



- Professor of Economics
- Christine Bolt
- Rob Smedfeld
- Sue Steffen
- John Li
- Arti Damani

- Question: Is there a point where this committee gets too big? Yes (however not everyone said yes).
- We are hoping to have the committee members identified by October 9<sup>th</sup>.
- Question: Does everyone like the concept of this committee? Yes.
- Question: Does this subcommittee recommend things to College Council, and the College Council to the President?
- They would tell us how many faculty we could hire, how much instructional equipment money we have for the year, etc.
- Question: Who decides that now? This has previously been a rollover budget, and when there was reserve money, College Council took the excess money and looked at how to allocate it best.
- We want this to be a more collegial process process, and have it connected to our planning process. We have a strategic plan, but how are we going to put our resources with our goals and objectives?
- Question: How do we educate the campus community? Was there any talk about that? We just talked about how the committee would be structured, but the exact way they'd work would be for the committee themselves to decide.
- Maybe we could generate some questions, typical budget questions people have, and have the committee answer them during their first meeting.
- Also any questions that College Council has – how does that committee report back to College Council?
- How much detail would the Budget Committee use, where is the college community in terms of understanding? Does the college community need to know about FTES, for example?
- One of the first things the Budget Committee would need to do is set up the budget calendar, as that would need to be approved by the Board.

**MOTION:** Moved/Stacey; Seconded/Myers: Passed to approve the formation of the Budget Committee and its charge, subject to any necessary customization.

### 3. PIO Prioritization Subcommittee

- The PIO prioritization process was recommended by the Planning Task Force last year. The Planning Task Force recommended that there be a prioritization subcommittee that would identify which PIOs best represented the college. Those recommendations would then come to College Council.
- Because the Budget Committee is not a shared governance group, this would have five representatives – the main selection criteria would be that they'd have a global view of the college. They'd be looking at PIOs across the college, and not have a bias towards their departments or areas.
- Comment: That's why it's important to have shared governance, so that there's no bias in this group.
- We'd appoint these members, but not necessarily people in College Council, and not people from the Budget Committee. It would be a conflict of interest.
- Question: Maybe Bruce Griffin would be a good choice? Bruce will be on the RAT team.
- Question: What's the difference between the Budget Committee and RAT? The budget committee will look at the budget and say "here's how much we have", RAT will say "this is how much it will cost".
- Comment: It seems like we have so many task forces and groups working on this, it will take too long and make people frustrated.
  - RAT would take place on more of an individual level – for instance a form that could be circulated.
  - The deans could do that with the faculty that have the PIO moving forward.

- When we did this process a few years ago, it did come to us with an estimated cost. If the PIO came complete, then we wouldn't have another tier of groups and people to look at it.
- There would have to be validation of that, though.
- If there are guidelines in which things are spelled out, then you could have the PIO complete before it was turned in.
- Someone would need to look at all of this globally.
- Somewhere this needs to be someone looking at whether or not we have enough people to do those things, enough resources.
- So maybe this needs to be another meeting, but not necessarily another group. I think we didn't want to make the decision primarily on the cost, there needs to be a sense of what's important and not.
- The planning and budget processes are what we're trying to link together.
- The bigger picture is that all programs and services are involved in program review. Every year there will be institutional priorities, like this year – maybe things that don't cost a lot of money. Each year guidelines will be different, probably given out by the President.
- We could, alternatively, give the PIO prioritization to College Council, but it does take a lot of time.
- Question: Maybe this subcommittee isn't necessary? Maybe College Council, once most of the prioritization process has been done (at the dean level), there wouldn't be much more to do.
  - It would be hard for the College Council to go through 26 PIOs, the more people you have, the more time you'll need to decide.
  - The prioritization before was really long and painful, and we have to have two or three College Council meetings devoted to that one topic. Maybe a smaller group could just make things easier in terms of time and energy.
  - I would not like to give up a few College Council meetings to PIO prioritization.
  - The first year, the requests were less than what we had available. The second time, we have more than four times the amount.
- Let's pick one way to try, and if we don't like it we'll try the other one. One way would be to review the PIOs with College Council as a whole. Alternatively we could have the team of five people review them.
  - If it's our charge and responsibility, then we should do it.
  - It's not.

**MOTION:** Moved/Schultz; Seconded/Myers: Passed to approve the creation of a temporary subcommittee for the prioritization of PIOs, once they've gone through the rest of the processes.

- How do the members get appointed? Do we select from this group, or from everyone on campus?
  - This should be a true subcommittee from College Council.
  - These would be members of College Council that are not on the Budget Committee?
  - SEIU – Dave Schurtz
  - DDAS – Mikelyn Stacey
  - ASOC – Kevin Feliciano

#### 1. College Council Meeting Minutes

- With a quorum now present, a vote can occur to approve the minutes:

**MOTION:** Moved/Brown; Seconded/Schultz: Passed to approve the August 12, 2009 and September 8, 2009 College Council minutes.

#### 5. Budget Update

- The Board had a closed session meeting on September 16<sup>th</sup>, during which they reviewed the budget and received an update on negotiations.

- The 2009-2010 tentative budget is in place, it was adopted by the Board in June. That budget had revenues of \$46.5 million and expenditures of about the same. In effect, the revenue was zero. We had a break even budget, with no addition or subtraction from reserves.
  - There are some changes from the state – our general apportionment revenues are going to be reduced by 3.3%, and are approximated at \$1.6 million. There is also an anticipated mid-year cut, and a deficit factor of 2% for our 2009-2010 final budget (about \$800,000). When you take the numbers of the tentative budget and the deficit factor, we end up with \$4.1 million in revenue for 2009-2010.
  - The net effect of our scrutiny of the expenditures resulted in \$45.7 or \$45.8 million. Also, we have SERP in place for 2009-2010 that we hope will generate some savings. We think that we'll need \$500,000 in first year savings to recommend SERP to the board. Right now we have \$650,000 in estimated SERP savings for 2009-2010. If you take those savings, we come up with an expense of \$46.3 million, the deficit for 2009-2010 is anticipated (estimate only) at \$2.2 million.
  - We plan on holding 15% reduction for the categoricals for 2009-2010, so that we need an additional \$500,000 to get the categoricals to that 85% level, assuming the one-time federal backfill.
- |  |                      |
|--|----------------------|
| • FY 2009-2010 estimated net loss:                   | \$2,200,000          |
| Categorical Program reductions to 85% funding level: | - <u>\$500,000</u>   |
| FY 2009-2010 Net loss Subtotal                       | \$1,700,000          |
| Use of Rainy Day Reserve                             | - <u>\$1,000,000</u> |
| FY 2009-2010 Remaining Net Loss                      | \$700,000            |

- We can justify using the \$1,000,000 rainy day reserve because we will see large payoffs for the SERP in the next four years.
- The problem is now reduced to \$700,000. Remember all of the things we went through to get to this point. We need to continue to freeze from hiring on positions. Joanne Schultz and Mike Calegari met with all the budget managers to look at cost cutting ideas. We offered the SERP, we pared back summer and fall course offerings.
- The Board endorsed this strategy, but we are still faced with the \$700,000 deficit that we have to solve before we take this to the Board on October. The Board gave us some direction, they asked us to go to the negotiations table and discuss options with the unions – wage reductions, furloughs, or layoffs. These will be discussed with the units over the next month. Because we want to solve this problem by the end of this calendar year, we're going to have to come up with a plan to address this by the end of October. We're going to have to close the \$700,000 gap before taking it to the Board.
- We're hoping for some mutual agreements with units – CSEA, SEIU, UFO, and DDAS/Management. Not all bargaining units might take the same agreement.
- DDAS will participate, but it won't be negotiated. They will be part of the group that will be affected by this.
- Question: Is SERP factored into these numbers?
- Next fiscal year we'll have more increases that we'll have to factor in – like step and column increases.
- Question: Is the idea of being closed on Fridays still an option? It really only works out to taking out the air conditioning in some buildings, but not much.

## 6. Board Update

- The Budget Update covered the Board's September 16<sup>th</sup> special meeting.
- The September 23<sup>rd</sup> workshop is designed to inform the Board on how we're progressing with our informational study on a new Bond. Lew Edwards has completed a survey in the community and they will be presenting these results. Also, the Board will discuss some solutions to the problems for our science labs.
- On the October 14<sup>th</sup> meeting, the Board will probably take action on the SERP and the 2009-2010 budget. By the November meeting, we will need to complete our negotiations piece in terms of the budget.

7. Constituent Group Feedback

- None

8. Suggestions for Future Topics

- E-mail any suggestions for future topics to Tim or Gari.

**ADJOURNED:** 4:10 p.m.

FUTURE MEETINGS / 2009: Summer Schedule

(3:00 - 4:30 / 1407 & SSC):

- Summer/Fall Schedule: 2009  
Mondays, except as noted\*  
**Room 1407 & SSC (3:00 – 4:30 p.m.)** as follows

October 12, SSC  
October 26, SSC  
November 9, SSC  
December 7, SSC