Mr. Mckenzie moves a motion to approve last Budget Committee minutes and Brad Young approve the motion and Mr. Barakat 2nd it.

President Martinez started with reminding everyone that state do not have revenue to meet college need and he hope that turnaround of the budget situation will be around 2014. Campus should explore 5% cut on expenditure and the remaining need for fund as per DBC might be reallocated from the District reserve. He insisted campus should consider following direction:

1. How to make cuts by not decrease FTES and classes?
2. How to find additional sources of revenue?
3. How to implement Achieving the Dream (ATD)?
4. How to balance the budget with additional cut?

Dr. Tomlinson mentioned that without the increase in locally generated fund campus would have experiencing negative balance last year. Dr. Tomlinson distributed the hand out for action plan recommendation for this fiscal year.

Mr. Mckenzie reminded the committee that the out of $24.4m budget reduction proposal, Harbor college share is about $2m.

Susan McMurray advised that as per her Academic senate meeting at District, there might be change in funding mechanism such as funding based on CTE, Basic skills and Transfer. She also said that the campus needs to meet its FON and unfunded ATD mandate. Dr. Tomlinson suggested that there should be a working group to discuss and make sense out of 5% reduction and also new change.

Mr. Martinez said that the not all reassignment in campus is contractual. Also he recommended having working make recommendation to CPC. Mr. Mckenzie recommended that 5% cut shout be from last year cluster and program expenditures. And budget should authorize the working group to make recommendation to CPC. Mr. Martinez reported that certain program exceeded their target expenditure last year and unclassified staff can be reduced to 50%. Ms. McMurray emphasized that target FTES and realistic goal can be an option.

Susan McMurray moves a motion for working group to find a way that all expenditures are held at 95% of the previous year expenditure. Mr. Barakat seconds the motion. Tyson, an ASO member, request an amendment to motion that previous year over expended need to be at 100% first and then further to cut at 95%.