions would need to be made to add new responsibilities and that process, and the subsequent recruitment process, could take up to six months, which would overlap into the new fiscal year. ~~Since it will take time to approve and hire the~~

~~regular staff, Ms. Amos~~ *She* wondered if Mr. Maduli promised cost savings that cannot be achieved.”

The minutes were approved as amended. (Kinley/Donohue)

Once the minutes were approved, Mr. Maduli commented that the existing HVAC Mechanic job descriptions will not be changed as they already encompass the skills required and duties expected of those taking over the management of the Honeywell system. He further indicated that he has directed the Facilities Department to submit paperwork to start the recruitment process for the positions. Mr. Clemons asked if the employees currently working in those positions will be trained so they too have the necessary skill set to manage the energy management system. Mr. Maduli responded that those individuals should already have the skill set needed, but acknowledged that some training may be necessary depending on how much work is required to maintain the current system.

3. Oral Communications from the Public (I)

There were none.

4. Criteria for off-site facilities (I) - Maduli

Mr. Maduli reported that he revised the “Criteria for off-site facilities” document to include comments made at the last meeting. He acknowledged that there may be additional changes requested by the colleges.

Mr. Renzi suggested reformatting the document into three distinct sections: pre-planning, implementation, and final – to more clearly identify the procedures that must be followed when requesting an off-site facility. Mr. Maduli responded that the document is not a procedure, but rather a list of criteria that must be met before consideration is to be given for leasing a facility. Additional suggestions were made, including:

- Adding Title 24 language (facility construction criteria)
- Separating the “Lease Review” section into two areas: lease and site conditions

Both Ms. Espinosa and Mr. Renzi expressed concern about college program leases, such as lease of a football field, theater, swimming pool, etc. Mr. Renzi indicated that those leases do not need to be discussed at DBAC nor should they have to comply with the identified criteria. Mr. Maduli responded that the criteria are to be used for off-site, long-term leases that will result in a “significant” cost to the District. Mr. Negash then asked if the criteria are only to be used for leases requiring funding from fixed costs. He then suggested that leases for existing off-site facilities be reevaluated using the new criteria. Mr. Lee suggested that the new criteria include a dollar amount to identify what is deemed a “significant” cost. Ms. Amos suggested adding to the criteria that the entity requesting the lease must provide a funding plan to ensure that it will not ask for funding from the fixed cost schedule during the life of the lease. Mr. Mendoza stated that the criteria should also apply to lease renewals.

Mr. Renzi then said that, if the criteria for leases is only for items funded by the fixed cost schedule or for items that must comply with Title 24, then they don't need to apply to other leases. Mr. Maduli replied that the criteria should be applied to any off-site lease with a significant cost, regardless of the funding.

Mr. Maduli will further revise the document based on the conversation and bring it back for review at the next meeting.

5. Roles of EMT/DBAC/District Council as it relates to PAR's (I/A) - Maduli

Ms. Kashima indicated that this discussion comes as a result of the process used for hiring the new HR Director. She specifically asked who makes the decisions on what positions get filled and who has input in the process. Mr. Maduli responded that WVC College Council, MC GAP, and District Administrative Services Council make recommendations regarding the positions each needs but that EMT makes the final decision. Mr. Shoemaker wondered about DBAC's role in the process, especially since adding new positions has budget implications. Ms. Kinley then provided an explanation of what the process should be based on a decision made several years ago when the hiring freeze was first put in place. She also acknowledged that it is easy to see how the process has been overlooked, especially with the turnover in upper management. Ms. Donohue asked that this item be discussed at the joint DBAC/District Council meeting taking place on April 12. Mr. Mendoza acknowledged that he would also like clarification on DBAC and District Council's role in the hiring/PAR process, but added that if the current system of strategic and budget planning is not adequate, then a new process should be created. Mr. Shoemaker stated that he would really like to know the prioritization process that is currently being used; specifically, if the new HR Director position is filled, what other positions will not be filled. There was no further discussion.

6. Fixed Cost Schedule Review (I) – Maduli

Mr. Maduli reported that the fixed cost schedule must be reviewed as part of the budget development process. He indicated that there will be no increases to the schedule and that the colleges will decrease some of its line items by shifting the costs elsewhere. He noted that energy costs will be the exception, especially with new buildings coming on line, but anticipates that even this cost will be reduced as the District moves to solar power.

Mr. Mendoza asked with process would be used to review the fixed cost schedule. He specifically wanted to know if he should send the list to owners of the fixed cost items, as has been done in previous years, to get their feedback, including justification of the cost and the actual amount spent. Mr. Maduli directed that the same process be used. Mr. Mendoza then stated that the fixed cost review is to take place at the April 12 DBAC meeting and that all line item decreases must be provided by that time. Additionally, documentation supporting items on the fixed cost schedule must also be provided. Mr. Renzi expressed concern that some documentation may not be available from vendors, including new contract amounts. Ms. Amos stated that, last year, owners were asked to provide prior year actuals and current costs, and that failure to do so could result in the item being removed from the fixed cost schedule. She asked if the

same procedures would be used. Mr. Mendoza replied that, in terms of consistency, he hoped the same procedure would be used. Mr. Maduli stated that, for the review, he would like the year-to-date expenditures, the actual PO amount, and any other information that could be used to justify the cost. Ms. Amos asked about the consequences for those owners who did not provide the requested information. Mr. Maduli responded that there would need to be discussion. Ms. Donohue stated that the District cannot continue to conduct "business as usual." She stated that the Executive Management Team must provide guidance and leadership. She specifically asked Mr. Maduli to provide direction on how to move forward with the fixed cost schedule, including how to prioritize the items on the list. Ms. Kashima agreed that each item must be reviewed and prioritized, including identifying how many students benefit from the fixed cost item. Ms. Amos added that there are criteria for fixed cost items and stated that the criteria should be used in the review process.

Mr. Maduli responded that the colleges and Central Services have been directed to make cuts, which should translate into fixed costs. He added that the total cut is still \$4 million, which must be validated, even if they are not taken. He further stated that the cuts will be taken over a two year period. Committee members asked Mr. Maduli to clarify his statements as, until now, it was believed that \$4 million in cuts were to be made in FY 10/11 rather than over two years. Mr. Maduli clarified that the FY 10/11 budget will be balanced by using \$1.7 million in one-time funds. The \$4 million in cuts will then be taken over a two-year period, with approximately 89% of the cuts coming in FY 10/11. Mr. Shoemaker asked how the FON will affect the overall budget. Due to time constraints, Ms. Espinosa asked that the FON discussion take place at the next meeting.

7. Budget Allocation Model (I/A) - Maduli

Mr. Maduli stated that he would like to use the SB361 model for budget allocation but that he and his staff have not had time to run simulations. As a result, the FY 10/11 budget allocation will be based on the current model, meaning that the cuts will also be based on the current model, which uses an approximate 55%/45% WVC/MC FTES split. Mr. Renzi argued that resources are not being properly allocated now, so cuts should not be based on the same allocation model. Mr. Maduli responded that the college president's agree with the method being proposed so the percentage of cuts should not be a surprise. He further indicated that the target cuts for the upcoming year will be provided on Monday, March 29.

8. FY 10/11 Budget (I) – Maduli

Mr. Maduli reported that there are two proposals at the State level that will impact the District: student fee increase from \$26/unit to \$40/unit, and deferral of March apportionment to April to help the State with its cash flow issues.

Meeting adjourned at 3:07 p.m.