

SAC PLANNING & BUDGET MEETING

MINUTES – September 2, 2025

1:30PM – 3:00PM

Zoom Meeting

Santa Ana College Mission Statement: *Santa Ana College inspires, transforms, and empowers a diverse community of learners.*

MEMBERSHIP

Administrators	Academic Senate		Classified	Student Representatives
Bart Hoffman, Co-chair	Tommy Strong, Co-chair		Mark Ou	Julian Gonzalez
Jim Kennedy	Claire Coyne	Reza Mirbeik Sabzevary	Jimmy Nguyen	Minh Le
Jeffrey Lamb	John Zarske	Linda Sung	Liliana Oropeza	
Vaniethia Hubbard	Luis Pedroza	Silvia Castillo	Jessica Avalos	
Lorena Valencia	Kelly Nguyen			
Kristi Blackburn				

Bold = Present

1. WELCOME & INTRODUCTIONS		Meeting called to order 1:33pm Meeting adjourned at 2:58pm
	Welcome and self-introductions were made.	
2. PUBLIC COMMENTS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	No public comments.	
3. APPROVAL OF MINUTES	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	Approval of May 6, 2025 Minutes	Moved to approve by: John Zarske 2nd by: Claire Coyne Abstentions: Kelly Nguyen, Jimmy Nguyen, Jeff Lamb, Jessica Avalos, and Sylvia Castillo
4. ACTION ITEMS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	None to report.	
5. UPDATES/REPORTS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS

	<p>Membership for Current Academic Year – Mark Reynoso</p> <ul style="list-style-type: none"> • Student Services Vacancy: <ul style="list-style-type: none"> ◦ Associate Dean of Financial Aid <ul style="list-style-type: none"> ▪ Lorena Valencia to fill vacancy (replacing Robert Manson). ▪ Mark DeAsis named as alternate. • Academic Senate Vacancy: <ul style="list-style-type: none"> ◦ Vice President, Communication Operations <ul style="list-style-type: none"> ▪ Claire Coyne has no nomination at this time but will follow up with Norma regarding a nominee. <p>Budget Reports (Year End Budget & Adopted Budget) – Mark Reynoso</p> <p>Statewide Updates:</p> <ul style="list-style-type: none"> • COLA: 2.3% approved for Student-Centered Funding Formula (SCFF) and selected categorical programs. <ul style="list-style-type: none"> ◦ Comparisons: 1.07% (2024–25) and 8.22% (2023–24). ◦ Not applied to major categorical programs such as SEAP (Student Equity and Achievement Program) and Strong Workforce. • Revenue Stability: State using reserves and special fund transfers to prevent shortfalls; no deficit factor projected for 2024–25 or 2025–26. • Growth Funding: <ul style="list-style-type: none"> ◦ 2.5% enrollment growth funding for SCFF (compared to historically 0.5%). ◦ ~\$100M allocated for 2024–25, \$40M for 2025–26. ◦ Starting 2025–26, districts 2024–25 funding levels will now represent its new floor. ◦ Beginning this year, districts will be funded at their SCFF generated amount for the year or their FY 2024–25 floor, whichever is higher. <p>Statewide Exhibit C:</p> <ul style="list-style-type: none"> • At P2, ~26,743 unfunded FTES with \$28M funded growth. • Early recalculation added \$100M growth funding, reducing unfunded FTES to ~9,916 and increasing funded growth to \$128M. <p>District (RSCCD) Impact:</p> <ul style="list-style-type: none"> • P2 Exhibit C: \$239,792,002 in apportionment, with 2,269 unfunded FTES. • Early recalculation increased apportionment by ~\$10M (to \$249M). • District unfunded FTES reduced to 889.37. • SAC-specific data not yet available; numbers currently district-wide. • Claire Coyne asked about SAC-specific FTES numbers (not available). • Jeff Lamb & Tommy Strong noted potential for additional funding if other colleges fall short on targets; unfunded FTES may later be funded.
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	<ul style="list-style-type: none"> Historical unfunded FTES generally under 1,000; current 889 aligns with prior years. <p>Budget Allocation Model (BAM) Updates:</p> <ul style="list-style-type: none"> Budget Stabilization Fund: Now capped at \$3M (starting July 1). <ul style="list-style-type: none"> Excess funds flow to colleges' Fund 13 (carryover). For 2025–26, SAC received \$1,949,654 (70.32%); SCC received \$822,891 (29.68%). Deficit Factor Changes: <ul style="list-style-type: none"> District will release ~2% of previously withheld funds directly to Fund 11 (ongoing funds). Colleges must now budget for deficit factor (no less than 2%) in one-time funds in a Fund 13 contingency account. For SAC, ~\$3.7M must be budgeted in Fund 13 for this purpose. To align, SAC shifted ~\$3.3M in ongoing costs from Fund 13 to Fund 11 for 2025–26. <p>Positive Impact:</p> <ul style="list-style-type: none"> More stability and flexibility for college budgets. SAC and SCC can access released funds once deficit factor is cleared. Committee participation credited for influencing positive BAM changes. Tommy Strong emphasized the importance of member engagement and fresh perspectives in improving budget practices and decision-making. <p>Fund 11 vs. Fund 13 Explanation (for new members):</p> <ul style="list-style-type: none"> Fund 11 = ongoing funds (primarily salaries, benefits, recurring costs). Fund 13 = one-time funds (can roll over year to year but must be allocated for non-ongoing expenses). Clarification: District previously withheld ~2% of apportionment (deficit factor) from Fund 11; now these dollars are being released back to the colleges' ongoing budgets. Positive impact: More stable, ongoing funds available for expenses like salaries, benefits, and contracts. <p>Additional Clarification (Financial Aid Question):</p> <ul style="list-style-type: none"> Lorena Valencia asked whether the 2% deficit factor referenced was the same as the Board Financial Assistance Program (BFAP) 2% for financial aid administration. Mark Reynoso clarified his 2% reference was strictly apportionment revenue, not financial aid. Dr. Hubbard confirmed BFAP 2% for financial aid goes directly to the college and is not held by the district. <p>Training Suggestion:</p>
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	<ul style="list-style-type: none"> Tommy Strong proposed holding an optional session for new and returning members to review key budget terms, acronyms, and institutional history (e.g., Budget Stabilization Fund, Fund 11 vs. Fund 13, deficit factor). <p>Growth Funds Allocation (2025–26):</p> <ul style="list-style-type: none"> SAC received ~\$8.9M in ongoing growth dollars added to Fund 11. Of this, \$3.3M used to shift ongoing expenses previously paid from Fund 13 into Fund 11. Remaining balance to be used for: <ul style="list-style-type: none"> Increasing hourly instructional accounts. Funding approved reorgs and new positions. Covering potential overruns in categorical grants (especially those without COLA). Supporting program review and RER ongoing budget augmentations. <p>SCC Update:</p> <ul style="list-style-type: none"> SCC currently running a deficit of ~\$2.2M (public info from recent FRC meeting). No growth funding allocated for SCC in 2025–26. <p>Facilities Modification Requests (FMRs):</p> <ul style="list-style-type: none"> SAC has ~22 active FMRs, totaling ~\$25–26M. Examples highlighted: <ul style="list-style-type: none"> DMC relocation back to SAC – ~\$5.8M. Synthetic turf & football field upgrades – ~\$6.4M. AEV equipment upgrades (SAC & CEC) – ~\$1.75M. Building I remodel (Math Dept.) – ~\$2.9M. Amphitheater shade structure – ~\$2.3M. Noted that capital improvements are costly, but reflect ongoing campus needs. <p>Funding Sources for FMRs:</p> <ul style="list-style-type: none"> All listed FMRs are already fully funded and approved (Form 1, 2, 3 completed). Funding sources include: <ul style="list-style-type: none"> Prior-year Fund 13 surpluses (moved into Fund 41 for capital). Capital improvement (Fund 41) dollars. Redevelopment Agency (RDA) funds. Result: Projects are in progress and not dependent on the current \$5.5M available funds. <p>Fund 11 Budget (2024–25):</p> <ul style="list-style-type: none"> Adopted budget: \$129M.
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	<ul style="list-style-type: none"> Actual spending: \$130M, requiring transfer of some expenses from Fund 11 to Fund 13 to balance. Main cost driver: Hourly instructional accounts (part-time, overload, intersessions), which exceeded budget by \$9.7M. <p>Instructional Efficiency – Tommy Strong</p> <ul style="list-style-type: none"> Tommy stressed need for balanced approach: “spend money to make money” by offering courses but ensure efficiency. Proposed more nuanced discussions on: <ul style="list-style-type: none"> Appropriate class size thresholds depending on discipline (e.g., capstone vs. general ed). Impact of credit vs. non-credit programs, noting non-credit revenues helped offset credit-side shortfalls. Requested Planning & Budget Committee involvement in these discussions to ensure informed decisions. <p>Fund 13 Budget (2024–25):</p> <ul style="list-style-type: none"> Budget: \$21M. Spending: \$17M (with \$8.9M shifted to Fund 41 for FMRs). Carryover into 2024–25: \$3.1M. <p>Committee Role in Fund 13 Allocations:</p> <ul style="list-style-type: none"> Last year: P&B Committee reviewed/discussed detailed Fund 13 allocations, including FMRs, before recommendations moved forward. This year: New emphasis (via Dr. Nery) on Program Review and RAR process as the formal pathway for requesting new allocations, including FMRs. Future FMRs must be: <ul style="list-style-type: none"> Documented in Program Review. Reviewed by Facilities Committee and PBC. Approved at Cabinet, usually during summer. Exception: Emergencies may still allow off-cycle FMR approval. <p>Fund 13 Expenditure Plan</p> <ul style="list-style-type: none"> Carryover Budget Overview <ul style="list-style-type: none"> Current year: \$14.9M in Fund 13 carryover (compared to \$21M last year). Deficit factor reserve: \$3.7M set aside (last year was \$4.1M). Some new line items added this year to address emerging needs. Facilities Modification Requests (FMRs) <ul style="list-style-type: none"> \$4.1M reserved for FMRs. Recent new FMRs and increases to approved ones add ~\$1.4M in extra costs. 	
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- Concern noted that FMRs often rise above their original approved amounts as projects move through the process.
- Resource Allocation Requests
 - \$1.1M allocated (up from \$1.023M last year).
 - Intended to fund department/division requests for special projects and operational needs.
- Ongoing Expenses Moved to Fund 11
 - Several recurring line items (shown in green) were zeroed out in Fund 13.
 - These ongoing expenses were shifted to Fund 11 for proper long-term budgeting.
 - Retained in report for historical tracking and transparency.
- Other Fund 13 Projects
 - Additional smaller projects funded from carryover (details provided in handout).
 - Some one-time allocations, others linked to strategic priorities.
- Decision-Making Process
 - Needs identified throughout the year (e.g., facilities, safety, program costs).
 - Budget plan compiled by Mark Reynoso and Dr. Hoffman based on past patterns and current requirements.
 - Reviewed with Dr. Nery, then forwarded to President's Cabinet for approval.

Committee Questions & Clarifications

- John Zarske asked who decides where extra money is spent.
 - Answer: Determined by needs, compiled by Mark & Dr. Hoffman, reviewed by Dr. Nery, finalized by President's Cabinet.
- Tommy asked if committee could formally review and comment on the Fund 13 plan.
 - Mark noted historically this has been informational, not an action item.
 - Open to committee feedback, could revisit with Dr. Hoffman when he returns.
- Dr. Hubbard asked why some sections were zeroed out in green while others were not; wanted to know if the non-green sections were not moved to Fund 11.
 - Answer: Mark explained that those items were one-time needs from the prior fiscal year (e.g., different substitutes).
 - They were not moved to Fund 11 because they were not ongoing needs.
 - For FY 2025-26, there is no longer a need for those items, hence they don't appear.

	<p>Encouragement for Members</p> <ul style="list-style-type: none"> • Mark & Tommy encouraged members to review the expenditure plan handout. • Staying informed helps committee members answer questions in their departments/divisions. • Seeing line items shifted from Fund 13 to Fund 11 helps members understand budgeting strategy and deficit factor impact. 	
6. SCFF REPORTS	DISCUSSION/COMMENTS	
	<p>SCFF Reports – End of Semester and Year Metrics – Mark DeAsis or Lorena Valencia</p> <ul style="list-style-type: none"> • Mark DeAsis provided background on SCFF reporting (Supplemental and Success Allocations). • Found discrepancies in previously reported data to the committee. • Reports were inconsistent between what SAC pulls (from Colleague/SIS) vs. what the District reports (possibly MIS-based). • Data Issues Identified: <ul style="list-style-type: none"> ◦ Supplemental allocation includes Pell Grant recipients, AB540, and California Promise Grant students. ◦ SAC could not replicate Exhibit C data; differences likely due to reporting sources. ◦ Past reports used raw Colleague data without accounting for MIS reporting rules. ◦ Student Success Allocation previously reported: <ul style="list-style-type: none"> ▪ Only degrees earned + transfer-level math/English. ▪ Did not include 3-year averages. ▪ Did not account for Pell/CCPG student weighting. ▪ Did not de-duplicate students with multiple degrees (which inflated counts). • Tommy Strong asked if discrepancies can be resolved within the next year. <ul style="list-style-type: none"> ◦ Requested forecasting data (enrollment, revenues, deficit factor impacts) to help with decision-making before year-end. ◦ Emphasized need for early, directional data, even if preliminary. • Dr. Daniel Martinez suggested committee should become familiar with SCFF definitions (e.g., degree hierarchy, 9+ CTE units). <ul style="list-style-type: none"> ◦ Highlighted that SCFF is reported at the district level, not college level. ◦ Recommended the committee understand how district allocations are split between SAC & SCC. ◦ Proposed reviewing the district research office's methodology to validate assumptions. 	

- Mark Reynoso emphasized that all SCFF metrics ultimately translate to dollars.
 - Clarified that different SCFF components use different year bases:
 - Supplemental → prior-year headcount (e.g., 23-24 data used for 24-25 revenue).
 - Student Success → 3-year averages (21-22 through 23-24 for 24-25 revenue).
 - Example: Pell Grant recipients at SAC were 5,047 in 23-24. Increasing this could directly increase revenue.
 - Suggested committee consider strategies to improve SCFF metrics (e.g., Pell outreach).
- Mark DeAsis is open to sharing SAC's strategies for increasing success allocation metrics.
 - Clarified difference between forecasting budget impacts (requires district methodology) vs. forecasting enrollment/completion trends (can use SAC raw data).
- Dr. Vanithia Hubbard clarified that FTES target setting is not handled in this committee; that belongs in the Enrollment Management Committee.
 - This committee's role is more about how funding attaches to FTES and SCFF metrics.
 - Suggested SCFF strategies and targets should be discussed in Enrollment/Dual Enrollment committees, while this group focuses on funding implications.
 - Agreed with Dr. Martinez: there is a need for both SAC and the District to have a better mutual understanding of SCFF definitions and processes.
 - Stressed that mismatches between SAC's data (Colleague) and District's reports (possibly MIS-based) cause inaccuracies.
 - Suggested part of the issue may be due to a lack of clear understanding of SCFF definitions (e.g., how many students can be counted toward completions).
 - Raised a concern that the committee has not been given access to the spreadsheet formulas behind the SCFF allocation calculations, which would help validate and replicate results.
- Dr. Martinez shared that the State Chancellor's Office makes available student-level files (behind a firewall) showing exactly which students are counted for each SCFF metric (e.g., associate degree earners, 9+ CTE units).
 - These files contain identifiers (like SSNs), which SAC could use to cross-check and verify data against its own system.

	<ul style="list-style-type: none"> ○ Suggested SAC could conduct its own verification process by matching state-provided student-level data to SAC's records to confirm accuracy of SCFF counts. ● Tommy Strong summarized the main concerns raised: <ul style="list-style-type: none"> ○ There appears to be a discrepancy between how the district calculates SCFF data versus what the college sees, though it's unclear which committee should lead the effort to resolve it. ○ Multiple committees could potentially take this on, but this group is willing to either support or lead depending on what's most logical. ○ The lack of transparency around the Excel formulas used in the SCFF reporting is a key issue—seeing the formulas would allow the college to verify calculations and detect potential errors. ○ He also emphasized the importance of mid-year data checks. Since budgets are prepared annually, timely data (at least at the mid-year point) could allow the college to pivot—by adjusting Fund 13 expenditures or course offerings—if enrollment or funding trends fall short of projections. ● Mark Reynoso agreed with Tommy's points: <ul style="list-style-type: none"> ○ Mid-year (January/February) trend analyses are critical. ○ While enrollment targets may be set by other committees, this committee should still review trends and be prepared to adjust strategies if targets are not being met. <p>Overall Summary / Next Steps:</p> <ol style="list-style-type: none"> 1. There are clear discrepancies between SAC's internal SCFF data and district-submitted numbers. 2. The committee should understand SCFF metrics, definitions, and funding implications. 3. Verification and reconciliation of student counts is possible using state-level files. 4. Mid-year trend reports are valuable for budget adjustments and planning. 5. The committee must determine ownership of reconciliation efforts and pursue transparency in spreadsheet formulas. 	
7. UNFINISHED BUSINESS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	None to report.	
8. NEW BUSINESS	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	None to report.	

9. STUDENT UPDATE	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	<ul style="list-style-type: none"> • Julian Gonzalez introduced himself: <ul style="list-style-type: none"> ◦ He is a biology major and a full-time student at SAC. ◦ He serves as Vice President of the Interclub Council (ICC). • Update on student activities: <ul style="list-style-type: none"> ◦ Club Rush: allowed students and club representatives to interact and showcase different campus clubs. ◦ Expressed enthusiasm for the engagement opportunities these events provide, highlighting the value of student participation in extracurricular and leadership activities. 	
10. SACTAC	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	None to report.	
11. ACCREDITATION	DISCUSSION/COMMENTS	ACTIONS/FOLLOW UPS
	None to report.	
12. FUTURE AGENDA ITEMS		
	None to report.	
GENERAL INFORMATION		
	<ul style="list-style-type: none"> • Fiscal Resources Committee (rsccd.edu) 	
NEXT MEETING	October 7, 2025	

Submitted by Norma Castillo