

College Council Minutes-DRAFT

Tuesday, October 6, 2009

2:30 p.m., Karas Room

College Council Members: Doug Garrison, Carsbia Anderson, John Gonzalez, Michael Gilmartin, Joe Bissell, Julie Bailey, Gary Bolen, Steve Morgan, Mark Clements, Nancy Goehring, Brenda Lee Kalina, Stephanie Perkins, Fred Hochstaedter, A.J. Farrar, Bernie Abbott, Lyndon Schutzler, CSEA Rep. (vacant), Suzanne Ammons, ASMPC Pres. (vacant), ASMPC VP Org. Paulina Gamble

Absent: ASMPC Pres., Brenda Lee Kalina (Loren Walsh instead), Mark Clements, John Gonzalez

Guests: Laurie Buchholz, Richard Abend

Campus Community Comments:

- Carsbia reminded all of the October 9, 12 noon official groundbreaking ceremony for the new Student Services Building. Light refreshments will be served.

1) Minutes – (deferred to next meeting):

- 2) **Budget Study Session (Joe Bissell):** Joe gave a PowerPoint presentation as per requests from College Council members seeking a better understanding of where and how MPC receives and allocates its funding resources. It is believed that with a better understanding of how the operating budget works, a more informed dialog can take place in months to come as the District faces several uncertainties regarding its funding as a result of the state's budget impact on community colleges. The topics presented for which Joe prepared the presentation are outlined as follows:

1. Income: where the funds come from:

- Unrestricted funds
- Restricted funds
- FTES Apportionment
- Bases, caps, and growth
- Instructional Service Agreements vs. FTES received in return

2. Budget categories: where the money goes:

- Operating Budget vs. non-operating budget
- Restricted vs. Unrestricted General Fund
- Non-compensation related costs
- Compensation related costs
- Transfers – this is a big category that is not always clear
- Marina

Joe gave an in depth review along with the handout (PowerPoint presentation) and the following additional points he reviewed:

Income

Apportionment- This represents the largest amount of revenue (approximately 94.4%) and is based on three sources:

- Local Property Taxes, paid in December and in April for approximately \$14 million.
- Student Registration fees paid twice per year for approximately \$1.6 million.
- State general apportionment for approximately \$21.8 million.

In normal years, the apportionment calculation would include COLA and Growth; however, for 2009-10 we will be paid 3.39% less for the state cut, and thus the new workload measures will also be adjusted based on the apportionment cut.

Some history on this funding:

- ✓ Local until 1978
- ✓ Proposition 13 (Jarvis-Gann initiative- ADA)
- ✓ AB 1725 (1988) FTES

- ✓ 1990 – Program Based Funding was tied to 5 major workload measures (Instruction, Instructional Services, Student Services, Maintenance and Operations, Instructional Supplies).
- ✓ 2006-SB 361 funding provides Base allocation and 3 workload measures (*Credit FTES, Non-credit FTES, and Enhanced Non-credit FTES*).

FTES represents the primary source of the Unrestricted General Fund income, and is generated by teaching faculty. Reporting of FTES is reported through the P1 of January 15th, P2 of April 30, Annual Report of July 15 and Final Report of November.

Expenses:

Unrestricted General Fund Expenses (based on the 2009-10 budget):

- ✓ Employee Compensation comprises approximately 82% (\$32.4 M).
- ✓ Services and operating expenses account for approximately 14% (\$5.5 M).
- ✓ Supplies, transfers and equipment account for approximately 4% (\$1.6 M).

Joe explained that as the direct costs for teaching represents approximately 50% of total expenses and indirect costs (counselors, librarians, administration including deans, division chairs, senate, union, A & R, custodians etc), the primary source of UGF income is FTES which is generated by teaching faculty. The group was reminded that in order to pursue increases in support, FTES income must be increased first.

Joe also reviewed many of the Instructional Service Agreements, and the reduction of approximately \$971,000 from 2008-09 to 2009-10. This transition is working in conjunction with efforts to increase credit and decrease non-credit courses in selected areas.

Education Center (Marina): Under CEPEC (CA. Postsecondary Education Commission), the education center's grandfathered status which currently entitles the District for \$276,795 in apportionment income, will allow approximately \$1 million in apportionment once it reaches 500 FTES and becomes fully operational. This remains a vital ingredient within the District's long-term financial plans for fiscal stability.

Dr. Garrison added that today's presentation reflects the business portion of the District's operations which must be balanced and carefully planned to support the broad academic and service needs of its students and community.

3) Action Items (see available attachments) 2nd Readings:

- a) **Instructional Equipment Request – PE (Carsbia Anderson):** This item was presented and reviewed along with an explanatory handout for its second reading to College Council.
- b) **Instructional Equipment Request – Supportive Services - (Carsbia Anderson):** This item was presented and reviewed along with an explanatory handout for its second reading to College Council.
- c) **Instructional Equipment Request – Academic Support – (Carsbia Anderson):** This item was presented and reviewed along with an explanatory handout for its second reading to College Council.
- d) **Instructional Equipment Request- PE (John Gonzalez):** This item was presented and reviewed along with an explanatory handout for its second reading to College Council.

These action items were reviewed and approved by the appropriate advisory group before coming to College Council.

College Council recommends that the above Instructional Equipment Requests be expedited. A motion was made and seconded, and carried unanimously.

4) Other:

- a) **Committee Reports-** (for future—Technology Committee?):

Next meeting—October 20