

**Budget Committee Meeting**  
**January 13, 2011**  
**Minutes**

**Present:** Rose Marie Joyce (President), John Oester (Administrative Services), Betsy Regalado (Student Services), Robert Sprague (Academic Affairs), Eloise Crippens (Academic Senate), Adrienne Foster (Academic Senate), Eric Ichon (Teamsters), Hansel Tsai (Resource), MD Haque (Resource), Maureen O'Brien (Resource), Judith-Ann Friedman, Michael Goltermann, Fran Leonard, Helen Lin, Michelle Long-Coffee, Alice Taylor, Rebecca Tillberg

1. Dr. Joyce called the meeting to order at 10:04 a.m. and gave an overview of the agenda.
2. **Review Current Budget Information from State:** A copy of a letter from Erik Skinner, State Chancellor's Office, Executive Vice Chancellor for Programs, was distributed to the committee. The letter gave an overview of the budget situation: "\$12.5B in spending reductions, \$12B in revenue extensions and modification, \$1.9B in other solutions to close the gap and provide for a \$1B reserve." The budget plan proposes a \$400M cut for the community colleges. There is a presumption that the tuition fee increase, estimated at \$110M, will be put back to fill the \$400M cut; so the real reduction to community colleges is \$290M. It is uncertain if voters will support the governor's plan.

One of the impacts to LACCD is a \$129M cash-flow deferral which means that District may have to borrow money; or if this is not the case, District will earn less interest for its funds. We will find out more after the District Budget Committee (DBC) meeting scheduled for next week.

3. **Chancellor's Request:** The Chancellor asked all presidents to develop a budget plan that shows a reduction of 5%, 10%, and 15% for the next 18 months. President Joyce worked with the vice presidents on the request and submitted a rough draft, which should not be considered as a preliminary proposal. She informed the Chancellor that the document did not go through a participatory process.

The report was distributed. In that report, this year's budget will end with a \$719K carry over. This year's budget was made balanced by counting in the 2.21% growth money assuming the governor's word that there will be no mid-year cut; by leaving several personnel vacancies unfilled; by reducing supplies, conference travel, etc.; and by reducing adjunct allocation even further. For next year's budget, the college can only come up with a 1.8% in reduction.

4. **Next Steps – District Allocation to Colleges, Budget Development Process on Campus, Role of Budget Committee, Role of College Council:** The participatory process to determine the budget will begin. The document will be presented to the College Council. The college may have to rely on the District reserve. Assuming that the real cut to community colleges is \$290M, LACCD's portion is 10% of that, which is approximately \$30M. West is 7% of the District's budget, which is about \$2.1M.

R. Joyce reminded committee members of how the college as a whole came together when faced with having to balance its budget years ago and also with the bond money over run last summer. The process now is no different than before; we have to make tough decisions. College Council will meet next Wednesday afternoon after DBC to begin the process. F. Leonard commented that for

accreditation purposes, it is important to capture the way the college works collectively and collegially in facing these challenges.

**5. More Comments, Questions, Discussion:**

- Faculty hires – We are not budgeting any FON or replacements for the 2011-12 fiscal year. This year, the State waived the penalty for not meeting the 75/25 obligation due to the budget situation and we expect them to do the same next year.
- FTES – There is a plan to meet the FTES target.
- SFP Funds – SFP funds have been used to cover some expenditures that fall within the grants' guidelines. 10% of SFP goes into the general funds operating budget.
- Custodial support – There was a concern regarding having sufficient custodial support to maintain the campus at the minimum standard. It was mentioned that faculty can also assist with the efforts by encouraging students to not leave drinks or food in the classroom.

The meeting was adjourned at 12:08 p.m.