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

2. **APPROVAL OF MINUTES - January 15, 2009**
   The minutes of the January 15, 2009 meeting were approved as presented.

3. **STATE BUDGET UPDATE**
   Dr. Albanese reported that there is no new news to share regarding the state budget situation.

4. **BUDGET BALANCING OPTIONS**
   Dr. Johnson reported that the Student Senate voted to support the increase in the parking fees by the following vote: Yes: 17; No: 9; ABS: 2. Jesus Olvera shared that the Student Cabinet also voted yes to the proposed increase in parking fees. Dr. Albanese noted that all the fee augmentations would be going to the February 16th Board meeting for their approval. Dr. Albanese thanked the student leaders and students for their input and consideration in this difficult decision process of increasing student fees.
Dr. Albanese noted that there was a change to Slide #3 from the budget balancing presentation of last week. The change reflects lab materials in which we have to balance expenditures with the fee revenue coming in.

Dr. Albanese reported that the area plans are currently being completed. He stated that the Business Services Area Plan would be available on Planning Plus February 6, 2009.

Dr. Reece asked regarding negotiated items, when do those decisions need to be made to affect the budget. Dr. Albanese replied that the way we really effectively get at the budget problem, is that the College has to look at programs and services. When you start releasing hourly and adjunct staff you are driving cost-ineffectiveness and sub optization. The cost of providing services to students will continue to go up. And, what that ultimately affects is the ability to provide improvements in salary and benefits.

Dr. Albanese added that most districts are doing what we are doing or less. The governor's budget is optimistic and at this time there is no justification for massive reductions in programs and services based on that budget. Until we see that, it's very difficult to react and if you overreact you hurt students.

5. **ACCREDITATION**

Dr. Albanese noted that there has been a lot of discussion about the mission statement. The president has asked if this committee would take on the task of meeting the conditions of the accreditation recommendation. He reminded the committee that the accreditation team said our mission statement was deficient as it didn’t address issues of diversity and the population the College serves. Dr. Albanese suggested that a sub-group of volunteers from this committee review the recommendations and provide suggestions of a mission statement. The following volunteered to be on the sub-group: Bryan Reece, Lee Krichmar, Lynn Laughon and Francie Quaas-Berryman. They will provide a report at the next meeting.

6. **2009/10 BUDGET DEVELOPMENT**

This item was not discussed.

7. **RESERVES**

Dr. Reece stated that he receives several questions from faculty about using the reserves and he asked Dr. Albanese to provide some examples of the reasons why the College has reserves and why they do not use them. Dr. Albanese with the following:

- Reserves are one-time funds and can only be used for one-time expenditures.
- With no reserves or little reserves, you have a loss of interest. Interest is general fund income.
- Reserves assist with cash flow issues. Without our current reserves, we would not be able to meet our payroll needs.
If you have large reserves you can take a “hit” and correct it over a couple of years, if you don’t have reserves you have to replace those expended funds back to the reserves within a year.

Dr. Albanese noted that if anyone has further questions or would like to meet with him directly, to please contact him.

8. **OTHER ITEMS FROM THE FLOOR**
   No items were presented

9. **NEXT MEETING - FEBRUARY 19, 2009**
   The next meeting is scheduled for February 19, 2009

10. **ADJOURNMENT**
    The meeting adjourned at 3:03 p.m.