



**FISCAL STABILITY TASK FORCE
MINUTES**

August 24, 2004

The meeting was called to order at 2:10 by Bonnie Dowd

Roll Call

Members Present: Cuaron, Davis, Doran, Dowd, Eckman, Forsyth, Frady, Gommell, Gordon, Jay, Madrigal, McCluskey, Metzger, Miyamoto, Neault-Kelber, Roth, Townsend-Merino, Versaci

Members Absent: Lopez, Newmyer, Smith, Springer

Guests Present: Good, Sullins, Vargas, Vernoy

I. **Approval of Minutes** - (MSC Jay/Eckman) The minutes of August 12, 2004 were approved with corrections and will be posted on the Palomar web page - www.palomar.edu/committees.htm

II **Action Items/Second Reading**

a. Proposed Increase of per copy cost at Comet Copy

Discussion commenced regarding the Comet Copy operation and the fact that it is currently operating at a \$40,000 deficit. It is a large operation running anywhere from 8 to 12 million copies per year. In addition the replacement cost for Comet Copy equipment is about \$1.2M. The District augments the Comet Copy budget from the general fund. This issue was originally brought to FSTF as a recommendation to increase the per copy cost and thus eliminate the deficit. The concern with this approach is that it really doesn't eliminate a deficit but passes the deficit back to department/units by charging more per copy. The concern is that this will affect students as department budgets have already been reduced and departments will probably not be able to absorb the additional cost.

There was further discussion about charging material fees to students for copying of hand-outs distributed throughout the semester. There was a suggestion as to whether or not the increased copy cost will be charged to the Bookstore operation also. It was reported that per copy cost would increase the cost to all users.

Motion: Postpone increase of per copy cost to departments for the 2004-05 Fiscal Year because Departments have been hit this year by cutting the 6000 accounts. Departments will assess their copy volume and establish true copy costs and plan for an increase for 2005-06. Instructors to look at the possibility of charging material fees to students to offset the cost increase. MSC (Cuaron/Madrigal)

Action: Comet Copy to provide the Task Force with departmental copy breakdown for the past three years.

b. Server Replacement Costs

Representatives distributed a handout to explain the amount requested for servers from DELL. It was also noted that the District has an agreement with DELL that went through the competitive bidding process, which is a five-year contract for equipment and maintenance so the cost of the servers are based upon this contractual arrangement. Some members asked about the possibility of leasing equipment versus purchasing. Information Services staff and the Technology Master Planning Committee will pursue this as well as pursuing consortiums within San Diego County.

Motion: Approve the 2004-05 Proposed Capital Outlay Budget expenditure of \$211,394 for the purchase of servers and B-Building Switches. MSC (Doran/Frady), 1 abstention.

c. Foundation Financial Information

A spreadsheet of the Foundations' financial statements for the past 6 years was distributed. It was noted that although the designated amount seems high it is most likely donations and/or the donor designates where the money is to go.

It was discussed that no one is discounting the efforts of the Foundation or the Director but rather as an opportunity to review the existing structure and arrangements with an interest in minimizing the burden on the general fund. Members agreed that the efforts of the Foundation are very much appreciated. There was agreement that given that the District will be hiring a new Director this might be the perfect opportunity to review the arrangements between the District and the Foundation. It was reported that a representative from the Foundation would like to come to a FSTF meeting to address the matter.

Action: Dr. Miyamoto will meet with Dr. Jones and provide the Task Force with a sense of what and how the Director's position will be structured before we invite the Foundation rep to meet with the Task Force.

III. First Reading

a. SIG and other consultant positions discussed

Dialogue among the Task Force members took place regarding an "in-house" Information Services Director versus a Contractual Agreement with a vendor. It was reported that the District has a five year agreement with SIG. Members asked what the District plan is once the contract expires in two years. Concern was expressed about outsourcing management positions and planning for the end of this agreement.

IV. Other

a. Task Force name

There was discussion about the name of the task force as some documents reflect "Financial Stability Task Force". It was agreed that the name of the Task Force is officially "Fiscal Stability Task Force" as this is the title approved by SPC through the Governance process.

b. Future meeting times

It was agreed that FSTF will plan to meet at 3:30 on the first and third Tuesdays of the month immediately following SPC. If SPC meetings last longer than 3:30 we will adjust meeting times accordingly with adjournment at 5:00 p.m.

Meeting adjourned at 4:00

The next meeting is scheduled for 3:30 p.m., September 7, 2004
Room SU-18