



Rio Hondo Community College
Budget Reduction Task Force
August 2, 2012, 2:30 p.m.
Board Room

Facilitator: Teresa Dreyfuss
Attendees: Teresa Dreyfuss, John Frala, Henry Gee, Shari Magnus, Eva Menchaca, Kenn Pierson, Sandra Rivera, Mike Slavich, Rene Tai, Adrian Tanakeyowma, Colin Young, Adam Wetsman
Absent: Robert Holcomb

The meeting commenced at 2:30 p.m.

Minutes

The first meeting of the Budget Reduction Task Force commenced on August 2, 2012.

Introduction

Due to budget constraints, the college needs to reduce spending by \$7 million dollars this year. The purpose of this first meeting is to help structure future meetings in order to accomplish this goal. Dreyfuss initiated the discussion by letting the committee know what is currently in the pipeline to reduce spending. Dreyfuss has already asked Student Services to reduce their budget by 12% for Part Time Instructors, Instructional Services, and from the prior year budget with object Code numbers: 1310, 1320, 1321, 1322, 1410, and 1490.

Pierson stated that the reductions need to be worked out Division by Division and is trying to facilitate dialog between the Deans and Faculty to determine the most efficient way of handling this reduction.

Part Time

Each division has a detailed budget which includes Part Time and Overload for Summer, Spring and Fall and is listed in the Detail Budget.

Dreyfuss estimates the cut in Part Time Instructors for 500 sections can save the college around \$2.3 million of which 1.1 million is budget overrun.



Budget Overrun

With the exception of Public Services, every division has overrun their budget for a total of \$1.1 million. Once all the departments begin working within their given budget, that will save the college \$1.1 million which adds to \$2.3 million total savings.

Estimated savings: \$2.3 million
Total: \$2.3 million

Last year, there was a security service expenditure overrun of around \$0.5 million which should also be reduced to work within the budget allocations.

Estimated Savings: \$0.5 million
Total: \$2.8 million

Supplies, Operations, and Equipment

Supply, Operations, and Equipment budgets will be cut by 20% as well. In the Detailed Budget, this includes the object codes, 4000's, 5000's, and 6000's for supplies, operating, and equipment. Dreyfuss noted that it is not feasible at this point to make a reduction in utilities and security service budget and therefore did not include these two items. Dreyfuss estimates a savings of \$1.3 million.

Estimated Savings: \$1.3 million
Total: \$4.1 million

Apprenticeship Programs

Slavich will check with Bruce Nobel to see if it would be possible to reduce the apprenticeship program expenditure.

Hourly Part Time Classified

Hourly Part Time and Overtime Classified, which are in the Detailed Budget under the account codes 2192, 2390, 2392, and 2410 will be reduced by 20%. These account codes include District Student workers and other Part Time Classified employees with a savings of \$125,000.00.

Estimated Savings: \$0.125 million



Total: \$4.2 million

Learning Resource Center

The Learning Resource center budget is overrun with student workers and tutors and needs to work within the budget to reduce their costs by \$100,000.

Estimated Savings: \$0.1 million
Total: \$4.3 million

Information Technology Maintenance Agreements

Dreyfuss has placed the Information Technology Maintenance Agreements on the Board Agenda to be paid through Bond Funds, which will save \$500,000.00 of District Funds.

Estimated Savings: \$0.5 million
Total: \$4.8 million

Personnel covering two positions

Dreyfuss has chosen to undertake both positions of Interim President and Vice President of Finance and Business to save the college up to \$150,000 this year. Other staff are also taking on double duty including Pierson and Don Mason. Dreyfuss will also look into the decision not to re-hire vacant positions when possible.

Estimated Savings: \$.15 million
Total: \$5 million

Elections

This year the college will not be paying for Board elections which will save the college \$300,000.

Estimated Savings: \$0.3 million
Total: \$5.3 million



Evening College Administration and Reduction of Coordinators Release Time

There will be a savings of \$100,000.

Estimated Savings: \$0.1 million

Total: \$5.4 million

Vacant Administrative Positions

There are several vacant positions under administration which total savings of approximately \$200,000.00.

Estimated Savings: \$0.2 million

Total: \$5.6 million

Up to this point, Dreyfuss has done her best to squeeze the budget to help the college save and has accounted for \$5.6 million of the budget gap. It is up to the committee to help determine what else can be done to reduce the gap that is left.

Committee Discussion

Rivera asked how much revenue could be generated if parking services were enforced. Dreyfuss estimated \$2 per car per day would amount to at most \$10,000 per year.

The travel account was mentioned by one member. Dreyfuss asked to review the travel budget. Dreyfuss will gather the necessary information and present it at the next meeting.

Wetsman mentioned the cost of hiring a consultant to search for a new president may be too high. Dreyfuss noted that it is important to use an independent un-biased consulting company to hire a new president.

Slavich would like to check to make sure there is no duplication of services, for example if there is more than one area doing the same thing, and would also like to check on programs that are not performing. Young mentioned VMA Communications versus the Marketing Department.

Dreyfuss noted that she has tried to reduce the cost regarding consultants. Dreyfuss has already reduced pay for the Interim Director of Information Technology Gary Van Voorhis for last and this year. The college has signed a two year contract and at the end of the contract can choose to continue with Van Voorhis or fly the position.



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Gee will look into the Student Health Services as there is a 200,000 – 300,000 overrun.

There was discussion of reviewing release time versus a stipend and also reviewing re-assign time. FLEX and SWEC may need a reduction of coordinator release by 40%.

However, the Police Academy accreditation was just re-instated and the Peace Officer Standards Training (POST) requires a certain number of employees for that program. Gee cautioned that cutting too much from this program could jeopardize the program.

Young mentioned eliminating the Leadership Academy.

Pierson noted that there will be open discussion on FLEX day with the Faculty regarding the overruns from last year. The deans will meet with their faculty and review progress reports as well as discuss with faculty what may be efficient and what may not be efficient.

Sabbaticals will be on the table for negotiations for the year 2013-2014.

A lot of spending is locked into salaries for faculty and staff and Dreyfuss is looking into a reduction in District student workers as well.

Slavich mentioned other colleges having only 1 researcher whereas Rio Hondo has 3. Dreyfuss noted that only one is District funded while the other two are grant funded either through Basic Skills or Title V.

Young also mentioned possibly saving costs in outreach. He suggested concentrating on the students already at the college rather than spending money on glossy brochures for new students. The marketing budget will be cut by 20%, however Gee and Frala both agreed that marketing brochures need to be well made to reflect the professionalism of Rio Hondo College.

The Business division printed 10 different brochures that are one-sided on cardstock and cut into thirds and Slavich states they are as cheap as using the copy machine. Tai mentioned updating the website to be used for marketing as well.

Foundation is considered a self-sustaining organization and pays for its own personnel and other operating costs from the Foundation.

Wetsman noted with a new campus climate it is possible to save \$50,000 in legal fees.

Auxiliary Services Organization (ASO) has its own separate budget. ASO is funded by commissions from the bookstore and the cafeteria and pays for its own services such as the school newspaper, El Paisano.



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The committee would like to review the Travel expenses and Dreyfuss will bring an estimate of the total cost of travel expenses and budget to the next meeting.

Dreyfuss would like to reduce what is being spent on food budgets for some divisions which use the supply budget for these events.

Menchaca mentioned generating revenue of a few thousand dollars through testing services such as the TOEFL. Dreyfuss said that is a good idea so long as there is no additional incurrence of expenses. Menchaca also asked about charging \$1 to challenge a score.

Staff on campus using the Health Center without paying a health fee was mentioned.

It was asked if it would be possible not to schedule events on the weekend, but sometimes it cannot be avoided.

Conclusion

Dreyfuss will get the data requested and asked everyone to think about this over the next few weeks to see what can be accomplished. Dreyfuss will have more information after the Board meeting in September. Also, the current amount required is contingent on the passage of a tax bill, which can affect the budget by another \$4 million. Dreyfuss has worked out an estimated \$5.6 million savings at this point.

Next Meeting

Next meeting is Thursday, September 13, 2012 in the Boardroom.

The meeting ended at 3:30 p.m.