SUMMARY


VISITORS: Rod Garcia, Bob Hughes, Nancy Livingston, Fred Rocha, and Tom Wallace.

SUMMARY: The summary of the January 25, 2010, meeting was accepted as submitted.

PLANNING ITEMS:

DPC Budget Process: Andrea Sibley-Smith entertained a discussion on the DPC budget process, specifically, what the process is in difficult budgetary times and exactly where DPC fits in the development of the District’s budget.

A lengthy, invigorating discussion ensued with faculty expressing the following: 1) concern with no, or insufficient, faculty input in the budget planning process as the budget is being developed; 2) the desire for all constituent groups to have more opportunities for input in the budget development process; 3) a desire for a] transparency of product, b] transparency of the process – how did we get to the product, and c] participation in the process and at what point – will require additional steps in the process; 4) requested a future discussion on DPC’s general priorities and an explanation on why some items go to the Board without going to DPC first; 5) an explanation on why funds are budgeted as they are (i.e., $8 million is budgeted for supplies when only $2 million will be spent); 6) a desire to have the District level budget development process as participatory and transparent as that of the colleges; and 7) an explanation of who decided not to fill 40 faculty positions. Faculty clarified that their comments in no way inferred they were not receiving accurate information from Vice Chancellor Williams; they trust the information provided by Mr. Williams.

In response to the above, Chancellor Doffoney, Vice Chancellor Williams, the college presidents, and the budget officers provided the following information: 1) all budget information is published and public; 2) the District budget shows what campuses have agreed on and funds are plugged into one or two line items for determination at a later date of where the funds will be spent; 3) explanations are provided with the budget book in an effort to ensure that everyone understands the budget process, 4) the auditors indicate District budget records are without blemish and are transparent; 5) annual budget assumptions are presented to DPC at their earliest form and are reviewed at numerous DPC meetings while the budget is being developed, perhaps what is needed is better presentation/participation; and 6) suggestions for establishment of a DPC Subcommittee to ensure transparency of the budget process, and for conducting special informational/study sessions to explain the budget development process and providing input before budget recommendations are forwarded to the Board of Trustees.
Vice Chancellor Williams led a review of the following: 1) DPC Purpose and Operational Guidelines; 2) 2010-11 Budget Assumptions; and 3) Budget Allocation Model. The Budget Allocation Model identified the budget principles, budget categories, personnel information, operating allocations, extended day budgets, District-wide expenses, self-supported programs/contracts/grants/restricted programs/other funds, carryover funds, and DPC decisions. He added that the District cannot continue offering classes/services for which funding is not received. He noted that Board Discretionary Funds are used to cover some budgetary reductions. Knowing that drastic budget reductions were looming in the horizon, the District made a conscientious decision to maintain a high balance of Board Discretionary Funds. In response to inquiries, he clarified that faculty vacancy dollars go into this fund also and that the campuses carry over funds intentionally for use in covering budget reductions.

Mr. Williams identified some of the budget-related recommendations DPC has made in the past years, which include: 1) giving growth beyond extended day; 2) increases to the extended day budgets; 3) augmentations to DSPS allocations; 4) new classified positions; and 5) FTES targets. In response to the inquiry regarding 40 faculty positions that have been eliminated, Mr. Williams stated that it was his recommendation to eliminate these since the District was already above the required full-time faculty obligation (FTFO). He added that the number of full-time faculty is determined by FTFO and the District puts in money when additional positions are to be filled. As a point of information, he reported that NOCCCD has the third highest FTFO in the state, which is above that of the surrounding community college districts. It was noted that last year’s discussion included identification for each campus what the savings would be if the 40 full-time faculty positions were not filled. Mr. Williams announced that of the 40 faculty positions, 14 full-time faculty positions will now be filled in order to meet the District’s most recent FTFO. He clarified that the campuses don’t get to carryover unspent faculty position funds; however, the campuses are allowed to buy and sell classified and/or management positions. Also, Chancellor’s Staff discussions considered campus recommendations while living within the District’s means.

In concluding discussion on this item, Chancellor Doffoney stated that there is general agreement not to establish a DPC Subcommittee but have DPC as a whole act on the budget development process with transparency at all levels.

Banner Server Performance Analysis: Deborah Ludford provided an update on the proposal to replace the District-wide server. She stated there are an additional four more options to be researched prior to making a specific recommendation. Those options include a more performance-oriented machine, obtain a server from another educational institution, offload from the large server to smaller server, etc. This item will return after the research has been completed.

Technology Governance at NOCCCD: Deborah Ludford entertained discussion on the establishment of a District-wide Technology Advisory Committee as a subcommittee of DPC for the development of a Technology Master Plan and ongoing discussion of technology planning and policy items. This item will return in March for further consideration after all appropriate parties have had time to consider the implications of such an advisory committee. It was noted that in the makeup of the committee CSEA should be identified as the appointing organization for classified employees and not the Fullerton College Classified Senate.
NOCCCD Innovation Fund: Vice Chancellor Kathie Hodge presented for a second reading proposed NOCCCD Innovation Fund, which has been revised as a result of discussion at the previous DPC meeting. She noted a revision to delete the dollar amount and replace it with wording to the effect …"if annually funded…..” Considerable discussion ensued with faculty 1) opposing the establishment of such a fund in any given year that the District is experiencing financial difficulties; 2) requesting that the funds be used to offer 35 additional classes; 3) opposing the use of “sites” appointments, which should indicate appointment by Academic Senate; 4) recommended there be four classified staff and managers to include one each from Cypress College, Fullerton College, the School of Continuing Education, and the District Office; and 5) recommended that the $200,000 in District Staff Development funds not be used for categorical programs.

It was noted that ideas for student success can be a worthwhile project since each campus is already over expending its extended day budget by offering classes that are overcap and unfunded. The District is currently offering 10% overcap, and if the District continues to offer more without funding the legislature may then decide that additional funding is not required.

Most DPC members indicated support of the concept, however, not to fund at this time. In addition, further information was requested regarding whether or not all the funds have to be expended, what the selection process would entail, and identification of what is considered as “innovative.” In expressing support for the Fund, it was stated that innovative ideas 1) could result in future years; 2) the group should look at the potential impact to students and should not focus just on the here and now; 3) the recommendation is not proposing to approve an innovative idea but a process for funding innovative ideas; 4) not taking action would hinder the possibility of innovative ideas; and 5) the Fund should be kept open and allow for creativity.

Upon conclusion of discussion, although a majority of the members were in support of establishing the Innovative Fund, there was no consensus to continue its development. After hearing the advice and being informed of the process, Chancellor Doffoney stated he will continue with the development of the Innovation Fund.

Subsequent to the meeting, the Innovation Fund description was revised to reflect recommended revisions and is attached to this summary.

ADJOURNMENT: The meeting adjourned at 4:35 p.m.