

College Budget Committee

Minutes of the meeting at 12:50 p.m. September 30, 2013, in Weimer 2066

Present

Chairman Bridget Grogan, Dean Diane McFarlin, Executive Associate Dean Spiro Kiouisis, Mark Leeps, Norm Lewis, Cynthia Morton, and Susan Luther (ex-officio)

Direction

Bridget called the meeting to solicit direction from the college's top administrators for advice as to how the budget committee could best be of service.

Diane said she considers the budget committee to be an important sounding board for budget and for long-term planning. In general, she said she would follow a three-step process for informing faculty about budget and long-range planning matters:

1. The budget committee
2. The college Faculty Senate
3. The faculty at large.

Spiro noted that for the past few years, the budget committee has largely been the recipient of news about budget reductions. However, the college may have hit bottom in terms of finances and be poised for a time of growth. Thus, the budget committee may be able to assist with evaluating where best to make investments.

Changes Underway

In the spirit of disclosure, Diane discussed three changes that are underway that will affect budgeting and long-range planning.

1. *Income Statements.* The first is that the college is going to create monthly income statements to track finances, enable forecasts, and assist in making financial decisions. These income statements would be like profit-and-loss statements in the private sector, but without the "profit" part because we're a public entity.

Related to those income statements would be a capital improvement process that would look three years out. So, for example, if the college knew a \$50,000 switcher was going to need replacement in three years, we could systematically squirrel away money rather than wait until the need arose and then Susan is expected to miraculously find the money.

2. *Performance Metrics.* The second change involves the identification of college-wide performance metrics, as discussed at the faculty kickoff. These metrics would be for the entire college and not just for each department. Diane said she and Mike Weigold are still working on what those metrics should be, but one will be total enrollment. When those metrics are finished, she will bring those to the budget committee.

3. *Director of Finance.* The third change involves the creation of a director of finance position. Diane said the more she's worked with Susan Luther and her team, the more convinced she is that the college is understaffed in budgeting. The director of finance would partner with Susan, who would continue to serve as the business manager. Diane said she hopes to get a person with a degree in accounting or finance, and perhaps be a certified public accountant (CPA). The cost of the position would be shared between the academic side of the college and the Division of Multimedia Properties (DMP). She said she hopes to get the position advertised in the next few weeks.

Discussion

Among the highlights of the ensuing discussion:

- *Income Statements Starting.* Spiro said the shift to income statements is already in the early stages in the DMP.
- *Director of Finance For All.* Is the director of finance mostly for the DMP? Diane said that that position is as important for the DMP as it is for the academic side of the college. Although the budget requirements are more complex in the DMP because of the mix of public and for-profit stations, the academic side and the stations side impact each other. Thus the budget needs should be viewed holistically.
- *How Best to Inform Faculty.* The best way the budget committee can report to the faculty is through the college Faculty Senate. Thus, Diane and Spiro see the budget committee and the Faculty Senate as sounding boards before going to the general faculty for budgeting and long-range planning issues.
- *When to Post Minutes.* Having the budget committee serve as a sounding board before information reaches the Faculty Senate raises the question of when budget committee minutes can be posted. The budget committee would not want to be in a position of "breaking" news by posting minutes before the Faculty Senate has had a chance to hear about developments such as a director of finance. Therefore, Bridget concluded that rather than approve minutes by email, as is sometimes done, the budget committee would wait to approve minutes at its next meeting. That delay should under normal circumstances allow the Faculty Senate to play its role without worries about protocol.
- *Committee as Information-Gatherer.* In the past, the budget committee has also served as an information-gatherer to respond to faculty questions about money, such as questions about how the foundation money is used. Bridget suggested posing such information on My CJC or a similar locale could help answer faculty questions that seem to cycle through every few years.

- *Fostering Clarity.* Diane said one of her goals is to foster clarity in the college about finances, but acknowledged that our mix of public-private financial requirements are so complicated that she is still working herself to understand the system. She said information sharing is difficult when a common language and tools are lacking. She said she hopes having a director of finance will foster more information-sharing about money.
- *Distance Education Money.* In response to questions now posed by faculty about where distance education money is going, Spiro and Diane said it is going toward hiring new faculty now or in the future.
- *Value-Added Metrics.* One of the features Diane and Spiro hope to incorporate into budget documents is information about activities that add value to our college if not money. Two examples include the number of hours invested by students in the DMP and faculty research productivity.
- *Long-Range Planning.* Diane said any long-range planning is probably a year away. Long-range planning can be one of the most amazing things to happen to an organization or it can be a waste of time. The key is to have the right person facilitating that process, she said.

The meeting ended at 1:33 p.m.

Respectfully submitted,
Norm Lewis