Budget Committee
May 5, 2015
1:30pm – 3:30pm
CSB
Minutes

Present: Mary Cox, Victoria Romero, Paul Nieman, Sheri Berger, Dean Kinzel, Rolf Schleicher, Kaycea Campbell, Fernando Oleas, Joe Perret, Suleman Ishaque, Mary Ann Gavarra-Oh, Anafe Robinson for Earic Peters

Guest: Mark Henderson, Lyn Clark, Larry Kraus, Oleg Bespalov, Cheryl Smith, Donna Mae Villanueva, Barbara Anderson, Bruce Rosky, Margarita Padilla, Paula Paggi, Anil Gupta, Beth Benne

Absent: Mofe Doyle, Kathy Oborn

1. Call to Order / Approval of the Agenda

The meeting was called to order at 1:36pm. The agenda was approved as written.

2. Approval of the Minutes

The minutes of the March 3, 2015 meeting were approved as written.

3. Old Business:
None

4. New Business

a. Budget Supplement Requests >$2500
b. Budget Supplement Requests <$2500

c. Interdepartmental Budget Transfers

Bruce discussed two months of BTAs that were summarized. He will send these to committee members. Many BTAs were a reflection of what PCC had approved. Some money for accreditation was in the wrong spot and was moved. Also, we had some core expenses that were higher than expected.

d. Monthly Projection

No report was given.

e. Grant/Categorical Review
Bruce distributed an overview of the BFAP program, one of the categoricals we look at when we present quarterly. He asked Anafe to come to the committee to explain this program.

Anafe stated that BFAP funding has been in existence 20 years. It's categorical funding, primarily for financial aid. In 2002, the state gave all colleges an increase for staffing and equipment to run the program. Anafe has 13.4 staff members, and 4.5 are funded out of BFAP. 62% of Pierce students have fee waivers. Other colleges are higher than us. Anafe needs 16-20 student workers just to stay alive. For 13/14 we received $50M. The BFAP grant is close to $600K.

Another piece of BFAP is the Maintenance of Effort (MOE). Since 2% of the funding goes to the college, in order for us to continue to receive funding, funds must supplement, not supplant, college expenditures for financial aid administration. Colleges that fail to comply with MOE requirements are subject to a dollar for dollar reduction of the colleges 2% funding as a penalty for supplanting college expenditures with categorical funding. Anafe stated that last year we gave out over $9M. Our default rate is about 20.4%. If the default rate is 30% or more for three consecutive years, you lose funding. Discussion followed.

f. Follow-up Action Items

All action items were approved.

g. DBC Report

Joe reported that Pierce will get $4.5M next year from unmarked funds the District received (about $50M). There was discussion on how to spend this money. It was voted to take $10M out and put in the piggy bank because of Prop 30 expiring. The District is setting aside $1M for accreditation next year. Pierce received $100K for accreditation this current year, and will also get it next year. This is to cover the accreditation visit direct costs and travel, and offset salary adjustments for those that work on accreditation. So we will get a total of $200K for accreditation next year.

All the colleges except one are saying they will meet their budget and their 4.75% growth this year.

h. Matrix Ranking per Division

The remainder of the meeting involved discussing the resource priority ranking for the four divisions.
5. **Adjournment**

The meeting was adjourned at 3:42pm.

Minutes prepared by Linda Solar June 1, 2015.