

**DRAFT**  
**Los Angeles Community College District**

**District Budget Committee Meeting Minutes**  
November 30, 2011  
1:30-3:30 p.m., Board Room, District Office

**Roll Call**

Committee members present as indicated (X).

**Academic Senate**

David Beaulieu  
Dana Cohen X  
Jeff Hernandez X  
Lauren McKenzie X  
Tom Rosdahl  
Michael Climo X

**L.A. Faculty Guild**

Paul Doose  
Carl Friedlander\* X  
John McDowell X  
Armida Ornelas X  
Olga Shewfelt X  
Joanne Waddell X

**Unions/Association**

Allison Jones or Bobbi Kimble X  
Leila Menzies  
Ted Strinz  
Velma Butler  
Lubov Kuzmik  
Richard A. Rosich

**College Presidents**

Tyree Wieder X  
Jack E. Daniels III\* X  
Jamillah Moore X  
Monte Perez X  
Kathleen Burke-Kelly X  
Marvin Martinez X  
Roland Chapdelaine X  
Sue Carleo X  
Nabil Abu-Ghazaleh X

**STUDENT REPRESENTATIVE**

Amber Barrero

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**Also Present**

**Resource Persons**

Jeanette Gordon  
Cathy Iyemura  
Adriana Barrera  
Vinh Nguyen

**District Office**

Leila Menzies  
Perrin Reid  
Ross Lee  
Karen Martin  
Joan Steever  
Michael Shanahan  
Chito Cajayon  
Yasmin Delahoussaye

**Guests**

Ann Tomlinson  
Ken Takeda  
Paul Carlson  
John R. Oester  
Mary P. Gallagher  
Don Gauthier  
John Freito  
Norvan Berkezyan (ASO officer)  
Nestor Tan  
Maureen O'Brien  
Allison Moore  
Ferris Trimble

## **1. Call to Order**

Carl Friedlander called the meeting to order at 1:35.

## **2. Approval of Agenda**

The agenda was approved without changes.

## **3. Approval of the Minutes for September 14, 2011**

Minutes of October 12, 2011, were approved with just one minor change “Several faculties ...” to “Faculty members...” on item 4, FON, 2nd paragraph (page3).

## **4. State Budget Update (Jeanette Gordon) – Mid-year Reduction Trigger?**

Jeanette and Vinh gave an update of the state budget. It is anticipated that triggers 1 and 2 will be implemented subsequent to the December 15<sup>th</sup> deadline. The District, through the reserve, will cover gaps identified by the respective colleges so as not to have further cuts to the instructional program for Spring, 2012. However, these cuts are permanent and the impact of the cuts will be effective beginning July 1, 2012. It is suggested that colleges begin planning for those cuts. Preliminary budget worksheets for the 12-13 academic year will be available soon after the Governor’s budget outlook in mid-January, 2012.

## **5. FON Update**

Dr. Adriana Barrera gave an oral update on the FON. The district has made the minimum percentage of FT/PT ratio to escape a fine. It was reported that the colleges fell short of the FON goal of 1461 somewhere between 7 – 10 faculty. An updated report will be presented at the January, 2012 DBC meeting and will be mailed out prior to the meeting.

## **6. Winter/Spring Enrollment Planning**

Cathy Iyemura presented information that evidenced the summer results of FTES and projected Fall FTES. It appears that the colleges will remain in an overcap situation at the end of the year – though less than last year. She cautioned that all of the numbers are not in and there may be

slight change. Spring2012 FTES is slightly less than last year at this point. There appears to be no problem with non-credit FTES this year.

## **7. Workload Reduction and Class Offering Reduction Update**

Jeanette Gordon presented the status of colleges achieving their 5%. Based on the results from the First Quarter budget meetings with the colleges, \$16.4 million of the \$24 million reduction plan could be achieved. Four colleges used their balances to help achieve the reductions though ELAC replaced their reduction fully with their ending balance. The other five colleges achieved their reduction. These reductions have been accounted for in their budgets. There is a shortfall of the reduction target of approximate \$7.4 million. Harbor, Pierce Southwest, Valley and West LA Colleges met their 5% reduction plan targets. City, East LA, Mission, and Trade-Technical Colleges have utilized their balances to meet their 5% reduction targets.

It is projected that there will be a workload reduction for the 12-13 year. However, it is still questionable.

## **8. First Quarter Projection by College and Status of the 5% Reduction Plan**

Jeanette Gordon presented the first quarter projection. Harbor, Southwest, Valley Colleges and District Offices are projecting deficits. She emphasized that the projections in the first quarter are very preliminary early in the year. The report also denoted # of sections reduced during the 11-12 academic year and the FTES projection. The report indicated that the District is projected to be 6,926 FTES over cap. It was also suggested that as the colleges plan for 2012-13, it should be in line with their and the Board's strategic plans.

## **9. District Financial Forecast for 2012-13 Budget Planning**

Jeanette Gordon handed out a packet reflecting 2012-13 budget planning. This document presented 2 scenarios for budget development – best and worst case. With Tier 1 and Tier 2 reductions likely being triggered mid-December, the revised budget for 2011-12 will be approximately \$496M. The district has already taken a 6.21% workload reduction at the beginning of the 2011-12 fiscal year. If no further cuts are made, the district will have available \$501M for 12-13. The worst case scenario, given cuts in the summer, the District will have approximately \$478M available. Gordon also reported that if Tier 2 is triggered, the total shortfall for the 11-12 academic year will be \$40M. Currently, the ending balance reflects 13.94% of the district budget. With additional cuts in summer, 2012, that could be reduced to 4.4%. When projecting out through 2013-14 coupled with no action to decrease expenditures throughout the district, the district balances could be in the negative by approximately \$2.5M.

## **10. Executive Committee Report and Recommendations**

Carl Friedlander reported that the Executive Committee continues to be in deliberation on the allocation model. He reported that the Committee had agreed to maintain the framework of

SB361 and to tweak it, as appropriate, to address any structural issues that the model has presented within the district – namely underfunding of the small colleges. He also reported that the Committee will be making recommendations on adjustments to base funding allocations. Other remaining recommendations such as ending balances and how to fund growth will be brought back in phases in the future .

#### **10. DBC Recommendations to the Chancellor**

None

#### **11. Other Actions**

The DBC, be consensus, agreed not to meet December 21<sup>st</sup> as scheduled.

The next meeting of the DBC will be January 18,