Co-Chairs: A. Tomlinson, L. McKenzie

Approval of Minutes
The meeting was called to order at 2:10pm. The agenda was accepted as published by consensus. B. Young moved and N. Barakat seconded to accept the minutes from 6/5/12 with no corrections. All approved.

Opening Remarks
L. McKenzie reviewed last year’s budget. Our allocation was $29M; our expenditures were $31M leaving a deficit of $2M. However, we were able to balance the budget with help from our enterprise areas. Community Services gave the college $680,000, Economic Development, which is mostly grants, gave the college $402,000, $86,000 came from the parking fund and the District Office gave us $942,000 in gap funding. For 2012-13 our allocation is $25.8M. Community Services and the parking fund are wiped out and the District may not us give any additional funds, leaving us to depend on grants for more money. If the college continues to spend as we have in the past we will not be able balance the budget this year.

President’s Report
President Martinez agrees this will be our most challenging year. The State is not generating enough revenue to support its entire infrastructure. The Governor’s new tax proposal may not pass in November which will worsen the situation. The Chancellor has created an Emergency Task Force which involves administrative and union leadership. The task force has a preliminary plan which includes salary rollbacks for faculty, furloughs for managers and classified staff, taking back GASP dollars budgeted for retirement, and eliminating the HRA card.

While the President acknowledges balancing the budget two years in a row is good, he is concerned we are not addressing our budgetary issues and as a result the deficit is the same year after year. Even though we have lost millions of dollars in allocation, the campus has not cut or reduced expenses. We cannot continue to depend on finding dollars to balance the budget or the District to give us more money, and we cannot eliminate more classes. By creating an Emergency Task Force on campus similar to the one at the District, the President hopes to identify key areas where we can reduce and find solutions to our budget situation. The President believes that even with salary rollbacks, furloughs, etc., it will not be enough to cover a $4.4M deficit.

President Martinez suggested evaluating reassignments. Other than contractual reassignments, we cannot continue to have the number of reassignments we have. We have 102 full time faculty but it is estimated only 70 are actually teaching. A half million
dollars or more is spent on reassigned time. He also suggests reevaluating divisions and possibly consolidating divisions that are small.

The new Emergency Task Force and last year’s budget workgroup will work together to make concrete recommendations to the campus through the shared governance process.

It was noted the new allocation formula was already factored into our allocation of $25.8M. We received an additional $666,000.

The President asked the Vice Presidents to come up with a plan to reorganize their clusters.

Adoption of 2012-13 College Budget
L. McKenzie discussed the process of the op plan and adopting a working budget. He noted a recommendation at the Budget Committee meeting in March that the college will address fixed costs and the amount of money needed to generate FTES. As part of the process for adopting a budget, the CPC drew up priorities. A. Patterson distributed and explained the official results of the 18 priorities. The task of the budget committee will be to find a way to fund these priorities.

Copies of the 2012-13 budget were distributed and reviewed by A. Tomlinson. The report shows expenditures for each cluster for 2010-11 and 2011-12 and the difference between the two years. She explained how the grant money was distributed to cover the deficit in 2011-12. She also explained how the allocation for 2012-13 is distributed between the clusters. It was noted 25% of our allocation goes to cover benefits. L. McKenzie asked for a motion to approve the 2012-13 budget. T. Davis moved; B. Young seconded. All agreed to adopt the budget for 2012-13 and take it to CPC.

College Budget Principles and Calendar
L. McKenzie will resend the College Budget Principles that were adopted at a prior Budget Committee meeting.

Response to Accreditation Recommendation #2
A. Tomlinson reviewed the college recommendation #2 which requires that the college adequately monitor salary and benefit expenditures and insure sufficient funding is available prior to initiating the employment process. To address this recommendation the college has initiated a process which requires the manager to complete an assignment worksheet and calculate the total cost of the assignment before hiring. All assignments go to the President for approval. Each manager is expected to be responsible and accountable for managing their budget.

Conclusion
President Martinez emphasized the purpose of the Emergency Budget Taskforce:

- To develop recommendations to eliminate the budget deficit and create a balanced budget.
To purpose new budget policies designed to reduce, control, and monitor budget expenditures. The meetings will be announced to the campus community and will be open to anyone who would like to attend.

A. Tomlinson proposed the motion that all categoricals and SFPs fully fund their benefits based on the previous year. They have been consistently underfunded. C. Diaz moved and N. Barakat seconded. All approved.

The meeting was adjourned at 3:40pm.