Planning & Resource Allocation Committee

August 7, 2012
2:00-3:00, AC 108
Minutes

Present: Chialin Hsieh, Peggy Isozaki, Rebecca Kenney (Co-Chair), Sara McKinnon (Co-Chair), Nanda Schorske, Carol Scialli (Resource)

Others Present: David Wain Coon
Absent: Yolanda Bellisimo, Tom Burke, Angelina Duarte, Mike Dougan (Sabbatical), Jon Gudmundsson, Mike Irvine, Molly Johnson, Marshall Northcott (Resource), Norm Pacula, Kathleen Smyth, Craig Wheeler

Agenda Review
- Agenda approved.

Minutes
- Minutes of July 24, 2012 meeting approved.

2012-2013 Budget Update
David Wain Coon
(Review of 2012-2013 Budget Document and Scenarios Document)
- Met with Cabinet and Board and presented same information (four scenarios) that was presented at PRAC. The Board has approved scenario 2.
- Our expenses are greater than our revenue. If we continue down same path as last year, factoring in healthcare etc., our gap would be $3.3 million.
- Revenue reductions:
  - Partnership for Excellence $1.2M
  - Property Taxes $0.3M
- Expenditure Increases:
  - Salaries $0.4M
  - Benefits $1.4M
- Deficit: $3.3M
- Property tax: base plus supplemental we were $300,000 off from what we expected.
- Status Quo scenario will not take us where we need to be.
- Scenario 2 is a 4-year plan; factors in additional $500,000 in new expenses.
- President is working on initiatives to create new revenue. Examples:
  - International Students
  - Revenue from concurrently enrolled students
  - Create opportunities at IVC.
- Will start talking about $1.8 at beginning of semester.
Comments

- Is the $500,000 each year?
  - Presumes ongoing expense.
- ASCOM has a $165,000 budget. They are willing to fund certain initiatives.

Review of New Funding Expenses (Preliminary) Document

- Library collection: $10,000 for the IVC collection is part of the $25,000.
- Library budget should be a collection of things including a database. President will cross reference that piece.

What This Means

- 1,750,000 and have to maintain a balance with 50% law (50% must be spent on instruction).
- $875,000 from each side.
- How we would hit that for 2012-2013:
  - Cancel summer session = $600,000 ($300,000 this year and $300,000 next year).
  - 2% reduction to fall and spring schedules.
  - Non-instructional piece: faculty release time i.e., chairs, coordinators, $700,000. Recommend reducing that by 20% or $140,000.
  - Rest of college: Savings by not filling positions not mission critical in short run for salary savings.
  - Overall 10% reduction in discretionary funds.
- Next steps (2d, 3d, 4th years) might be:
  - Furloughs
  - Retirement incentives
- Budget may have to have placeholders for time being.
- President would appreciate any feedback or suggestions re: how to roll out; ideas how to close gap.
- Suggest a suggestion box at Convocation for ideas for reducing expenses.

Meeting Wrap Up/Assignments

- Next meeting is August 28