

**STRATEGIC PLANNING BUDGET COMMITTEE
MINUTES
January 25, 2012
2:30 – 3:45 pm
Room 1402**

Members	Present?
Camila Anzi	No
Bob Francis, Chair	Yes
Ann Garnsey-Harter	Yes
Elizabeth Hanson	Yes
David Holmes	Yes
Ernest Johnson	Yes
Gary Kalbfleisch	Yes
Amy Kinsel, note taker	Yes
Linda Lui	No
Ann Martin-Cummins	Yes
Claire Murata	Yes
Doug Palmer	Yes
Lynette Peters	Yes
Kye Stephens-Terry	Yes
Arlene Strong	Yes
Kanpong Thaweasuk	Yes
Bern Wegeleben	Yes
Linda Weir, Vice Chair	Yes
Kira Wennstrom	Yes
Holly Woodmansee	Yes

Others
Joe Duggan, <i>ex officio</i> President Lambert

Agenda:

Agenda item #1: Call for volunteer note taker – Linda – Amy volunteered

Agenda item #2: Review and adjust agenda – Linda – Approved

Agenda item #3: Review and approve minutes from previous meeting – Linda
Approved pending revisions submitted to Linda via email

Agenda item #4: Budget cutting process communications recommendations – Bob

Discussion: Committee began review of the 2011 Budget-Cutting Process Recommendations to College President and PSET document starting with a review of the Assumptions Regarding Budgeting.

Action items: Committee will continue discussion at the next meeting.

Agenda item #5: Budget process and timeline – President Lambert

Update from Olympia

President Lambert provided an update from Olympia. The Governor currently includes a \$160 million cut from higher education in her supplemental budget. There continues to be a question of apportionment between universities and CTC's. The 4 year Colleges and Universities have been lobbying to shift more of the burden to CTC's. At this time it looks like the worst case for CTC's is \$85-88 million and the best case is 15% as lower end of cuts to CTC's. The recent K-12 Supreme Court decision might also affect cuts to CTC's because fewer dollars are likely to be cut from K-12. As a result, we could see an increased cut to higher education above \$160 M.

At these levels, the real dollars to the College may be \$2.5 to \$3 million. The College must plan for the worst. President Lambert encouraged students to get in front of the Legislature; raise their voices and sustain the effort.

The next Budget Forecast will be on February 16 and a additional Special Session is likely which would take us past April 2, the date by which the College would publish the budget plan according to the draft timeline.

Timeline Discussion

Copies of the draft budget cutting timeline were distributed. The challenges of developing and providing a timeline were discussed. There are many unknowns that make it difficult to determine the best way to proceed.

What PSET needs from SPBC

President Lambert said he is looking to the Strategic Planning Budget Committee to provide advice for PSET to take into consideration but he was clear the Committee will not provide advice about specific cuts.

There continues to be a question about the use of reserves to support strategic development and specific programs providing a bridge to future revenue - how much should the College use and why? Ultimately, this is a Board of Trustee's decision.

Washington state revenue reality is not likely to improve in the near future. One option being considered by President Lambert in taking the projected \$3 million cut is to cover 1/3 from reserves, 1/3 from tuition increases (must meet certain FTES level to meet this level); and 1/3 real cuts.

Experience has shown that private donors and grants are not typically available to support ongoing operations, only for special projects or development. The Legislature has reform agendas (McKinstry, Gates, WGU) to change the teaching model – reform is what they are willing to fund, not status quo.

Discussion: The Committee asked questions about the communication to the campus, the feedback loop after final decisions are made, clarification of the 1/3, 1/3, 1/3 model and timeline, and the use of declaration of financial emergency

Action items: President Lambert outlined the areas in which he would like SPBC's involvement, they include:

- Recommendations for engaging the College community in conversation and prioritizing the actions to be taken.
- Thoughts on the use of the reserves including the idea of the 1/3, 1/3, 1/3 model.
- The Committees advice for approaching the cuts including the pros and cons of the budget recommendations.
- Clear communication about what the Committee needs to “close the loop” after the decisions are made.

Agenda item # 6: Task Forces and SPBC – Bob
Postponed to next meeting due to time constraints.

Agenda item #7: Other – none

Meeting adjourned at 3:50 pm

Winter quarter upcoming meeting dates:

February 1
February 15
February 29
March 7