College of San Mateo

Budget Planning Committee

Meeting Summary Notes of February 25, 2013

Bldg. 10 - 401

**Members Present**: Mike Claire, Jennifer Hughes, Maggie Ko, Kathy Chaika, Laura Demsetz, , Arlene Fajardo, Henry Villareal

**Student Representative**: Nick Vasquez **Guest:** Sandra Stefani Comerford

**Action on Agenda**

Review of a Project Director Staff position for the Business/Technology Division was added to the agenda.

**Approval of the October 15 Meeting Summary Notes**

Summary Notes of the November 19 meeting were approved as presented.

**Review of Fund 1 Mid-Year Actual vs Budget**

Mike first addressed a budget related issue by presenting the college’s targets for FTES, WSCH, and LOAD. He distributed a document that outlined targets, actuals and variances for FTES, WSCH and LOAD for the current academic year. He noted that CSM is currently ahead of meeting its target of 7600 FTES with an actual year-to-date FTES of 7664. Overall, actual WSCH is also surpassing the target of 228,000 hours.

Mike distributed a 2012-13 Fund 1 Budget vs. Actual document. He pointed out that mid-year budget is right where expenditures should be with 50.9% of the budget having been expended. As well, each of the major budget items reflects appropriate allocations in relation to their mid-year expenditures. For example, mid-year total expenditures by primary category are: Position Control 48.6%, Non-Position Control 57.3%, and Supplies and Other Costs 39.7%. Though the Supplies and Other Costs expenditures are less than 40%, it is expected that expenditures will increase during the latter part of the fiscal year. This process of comparing and assessing mid-year Budget vs. Actual expenditures provides for a good overview of the college’s mid-year financial status and provides somewhat of a projection for the year-end balance.

**Review of Fund 3 Mid-Year Expenditures**

Jennifer provided an overview of the Student Services Fund 3 budget which supports the college’s categorical programs that include EOPS, CARE, DSPS, Matriculation, CalWorks, and Tanif. In addition, there are other state funds that support specific programs and initiatives such as College Work Study, BFAP, and a Mental Health Program known as CSM Cares. Jennifer highlighted that most of the programs’ expenditures are near 50% with some exceptions such as Care, CalWorks and Tanif which will expend much of their funds later in the fiscal year. Jennifer noted that during the past few years categorical program funding has been reduced by up to 40-45%. To help offset the reductions and maintain services, the interpreter costs have been shifted to the Fund 1 budget. Categorical funds can now be shifted from one categorical program to another to support program needs and/or to support funding shortages.

In Susan’s absence, Jennifer also presented an overview of the Instructional Fund 3 Mid-Year Expenditures. She noted that Instructional Equipment and TTIP funds were formerly provided by the state but have been discontinued. The remaining funds in these two categories are a carryover from previous years. Lottery funds continue to be provided by the state and these funds are being used, in part, to support the Library.

**Measure G Mid-Year Expenditure**

Jennifer presented an overview of Measure G mid-year expenditures. She noted that Measure G primarily support classroom instruction but also fund some student support services. Mid-year expenditures total $1,689,587 out of a total allocation for the year of approximately 2.4 million. The largest expenditure is for Variable Faculty at 1.2 million. Maggie noted that approximately $450,000 of Measure G funds have been allocated to support various classified staff positions. Measure G funds will continue through 2013-14 though there will be unexpended funds carried over that will support designated college allocations for an additional year.

**Materiality Limits**

Mike introduced the concept of a materiality threshold process to be incorporated for existing staff positions. The process would allow Cabinet to approve increases to existing staff FTE allocations. The overall materiality threshold requested is for 1/3rd of 1% of the college’s annual operating budget which equates to $95,700 per annum. The threshold for any individual increase in staff allocation would be limited to no more than $30,000 which includes benefits. This streamlined approach would expedite approvals and eliminate several steps in securing staff allocation increases. Approved staff allocation increases would periodically be reported back to IPC and BPC. Mike noted that it is not likely that Cabinet would exhaust the established threshold in any given year, and importantly that any approved increase becomes a recurring cost. It was emphasized that the materiality threshold process does not include staff reclassification requests as that is an entirely separate procedure.

**Update on District Allocation Model**

Henry reported he, Laura and Maggie have been regularly attending the District Committee on Budget and Finance (DCBF) meetings. The DCBF continues to discuss various options for the District Allocation Model. Variables that have been contemplated include the Faculty Obligation Number, Student Success Outcomes, and percentage of San Mateo County Residents being served. Deliberations of these options have not yet lead to consensus on which variables to incorporate into the model. This topic will continue to be discussed by the DCBF. Laura, Maggie and Henry will periodically report back to BPC on any developments.

**BPC Goal and Objectives Update**

Jennifer, Laura and Henry will be meeting on March 11 to review and assess the current status of the BPC’s goals and objectives. They will report back to BPC at the next meeting.

**Operation’s Budget Augmentation Update**

Henry revisited the request for developing a process for budget augmentations. He reported that Maggie had provided a form previously used by managers for requesting an augmentation to an existing budget allocation. However, he did not get the form revised in time for review at this meeting. Thus, he will have a draft of the form available for review at the next BPC meeting.

**Business/Technology Division Project Director Position**

Henry informed the BPC that a Project Director position for the Business/Technology Division was approved at the most recent IPC meeting. As part of the participatory governance process, the approved request is being presented to BPC to ensure the college has sufficient funds to support the position. The project director position will be responsible for managing a grant that will support the development of a Small Business Development Center. The project director will also be responsible for identifying and writing grant proposals. The current grant will fund approximately 25-30 percent of the project director’s salary. It was confirmed that the College has the necessary funds to support this approved position.

**Next Meeting**: March 18, 2013