

SAN BERNARDINO COMMUNITY COLLEGE DISTRICT
114 S. Del Rosa Drive, San Bernardino, California 92408

Minutes of the Study Session of the Board of Trustees
Thursday, May 27, 2010 – 4:00 p.m. – Assembly Room

1. CALL TO ORDER - PLEDGE OF ALLEGIANCE

Mr. Ramos called the meeting to order at 4:10 p.m.

Members Present:

James C. Ramos, President
Carleton W. Lockwood, Jr., Vice President
Dr. Donald L. Singer, Clerk
John M. Futch
John Longville
Dr. Charles S. Terrell, Jr.

Members Absent:

Jess C. Vizcaino, Jr.
Kaylee Hrisoulas, Student Trustee, CHC
Jason Buckner, Student Trustee, SBVC

Administrators Present:

Bruce Baron, Acting Chancellor
Dr. Debra Daniels, President, SBVC
Gloria M. Harrison, President, CHC
Larry Cicalone, President, KVCR
Renee Brunelle, Vice Chancellor Human Resources

Administrators Absent:

None

Pledge of Allegiance

Mr. Lockwood led the Pledge of Allegiance.

2. PUBLIC COMMENT ON CLOSED SESSION AGENDA ITEMS

None.

3. REPORT AND DISCUSSION ON THE 2010-2011 TENTATIVE BUDGET

Acting Chancellor Baron said the 2009-2010 budget is balanced. Additional savings were realized from vacancies, benefits and other areas. Categorical programs were fully supported, and there were no layoffs. SBVC cut 384 classes, and CHC cut 197 classes. In spite of these class reductions, the District served about 2200 students beyond its funding cap.

The 2010-2011 budget is based on a conservative interpretation of the Governor's budget released in January. In addition, the budget is based on the new budget model which was an accreditation recommendation. Under the old model, the colleges never knew what their enrollment targets were or what their total budgets were. The budget did not tie into planned enrollments. The new model is a totally new way to look at the budget. The model is transparent and easily understood, all revenue is accounted for, revenue is allocated to the campuses, and this new budget model has been recommended by a shared governance committee. District and other costs are assessed to the campuses. The campuses get all the revenue, and the district costs are charged to the campuses. The colleges now become more responsible for their funds and for balancing their budget. There is a built-in penalty at the end of the year for not spending within their budgets. Each year this new budget model will be assessed and evaluated.

The tentative budget achieves several goals. It fully funds the retirees from the latest SERP. It covers categorical programs at the same rate as the current year. It covers health insurance costs, and it covers the highest program review priorities. It covers projected utility costs with the new buildings opening.

The new model has highlighted the past gaps in budgeting. Using the new model, CHC started out next fiscal year with a shortfall of about \$1 million which is now down to \$386,890. Bruce assured the board that he is going to work closely with the colleges to be sure their budgets are balanced.

Mr. Baron said there has been a lot of discussion about KVCR at board meetings. We need to determine how much we want to reduce the cost paid by the district. Bruce will be talking with Larry Ciecalone about additional revenue streams and other things the KVCR foundation can do. They will also be discussing a long-range plan whereby the district can reduce unrestricted general fund support for KVCR and put those funds back into the campuses.

The next steps in working toward the final budget include closing out the current 2009-2010 fiscal year. The revenue projections for next year will be refined. We need to work with KVCR on the general fund support level for 2010-2011 and work with CHC on balancing their budget. We need to wait for the final state budget. The campuses will be allowed to use their allocated funds to replace some SERP positions based on their prioritization processes. We need to show the Accrediting Commission that the system works.

The trustees appreciated the presentation and liked the new budget model. They felt the public should know that we are serving the community by educating about 6600 headcount students for which we are not funded. There is a vision, and this lays the

groundwork for where we are going. Mr. Baron will continue to keep the trustees informed through the board newsletter. He suggested we have a discussion topic on budget and enrollment targets on the upcoming board retreat agenda. One of the guiding principles of this model is that the campuses can roll their balances so there is an incentive to save and maintain an ongoing savings. Mr. Baron said he wants the board to feel comfortable as changes are made to the new budget model. Mr. Futch advised Mr. Baron to let the board know if he needs any additional help. The board said it was a great presentation.

4. ADJOURN

Mr. Ramos adjourned the meeting at 5:15 p.m.

Donald L. Singer, Clerk
San Bernardino Community College District