



President's Advisory Council MINUTES

December 10, 2008
Approved January 28, 2009

MEMBERS: *Chair:* Kathie Hodge *Deans:* Bob Jensen *Managers:* Emilio Perez *Faculty:* Ken Collins, Marcus Wilson, *Classified:* Ericka Adakai, Beverly Pipkin *Associated Students:* Rajan Vaidya, Adrian Boluarte Chong
Absent: Susan Nack, Jay Seidel

HOUSEKEEPING

1. **Agenda:** The agenda was accepted with an agreement to move Old Business Item #1 for discussion prior to New Business and the Budget Presentation.
2. **Minutes:** The minutes were approved as presented.

OLD BUSINESS

1. **Smoking Enforcement Committee:** Student Representative Rajan Vaidya presented the Smoke-Free Enforcement Policy/Procedure Proposal which was attached to the agenda and is being recommended by the Subcommittee. Specific questions regarding the procedures involved were asked and Vice President of Student Services Toni DuBois suggested that if the proposal is approved by PAC, specific procedures will be worked out with the involvement of all parties. The proposal was approved 7-1 (2 members were absent).

NEW BUSINESS

1. **Budget Overview:** Dr. Hodge introduced the Chancellor, Dr. Ned Doffoney, who delivered remarks about the current budget situation. Dr. Doffoney prefaced his remarks with the statement that what is being presented today has been presented at all other District sites. A summary of Dr. Doffoney's remarks included:
 - a. In his more than 30 years of service in community colleges, he hasn't seen a time like now with respect to the budget situation.
 - b. For the District in spring 2009 we will have \$6-10 million more in expenses than income.
 - c. The District cannot operate on a continuous basis with expense more than income and will have to find ways to live within the budget.
 - d. Whatever is done it is important that we not lose sight of our purpose to educate students.
 - e. In reviewing the budget it will be done taking the priority of the District's goals into consideration.
 - f. We cannot do the same things that we have done and all will be asked to look in their immediate areas for ways to save.
 - g. He does not believe in across the board budget cuts. Whatever programs and services that are retained will be done well; but some things will have to go.
 - h. Everyone is encouraged to look in their areas – not others.
2. **Budget Strategies:** Vice Chancellor Fred Williams then presented the most current overview of the budget situation and strategies. The Vice Chancellor then outlined the highlights of the current budget situation:
 - a. The State budget deficit over the next 20 months will be \$25-28 billion
 - b. The Governor has proposed resolving the deficit by increasing taxes and budget cuts
 - c. Of the \$9.2 billion in cuts proposed by the Governor, \$2.5 billion are focused on K-14
 - d. The Legislative Analyst Office's (LAO) review of the budget it's not just a spending problem, but a revenue problem as well
 - e. The Governor's budget is proposing \$332.2 million in reductions to community colleges

- f. The LAO is recommending targeted cuts, fee increases and reduced funding on certain courses – most of which is for the 2009-2010 fiscal year
- g. The previous special session of the legislature resulted in no budget decisions. A new special session with the newly elected legislators has been convened to address the budget.

The Vice Chancellor then presented the District's approach to the budget situation:

- a. For the 2008-09 fiscal year, there is a \$10 million budget shortfall for the District. Anticipated reductions for 2009-2010 are \$15 million.
- b. The District will attempt to absorb the shortfall for 2008-09.
- c. All were asked to evaluate vacant positions and think carefully about travel and non-essential expenditures.
- d. The District will make planned reductions with the input of all the District entities and constituent groups.
- e. DPC has created a subcommittee to make recommendations to DPC on budget reductions. DPC will then make recommendations to the Chancellor, who will in turn make recommendations to the Board.
- f. It is anticipated that in this process the District will maintain the 5% Board reserve. Everything else in the budget will be scrutinized.
- g. Areas of focus in looking for reductions include:
 - 1. Enrollments
 - 2. Productivity
 - 3. Vacant Positions
 - 4. Employee Benefits
 - 5. Salary Rollbacks

The Vice Chancellor then presented an overview of the District Budget and anticipated timeline relating to the 2008-2009 and 2009-2010 budgets.

The Chancellor and Vice Chancellor answered questions from the group and summarized the presentation:

- a. The District must make reductions in its budget to address the reduced funding from the State.
- b. Each employee is asked to look in their own areas for ways to reduce expenses.
- c. Everything is on the table with respect to possible reduction or elimination.
- d. Provide input to DPC Subcommittee representatives (Adam O'Connor, Dale Craig, Marcus Wilson) or to the Chancellor directly on ideas to address the budget situation.
- e. The Chancellor stated that all ideas will be fully vetted before any decisions are made about the recommendations to be made to the Board of Trustees.

Note: Subsequent to the meeting, the PowerPoint presentation was posted to the campus server at: J:/Budget Development Committee/Coping with the Fiscal Crisis.

INFORMATIONAL ITEMS/ANNOUNCEMENTS

- 1. ***There were no informational items and announcements.***

MEMBER REPORTS

- 1. ***Deans:*** No report.
- 2. ***Managers:*** No report.
- 3. ***Faculty:*** No report.
- 4. ***Classified:*** No report.
- 5. ***Associated Students:*** No report.

Adjournment: 4:00 p.m.

Debra Gerard, Recording Secretary