



Budget Council Meeting

February 1, 2012

Lee Campus Taeni Hall Room S-107

Minutes

Attendees Present: Pamela Fairfax, Erin Harrel, Steven R. Nice, Stephanie “Sam” McCartney King, Crystal Perez, Gina Doeble, Tobias Discenza, Vicki Dryden (Recorder)

Attendees Absent: Dr. Pat Land, Dr. Robert R. Jones, Suzanne Buntic

Start Time: 2:15 p.m.

I. Introductions

Gina Doeble welcomed everyone in attendance, requested introductions and thanked everyone for their participation on the Budget Council.

II. Budget Council Overview

Gina Doeble explained the overall goal of the Budget Council is to provide transparency, review budget requests and make recommendations for budget reduction strategies to the District President and District Board of Trustees. The Budget Council will evaluate and prioritize new initiatives through presentations provided by individual/departmental budget hearings for new positions, information technology requirements, renovation and furniture & equipment requests. Gina indicated that this will be a very active group in the decision making process stating that the integrity of this process and how it works to move forward as a team will be reviewed as we follow the (attached) meeting agenda packet in its entirety.

III. Election of Budget Council Chair

MOTION by Steve Nice, seconded by Pam Fairfax to elect Gina Doeble as Chair of the Budget Council. Approved unanimously.



Discussion of timelines was held. The Budget Council agreed to meet the last Wednesday of each month at 2:00 p.m. with special presentation requests to be scheduled at a later time.

It was projected that the Budget Council recommendations to the College Operating Budget will be presented to the District Board of Trustees near the end of May with expected District Board of Trustees review and approval in June 2012.

IV. Overview of Budget Development

Toby Discenza provided the overview of the Budget Development process explaining that 93% of the total Fund 1 budget consists of the Operating Budget; Course & Program Fees make up 6%, and Continuing Education 1%. These are all part of Fund 1 – Unrestricted Fund. He explained the sources of revenue from tuition & fees, State Appropriations, etc. He explained the breakdown of tuition fees per credit hour and moved on to identify the expenses indicating that 75% of the College expenses go toward salaries & fringe benefits.

He referred to a sample spreadsheet of the Fund 1 draft budget as presented in the packet that showed all the elements taken into account. He reviewed the online forms that are used to request funding for new projects identifying each form and its approval routing process. He indicated that the College has approximately 40 budget administrators who will submit budget requests.

Discussion was held. Steve Nice mentioned and Gina agreed that it would be best to have his facilities and information technology planning meetings after the budget process to aid in allowing for a more sophisticated planning process. Pam Fairfax requested the ability to have the budget initiative forms printable allowing for record retrieval.

Toby Discenza described the course & program fees in the budget process indicating that the total expenses are identified, explaining how fees are calculated, and mentioning that these fees can only be spent on students paying the fee saying that these are separate courses which are academic driven. He indicated that Continuing Education is self-sufficient that the revenue must cover the expenses and that the fund balance can move to the operating fund. He mentioned that Continuing Education is not a restricted fund like course & program fees because no funding is provided by the State. Toby reiterated that the majority of the Budget Council work will be in Fund 1.

Toby Discenza provided an overview of Fund 2 - Restricted Fund, derived from grants, student activity fees, private nursing foundation and Federal support like Perkins, Upward Bound and Work Study. The Florida Statute mandates the percentage of funding based on tuition of students per credit hour. Gina Doeble mentioned that we work with the Student Government Association (SGA) to sign off on these budgets. The Budget Council will recommend the entire budget to the President and District Board of Trustees.

All the funds that come in are reallocated by campuses based on the students' full time equivalency ratios for each campus so that each campus is getting their fair share.

Toby Discenza provided an overview of Fund 3 - Auxiliary Funds indicating the sources of funds come from the Bookstore, Performing Arts Hall, food service and facility rentals commissions. He explained that the College does not run these services that the College contracts with vendors and negotiates for the commission. He pointed out on the chart provided that the bookstore brings in the most revenue. He also noted that the facility rental was in house locally derived use of College space. Fund 3 revenue is used by the College to pay for things which the State cannot pay for such as campus auxiliary budgets for food/hospitality and also tuition reimbursement, salaries/fringe, management of B. B. Mann Hall and repairs of equipment. Remaining funds will primarily go to the College reserves.

Toby Discenza provided an overview of Fund 5 - Financial Aid Funds that come from the Federal and State Government (Bright Futures).

Toby Discenza provided an overview of Fund 7 – Plant Funds as revenue that is derived from local & reserved funds, Capital Improvement fees & bonds, Foundation donations, license tag fees and PECO funds. He reiterated that these funds must stay in the fund type indicating that Fund 7 Plant Funds cannot be used in the operating budget. He mentioned that PECO funds are restricted to the particular campuses and/or specific projects as designated and that we must get permission to use the funds for another building not previously specified.

V. New Processes for FY13

The New Initiative form on the portal will be linked to Unit Plans in the SPOL Unit Planning process. Only those plans entered in SPOL will be visible. Also the Budget Council is another new process where budget hearings will be held to request new funds.

VI. Preliminary Revenue Scenarios

It was discussed that the College does not know until the completion of the legislative session what we are going to get from the State or the tuition rate for next year which the District Board of Trustees has to decide on. The “draft” preliminary revenue scenario spreadsheet was explained as a high level detail of how the Office of Financial Services puts it all together to create the best assumptions possible in the budget projections. This scenario process reflects the challenges faced by the Budget Council in the budget process as State revenue and tuition fluctuate.

It was asked if the College could use its reserved funds and Gina Doeble answered that we could; but typically, this is a short term solution only.

Toby Discenza explained that the new budget initiatives are tied into the SPOL Unit Planning online saying that this is a SACS requirement to link the planning of the College with the new budget initiatives. Toby indicated that he did not know how many new initiative requests we will get. He mentioned to anticipate that the Budget Council will meet midyear for updates.

VII. Budget Development Timeline

The Budget Council reviewed and discussed the timeline in the agenda packet.

MOTION by Pam Fairfax, seconded by Stephanie “Sam” McCartney King to approve the Budget Development Timeline.

Discussion was held. Budget reduction strategies, realignment of existing budget and revenue generating ideas were discussed as the challenges for the Budget Council to consider as we move forward in our decision-making of this complex process. Gina Doeble mentioned that the Budget Council recommendations will be taken to the President and College Executives saying that this is not SACS or other mandated, but just driven by a good thing to do.

The minutes will be posted on the web site at www.edison.edu/district/budgetcouncil/

VIII. Open Discussion/Questions

Inquiries and discussion were held.

- Question 1: Will the students pay the College for the rent of the student housing – asking when the College might see money from it? The response was, not in the beginning. We must pay for the student housing project first through the Financing Corporation; however, the College has started to charge the Financing Corporation for the security and nominal fees for administrative services.
- Question 2: Are the Charter high schools generating revenue for the College? The response was not yet. The College gave the Charter schools three years to get started. The Charlotte Charter School is in its third year. We could take the Federal indirect cost rate and transfer those funds back into our Operating Budget.
- Question 3: Are the Dual Enrollment students the same as high school charter students? Do we get more funding from high school students? We only get half the amount of money for Dual Enrollment students verses the high school students. When we start getting funding from the Charter Schools, that money could be transferred to pay for example for more faculty.

Request: The Budget Council requested to see the College reserves – they will be presented at the next meeting.

Meeting Ended at 3:45 p.m.