

**Mt. San Antonio College
Budget Committee
Summary of January 25, 2012**

Committee Members:

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| <input checked="" type="checkbox"/> Mike Gregoryk, Chair | <input checked="" type="checkbox"/> Jennifer Galbraith | <input checked="" type="checkbox"/> Mark Fernandez | <input checked="" type="checkbox"/> Annette Loria (Guest) |
| <input checked="" type="checkbox"/> Linda Baldwin | <input checked="" type="checkbox"/> Don Hurdle for Art Morales | <input type="checkbox"/> Jose Jimenez | <input checked="" type="checkbox"/> Sofia Haq (Student) |
| <input checked="" type="checkbox"/> Virginia Burley | <input checked="" type="checkbox"/> Jean Garrett | <input checked="" type="checkbox"/> Crystal Lane Swift | <input checked="" type="checkbox"/> Bill Scroggins (Guest) |
| <input checked="" type="checkbox"/> Audrey Yamagata-Noji | <input type="checkbox"/> Denise Lindholm | <input checked="" type="checkbox"/> Richard McGowan (Guest) | <input checked="" type="checkbox"/> Kerry Martinez (Notes) |

ITEM	DISCUSSION/COMMENTS	ACTION/OUTCOME
<p>1. Review Meeting Summaries of December 14, 2011 (Budget Committee), and January 11, 2012, (Budget Reduction Plan Sub-Committee)</p>	<p>The Budget Committee Meeting Summary of December 14, 2011 was reviewed and approved, as submitted.</p> <p>The Budget Reduction Plan Sub-Committee Meeting Summary of January 11, 2012 was reviewed and approved, with two corrections.</p>	<p>Approved, as submitted.</p> <p>Approved, with two corrections.</p>
<p>2. Review 2012-13 Preliminary Budget Projection and Cash Requirements</p>	<p>Mike Gregoryk explained the handout titled "Very Preliminary (prior to P1 information) Budget and Actuals Comparison History" which gave three different scenarios. The first scenario (best case) ended with a fund balance of \$11,102,180 (fund balance percentage of 7.32%) and did not include possible salary and benefit increases for CSEA 262, and the possibility of the failure of the Governor's Tax Initiative. The second scenario ended with a fund balance of \$10,234,252 (fund balance percentage of 6.77%) and included the possible salary and benefit increases for CSEA 262, but did not include the possibility of the failure of the Governor's Tax Initiative. The third scenario (worse case) ended with a fund balance of \$3,619,670 (fund balance percentage of 2.40%) and included the possible salary and benefit increases for CSEA 262, and the failure of the Governor's Tax Initiative.</p>	
<p>3. Dr. Scroggins, Discussion of Budget Reduction Plan</p>	<p>Dr. Scroggins addressed the Budget Committee members and stated the deficit numbers are huge and</p>	

<p>and Priorities</p>	<p>the challenges are big. For solutions, the College needs to look at the constraints it is facing. Dr. Scroggins explained the impact on Mt. SAC if the Governor's Tax Initiative does not pass which involves workload reduction of approximately 1500 Full-time Equivalent Students (FTES), and a cut of \$6.6 million to next year's budget. In looking at reducing class sections, the College cannot reduce more than it already has. The College will look at consolidating programs. There is a need to re-think the curriculum structure. Dr. Scroggins stated this can't be done quickly and it will take a couple of years to make this happen. He would like to reallocate and restructure resources. Dr. Scroggins explained his plan to address the budget cuts:</p> <ul style="list-style-type: none">• Try to get through the cuts without eliminating full-time positions or damaging core programs and principles.• Reduce or eliminate the summer session starting in 2013.• Use \$5 million from the City of Industry redevelopment settlement to be able to postpone the reduction or elimination of the summer session until 2013.• Temporarily halt contribution payments to the Retiree Health Benefits Fund. Pay retiree health premiums out of the Retiree Health Benefits Fund instead of the General Fund.• Consolidate the use of buildings.• Work with the bargaining units for flexibility, and strive to work together in a non-adversarial environment.• Possibly implement furloughs and reduce time worked.	
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	<ul style="list-style-type: none">• Recommend an administrative review of work safety to provide a safe and secure work environment.• Focus on providing access to vocational, transfer, and basic skills courses and programs.• Consider legal mandates and accreditation requirements that dictate certain costs and staffing regulations. Look at the effectiveness of what we do and the service levels. Realize response times will be less than we're use to because there will be less personnel and time available. This will be inconvenient for everyone which calls for a campus environment of understanding.• Look at the ways the College is spending money, and invest money for long-term cost-effectiveness.• Consider the restructuring of Measure RR bond, potentially issuing \$200-\$250 million in bonds by August 2013. The funds will be used to build a Business building and a 2,200-space parking structure. Some of the funds will be used to offset General Fund expenditures for scheduled maintenance and technology replacement and improvement. <p>Linda Baldwin noted that many of the items mentioned are one-time or temporary budget reductions and will not correct the structural deficit. Dr. Scroggins agreed that they are temporary solutions, but we need to change our way of thinking about budget solutions.</p> <p>Virginia Burley asked Dr. Scroggins what his expectations are of the Budget Committee. Dr.</p>	
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	<p>Scroggins gave the following suggestions:</p> <ul style="list-style-type: none">• Perform a Status-Quo Budget review.• Perform a “carry-over” analysis.• Review vacant positions and their effect on the budget. Review the handling of the personnel budget and address the positive variances. Look at establishing a sweep account to put salary savings in, to help pay for transitional employees. Linda Baldwin stated that Fiscal Services started doing this for the 2011-12 Budget.• Develop a communication plan for budget information to ensure a transparent and understandable budget. <p>Jennifer Galbraith asked Dr. Scroggins about the plan to increase the number of international students and if they will compete with current students for classes or will new classes be offered. Dr. Scroggins stated extra courses will be offered using the additional money brought in. Student ancillary services will be protected and supplemented to accommodate the international students.</p> <p>Mike stated the Budget Committee members will discuss at the next meeting on February 8, 2012, the role of the Budget Committee and develop standards of the Status Quo budgets and an austerity budget with transparency of ongoing, one-time, and transitional funds. Linda suggested focusing on a communication that should be distributed with the Status-Quo budgets.</p>	
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FUTURE AGENDA ITEMS:

- Budget Committee's Role
- Status-Quo Budgets

FUTURE MEETING DATES (3:00 p.m. – 4:00 p.m.)

- February 8, 2012
- March 14, 2012
- March 21, 2012