PLANNING AND BUDGET COMMITTEE
MINUTES
JANUARY 17, 2008

PRESENT: Dr. Noelia Vela
          Jo Ann Higdon
          William Farmer
          Dr. Stephen Johnson
          Renée De Long Chomiak
          Lee Krichmar
          Lola Rizkallah (Nolan)
          Dr. Dan Smith
          Dr. Nathan Durdella
          Rich Cameron
          Dr. Bryan Reece
          Fred Henry
          Wes Nance
          Lynn Serwin
          Dr. Solomon Namala
          Jeanine Prindle
          Anita Rios
          Lynn Laughon
          Schellary Thomas

ABSENT: David Ward
        ASCC Student

GUEST(S): Dr. Carolyn Chambers
          Arcely Donnell
          Dr. Connie Mayfield
          Stephanie Murguia
          Suzie Payne
          Dr. Randy Peebles
          Robert Riffle
          Norma Rodriguez
          Dr. Linda Rose
          Kim Westby

1. CALL TO ORDER
Dr. Vela called the meeting to order at 2:05 p.m.

2. APPROVAL OF MINUTES - November 15, 2007
It was moved by Mr. Farmer that the minutes of November 15, 2007 be approved as presented. Dr. Reece seconded the motion. The motion passed. Ms. Higdon noted that attached to the minutes was the 2008/09 Planning and Budget Development Calendar with the changes incorporated that were recommended at the November 15, 2008 meeting.

3. FTES UPDATE
Dr. Vela introduced Carolyn Chambers, the new Instructional Dean of Science, Engineering and Math.

Mr. Farmer reported the following with regard to the FTES update:
- Good news: According to P1 (the first attendance report to the State), the College is 190.83 FTES higher than we were at P1 last year. Also, the College is 247.78 higher than two years ago at the same time in P1. Those numbers may change as further research is needed with regard to the calculation of independent study on-line classes.
Cautionary news: The College still needs to make up the 450 FTES were down two years ago. Those need to be made up before the College can even talk about true growth. Complicating it further is the challenging budget year for 2008/09.

Mr. Farmer thanked the members of the enrollment management committee and others who have worked hard to contribute to the slight rise in enrollment. Dr. Vela added that the slight increase in FTES is the result of the efforts of many. The College continues to work very hard to be the college of choice, and the ways in which the College is making itself accessible to the students are to be commended.

4. **STATE BUDGET UPDATE**

A one-page state budget summary was given to the committee members entitled “State Budget Impact on Community Colleges.” Ms. Higdon reviewed this document with the committee highlighting the following:

- The governor has declared a fiscal emergency for the current fiscal year and ordered the legislature into a special session.
- A projected budget shortfall of $14 billion to $14.5 billion through June 30, 2009 is anticipated. This is an extremely serious situation for our State. The depth of this budget shortfall is so severe that no sector of the budget will remain untouched.
- K-14 comprises approximately 40% of our State’s expenditures.
- The current year budget “take backs” for community colleges are estimated at $40 million (Cerritos College’s share could be approximately $600,000).
- The impact of the Governor’s proposed 2008-09 budget on California community colleges could be:
  - Reduction of funding of COLA to ZERO (from 4.94%)
  - Reduction of funding of Growth to 1% (from 3%)
  - Reductions in Categorical Program funding ranging from 3.69% to 10.89%
- There are no simulations available from the Chancellor’s Office on the impact to specific colleges. At present, it is reasonable for the College to assume a “flat budget year” is on the horizon. This means that the College will need to identify sources of funds for the types of on-going increases that occur.
- It is expected that the Governor will slow down the cash-flow through September, 2008.

Questions from the Committee:

Dr. Smith inquired when the College will know when the take-back will occur. Ms. Higdon responded that the exact time is not known, but if she were to guess, it would be April. At that late date, the College’s reserves would take that hit. She added that it is not too late for the College to start thinking about strategies to build the College’s ending balance.
Mr. Cameron suggested that if the College adopted a policy that departments could roll over any unspent supply money for the current year, departments may hold-off on buying supplies and the ending balance could build a little.

Dr. Solomon inquired about the status of Proposition 92. Ms. Higdon provided her thoughts with regard to this proposition and indicated that it is an unknown right now if this proposition will be passed.

Dr. Durdella inquired if there has been talk of a fee increase. Ms. Higdon replied that in the governor’s current budget proposal, there is no proposal for a fee increase. In Proposition 92, there is actually a proposal for a fee decrease.

Ms. DeLong Chomiak noted that she has been contacted by the local CSU’s and she has been told that the CSU’s are turning away around 10,000 students and closing down applications 6 months early. This could have an impact on Cerritos College’s enrollment. It was suggested perhaps the College could partner with the CSU’s and suggest to them Cerritos College as an alternative.

Mr. Farmer added that the CSU’s can limit admissions and that is how CSU’s control costs. Cerritos College is an open access institution. Our parallel strategy to control costs is to cut classes, but we can’t easily cut classes when we are trying to grow. In the past few years, in an effort to increase FTES, some classes that may have normally been cancelled due to low enrollment may not have been cancelled. This practice has resulted in less efficient offerings. He alerted the committee that further review is needed on this topic. Dr. Reece noted that caution would be needed in the elimination of certain 200-level courses. While he recognizes the importance of efficiency, we must also recognize the negative impacts on certain majors. The College must avoid the crippling of our major programs.

5. ITEMS FROM THE FLOOR

Dr. Reece inquired about the status of the budget cycle. Mr. Farmer replied that the unit and division planning processes have been completed and that the area plans will be completed shortly. A presentation to the Planning and Budget Committee will follow in March.

6. NEXT MEETING – FEBRUARY 7, 2008

The next Planning and Budget meeting is scheduled for February 7, 2008. Ms. Higdon asked the committee members if the time of the meeting could be changed to 1:30 instead of 2:00 pm to allow another shared governance committee to begin their meeting at 3:00 pm. After committee discussion, it was decided to keep the meeting time at 2:00 p.m. and try to keep at 1 hour. It was suggested by Ms. DeLong Chomiak that meeting agendas and handouts be given to committee members prior to the meeting so that members can be prepared to discuss issues at the meeting.

Mr. Farmer noted that the Accreditation team would be having their exit interviews on March 6, and that Planning and Budget may be cancelled that day to allow the campus community to attend this important meeting.
7. **ADJOURNMENT**
   The meeting was adjourned at 3:15 p.m.