Members Present
Co-Chairs: A. Tomlinson, L. McKenzie
Administration: M. Martinez, Luis Rosas, A. Patterson
AFT Staff: T. Davis
Senate: S. McMurray, S. Fasteau
Teamsters: S. Sanchez
ASO: B. Gonzaga, E. Gutierrez
Resource: K. Blackburn

The meeting was called to order at 2:00pm.

Approval of Agenda/Minutes
K. Blackburn requested an addition to the agenda: 5) Linking planning to budget - planning, process and approval. K. Blackburn requested the sign-in sheet be updated to include her as resource rather than guest.
K. Blackburn moved and E. Gutierrez seconded to accept the minutes from 11/27/12. All approved.
Introductions were made to welcome Bobbi Villalobos, the new dean in Academic Affairs.

President’s Report
- President Martinez reported the college is in good financial standing with a healthy budget and a balance close to $1M. The college has managed and reduced expenditures over the past three years. The college has options as to what to do with the $1M. One pathway is to save the $1M but with expenditures increasing every year we run the risk of spending down the money. Another option is to take part of the $1M to increase our growth by adding sections and courses and possibly summer and winter sessions. The state will provide additional dollars for growth over the next few years, possibly 3.6%, 2% towards growth and 1.6% towards COLA.
- We have the opportunity to grow our base budget and our balance. It is a critical decision that will affect us for the next 3 to 5 years. The risks need to be addressed.
- By late May or June, the district will want to know our decision. The district suggests we develop three scenarios for growth, 2%, 3%, and 4%. Our current base is 6,410 FTES. Our goal is be rebased at a higher amount. A. Tomlinson noted the 2% is already planned into the FTES.
- K. Blackburn noted we need to hit our growth target of 12,000 to get to the next funding level before Prop 30 ends.
- Our Enrollment Management Plan is the key to growth. We need to identify courses that generate the most enrollment.
- With a healthy budget, we do not have a case to not pay back our deficit.

Information Items
2012 – 13 Second Quarter College Budget Projections
L. McKenzie reported on the budget.
• In 2010-11 and 2011-12, we spent over our allocation and relied heavily on grants, SFP’s and the swap meet to balance the budget.

• Based on the first three quarters of 2012-13 we will end the year with close to $1M in reserve. This is due to the college’s effort to cut spending and the passing of Prop 30.

• Looking ahead at 2013-14, the projection for our FTES is healthier, our district allocation is smaller and our expenses are high based on the op plans submitted for 2013-14.

2013 – 14 Budget Development Op Plan
Tomlinson distributed and reviewed the new funding formula. The district has decided to fund us based on what every college needs to operate. Our minimum base funding is $6.7M calculated by the number of people it takes to run the college (President, VP’s, Deans, Director of College Facilities) and square footage. She explained how the district comes up with our preliminary allocation. Our total revenue is $37.35M. After deducting $7.3M for our assessment, $1.4M for the sheriff’s contract and $1.2 M for our deficit repayment, our preliminary allocation is $27.36M. Salaries and benefits are $26.8 which is 98% of our allocation. She noted we will pay the district $1.2M for the next five years to pay off our debt of $6M. When the carry forward is added in our allocation is $28.3. This does not include grant or swap meet money. A planning worksheet showing the impact of full-time faculty hires and the college deficit repayment plan over five years was explained. The formula for hiring faculty and reducing hourly was discussed.

The group discussed FTES, enrollment management, FON, debt repayment, unfunded mandates such as AtD, and maintaining a reserve.

Concern over grants being cut at the federal level was discussed. S. Sanchez noted there may not be grant money every year to support the college.

A. Tomlinson stressed the need to strategically hire and control our expenses. The cluster report shows the requests for 2013-2014 totaling $29M making us $1.6M over budget. The clusters need to pull back on their requests. The deadline is Friday.

L. Rosas questioned a $1.1M overstatement in benefits under the Academic Affair op plan. L. McKenzie assured everyone if there is an error it will be corrected.

K. Blackburn noted the need for accreditation support. President Martinez reported the district allocated $800,000 for three campuses for accreditation this year. The plan is for the district to create a fund for accreditation for all the college’s to tap into.

Planning, Process, and Approval – Link Planning to Budget
K. Blackburn acknowledged the discussion had covered the item.

The meeting adjourned at 3:50pm.