Members Present: Brock McMurray, Jennifer Altenhofel, Joy Reynolds, Amanda Bauer, Sheri Horn-Bunk, Jessica Grimes (for Leslie Minor), and Cliff Watts

Members Absent: Whisper-Lynn Null

Guests: Justin Madding, Recorder

The Budget Committee meeting of January 22, 2020, was called to order by Brock McMurray at 9:05 a.m.

1. Minutes – December 18, 2019

The minutes from December 18, 2019 were approved by consensus.

2. 20/21 Budget Development Calendar

McMurray reviewed the upcoming Budget Development Calendar February items with the committee. The Governor’s Budget came in out in January. He will talk more about the budget in the Budget Update section.

The 320 report was completed on time. McMurray explained the significance of the 320 report, how 1 FTES is calculated, and the different ways to count them. 1 FTES is typically calculated as 15 units in the Fall and 15 units in the Spring. He talked about the significance of the Summer Shift and carryover FTES and its effect on 320 report calculations.

The recently completed 320 report is the first 320 we will do for the year. We will do two more reports and possibly a recalc if necessary. The State requires the 320 report to monitor where everyone is on enrollment. We are in a good place on enrollment and are up a little for the Spring semester. Enrollment at TC is steady, but enrollment statewide is down. McMurray spoke about strategies to control growth under the new funding formula.

Bauer added that the significance of the 320 report on the current year is control of cash flow through it’s affect on apportionment payments from the Chancellor’s Office.

3. Budget Update

McMurray said that he attended the annual conference hosted by ACBO and the Chancellor’s Office each year after the Governor’s Budget is released. The conference covered economic outlook and Governor’s Budget reviews. The conference gives us some insight and a voice on the budget. The Governor’s Budget is subject to change.

McMurray reported some of the significant items in the Governor’s Budget (subject to change), including the following:

- $318 million more in the community college system than last year (subject to change);
- $9.7 million in SCFF base adjustments;
- 2.29% COLA
• $32 million for growth;
• $28 million for apprenticeships.

McMurray explained the difficulty in passing along a COLA increase now that we have the Student Centered Funding Formula as opposed to straight FTES. The COLA is applied to the formula which magnifies the importance of the metrics. Horn-Bunk asked about the breakdown of the funding formula and McMurray briefly recounted the 70/20/10 split and metrics.

McMurray mentioned that the Chancellor’s Office may have to flex the SCFF metrics despite claiming there will be no changes in 2021. The Chancellor’s Office is also starting to look at First Generation data.

Now that the Governor’s Budget has been released the legislative groups and Department of Finance begin to work toward a revised budget in May.

The committee discussed Prop 98 funding and how that relates to special categorial programs. Grimes asked if there is talk of advocacy regarding Prop 98 which currently aligns more with FTES, and trying to align more with SCFF. McMurray said yes, but it falls on deaf ears because it would be a bigger fight than anyone wants right now.

4. Accreditation – Financial Resources Committee

There is no update since the last Budget Committee meeting, but all is proceeding well.

5. Other

Bauer said that Fiscal Services is conducting mid-year analyses on programs to make sure everyone is on track on their budgets. McMurray said that we have been taking a more proactive approach in budget management, and gave credit to the employees in Fiscal Services.

Meeting adjourned at 10:00 a.m.

Respectfully submitted by:

Justin Madding