1. **CALL TO ORDER**
   Dr. Albanese called the meeting to order at 2:00 p.m.

2. **APPROVAL OF MINUTES** - May 21, 2009
   The minutes were approved as presented.

3. **BUDGET UPDATE**
   Dr. Albanese provided the latest State budget information. He noted that the Governor has agreed to take out the final 1% in growth and put that on the property tax shortfall, which is consistent with the approach the CEO’s and Community College League “League” are taking which is not to reduce our unit funding. The budget scenario is probably going to be a partial cut with an attempt to borrow.

   Dr. Albanese recapped some of the budget savings the College has done thus far:
   - Froze hiring, which includes new hires of adult hourly and two (2) faculty positions.
   - Deans and Vice President’s are reviewing institutional memberships to determine those that are not being used, not needed or are less critical.
   - Cutting sections.
   - Maximizing cash by intra-fund borrowing and pursuing a TRANS.
Mr. Farmer also provided a recap of what is happening at the State level as for as advocacy for community colleges. They are:

- Proposal to fund PE and recreation classes at the non-credit rate. The system is opposing this strongly because it thinks it is not appropriate for the legislature to be telling us which classes should count more than the other. Moreover, we still have to pay faculty at the credit rate.
- Our base is most important. Any money should be placed in our base; we should not receive growth money when our base funding is going to be cut. The latest proposal by the Governor's office incorporates that proposal.
- Cuts to categorically funded programs. The system (all community colleges in the State) is arguing that DSPS and EOPS should receive cuts of only 15% and every other program should get a proportionally larger cut (Foster Kinship program is now exempt from cuts.) CalWorks is funded for 2008/09. The Governor is recommending that CalWorks be eliminated in the entire State for 2009/10. Cerritos College’s general fund would have to come up with funds to help meet those programs that have federal regulations, such as DSPS. This would be an additional hit to our general fund.
- The system is recommending student fees be increased to $22.00.
- Regulatory relief.

4. **BUDGET DEVELOPMENT INTERESTS AND OPTIONS**

Dr. Reece stated that Faculty Senate encourages the College to take the following approach (note - this was not a unanimous decision by Faculty Senate):

- The greatest interest from faculty are numbers 3, 4, and 8 of the budget options. Through these three (3) options the College can save approximately $8.3 million dollars.
- Cut class sections down to where the College is still receiving the minimum number of FTES that we require for funding.
- There is a general consensus from faculty that the College will have a cash flow problem and has no issues borrowing in order to get operating cash.

Mr. Fronke commented that he believes the Faculty Senate plan is not fair to everyone and that the part-time faculty would suffer the most. A plan needs to be developed where everyone suffers equally. He then stated that beginning August 1, 2009 he will be writing a check for 5% of his monthly salary to the Foundation as a charitable contribution. This money can be accumulated and be gifted back to the College. The advantages are: 1) this plan is voluntary and can be stopped anytime; 2) the employee can receive a tax deduction; and 3) does not need to go through the collective bargaining process. He offered to have training sessions and assist any staff member who would be willing to do this contribution.

Ms. Nolan commented that as a way to assist with the district budget needs and retain part-time faculty jobs, full-time faculty could choose not to teach both overload and summer school.
A question was asked if the College was negotiating with the union on any of the budget options. Dr. Albanese replied that there are conversations taking place. He added that if the College moves in a collaborative basis then the table agreements will follow. He stated that there is no attempt by the administration or the Board to avoid coming to an agreement.

Ms. Laughon shared that classified staff have taken “the hit” for many years for the District. Currently the College is down to 306 employees from 366. In addition, the comp/class study showed that many classified employees are working out of their job descriptions and have been helping this College for many years to ensure student success.

A motion was made by Dr. Reece and seconded by Jesus Olvera that the Planning and Budget Committee endorse the proposal that Mr. Farmer laid out in his June 2, 2009 President’s Message in option numbers 3, 4, and 8, and also endorse options 5, 6, and 17 as part of the District’s budget strategy to the extent that it is doable without interfering with collective bargaining. The motion passed.

**VOTE:**
- Yes: 14
- No: 1
- ABS: 1

After the vote, Ms. Quaas-Berryman requested that as an amendment to the motion that individual efforts by staff members be encouraged in order to support any of the options listed on the “Options for Preserving Programs and Services to Students, Staff and Community for Budget Year 2009/10.” The committee voiced no objections to this amendment.

5. **ITEMS FROM THE FLOOR**

Dr. Reece noted that the College may have to come up with a strategy for more funds after July 1, 2009, and that we need a tighter strategy on how to reduce class sections. It was noted that this committee does not reduce class sections. Ms. Nolan stated please do not tie the hands of the areas that offer the courses.

6. **NEXT MEETING - JUNE 18, 2009**

The next meeting is scheduled for June 18, 2009.

7. **ADJOURNMENT**

The meeting adjourned at 3:50 p.m.