



Financial and Budget Planning Advisory Council (FABPAC)
July 20, 2011, 2:00 pm
Board Room
Adopted Meeting Minutes

FABPAC Members

Present

Kevin Anderson	Ethnic Minority Coalition
Peter Bostic	Exec. Director, Institutional Advancement
Richard Crapuchettes	Local 39
Sabrina Drake	CSEA, Alternate
Susan Foft	Director, Fiscal Services
Mary Ann Haley	Academic Senate
Les Hubbard	SCFA
Jowel Laguerre	Superintendent/President
Jeff Lehfeltd	Local 39
Yulian Ligioso	VP-F & A, Chair
Deborah Mann	Classified Manager
Louis McDermott	Academic Senate
Galen Tom	CSEA
Thomas Watkins	Academic Senate

Absent:

Darryl Allen	CTA Chief Negotiator
Chris Guptill	Classified Manager
Betsy Julian	Ed. Administrator
Jocelyn Mouton	Ethnic Minority Coalition
Terri Pearson-Bloom	SCFA, Alternate
Arturo Reyes	EVP, Academic & Student Affairs
Sheryl Scott	CSEA
Charlene Snow	SCFA President

I. Approve July 20, 2011 Agenda:

Motion (Kevin Anderson), second (Thom Watkins) to approve the agenda.
The motion passed unanimously

II. Approve June 22, 2011 Meeting Minutes:

- Correction: Page 2, III: Revise verbiage to state that “Fiscal Services, not Standard III-D, is far ahead of where it was last year.”
- Clarification: Page 3, IV, Bullet 2: For the 2010-11 cycle, our property and liability premiums and the balance in the self-insurance fund both equal ~ \$458,000.

Motion (Louis McDermott), second (Sabrina Drake) to approve the minutes.
The motion passed unanimously.

III. Budget Update

VP Ligioso explained what the State projection and prediction of increased revenues will mean for the College and reviewed/discussed the attached worksheet.

Highlights:

- An overview of the State’s budget fluidity over the last six/seven months, with estimates of net revenue reductions to the community college system ranging from a low of \$290 million, to \$510 million, to a high of \$790 million.
- Passage of the 2011-12 State budget and the latest analyses and scenarios from the Community College League of California (CCLC) showing quite an improved fiscal outlook, essentially eliminating the worst case scenario.
- VP Ligioso has concern that optimistic State assumptions may still result in increased cuts; thus, for college planning purposes, the budget will also include all triggers resulting in revenue losses, including a provision for the estimated enrollment fee loss.
- One of the triggers proposes to increase the enrollment fees from \$36/unit to \$46/unit effective January 1, 2012, and given that the college begins spring enrollments in December, the challenges such an implementation would pose were discussed. The college needs to support the system office advocating against mid-year fee increases, taking the additional revenue reductions instead.
- Additionally, VP Ligioso is building in a 1% built-in deficit factor as experienced in the last three years, thus amounting to approximate \$3.86 million total revenue reductions.
- There were questions and discussions revolving around property taxes, and VP Ligioso explained the funding mechanism and funding components, adding that community colleges are not protected for property tax shortfalls.
- Increased use of deferrals pose cash flow issues on top of the budget problems. FY 2010-11 deferrals are not received until July 2011; and for FY 2011-12, spring revenues are anticipated to be deferred until October 2012.
- To address cash flow, two borrowing arrangements are and/or will be in place:
 - 1) with the County Board of Supervisors (in place)
 - 2) a mid-year TRAN (contemplated for spring 2012)
- Discussions arose around unpaid tuition and collection efforts underway, including dropping students for non-payment of fees, COTOP, working with collection agencies.

Budget Update (continued)

- VP Ligioso ended with: “The budget picture has improved, but we are certainly not out of the woods. We will be making difficult decisions in the next years, and we have to be careful about how we proceed.” He suggested a comprehensive effort to examine enrollment management issues and said he will meet with EVP Reyes to determine the best path forward.
- There was a question on concessions, whether the other groups would follow suit to ALG, and it was noted that this was being negotiated.

VP Ligioso proposed to move forward with the modified Scenario B for the Adoption Budget.

Motion (Louis McDermott), second (Deborah Mann) to move forward with Scenario B for budget-planning purposes.

The motion passed unanimously.

IV. Grants & Revenue Update

Peter Bostic updated the group about the current effort to increase revenue through successful grants, and he announced the recent hiring of grant writer, Lynette Gray. Lynette will take a much more comprehensive approach to grants, which will position us to be more accurate and, therefore, more successful in our grant application efforts.

Dr. Laguerre provided an update regarding efforts which are underway to increase our international, ESL, and trade-union student enrollments, as a way of increasing revenue.

V. Budget/Banner Update—Susan Foft

After fixed and personnel costs were identified, little money was left. Hopefully with the new budget scenario, the outlook will be better. There will be Banner training, so all can see and manage their budgets. Training will be scheduled soon. If there are particular requests for training, please notify Susan.

VI. Adjournment

Motion (Thom Watkins), second (Jeff Lehfeldt) to adjourn the meeting.

The motion passed unanimously, and the meeting adjourned at 3:25 p.m.