June 24, 2009 Budget Update

At the Planning and Budget Forum yesterday, we discussed the continuous planning system and the budget outlook for 2009-10. We looked at the impact the May revision to the Governor’s budget proposal would have on Butte College in the current year and the coming budget year. The revised budget proposal does not include any cost of living adjustment or growth on state funding, and in fact proposes to reduce funding by approximately 5%. Despite the lack of state funds in the coming year, Butte College is fortunate to be receiving “restoration” funds from restored enrollment from 2008-09. Increases in fixed costs and other new costs will still require us to look at making strategic budget reductions. The current budget proposal also proposes to cut categorical programs like EOPS, DSPS, Matriculation and CalWorks by 53%-58%. We also discussed the Budget Conference Committee’s proposal that provides a glimmer of hope with reduced cuts if additional tax increases are approved, but it does not appear this proposal will be passed by the legislature in its current form.

Vice-President Meier discussed the fall enrollment growth. We will need to make reductions to the class schedule in order to minimize the amount of enrollment growth that we will not be funded for.

Vice-President Renville discussed planning efforts in student services to address the 53%-58% proposed cuts to categorical programs. If these levels of cuts are approved by the legislature and the Governor, services will need to be drastically reduced and employee layoffs will be difficult to avoid.

President Van Der Ploeg then spoke of the need to focus on the core mission, providing quality instruction and student services, and protecting jobs as much as possible. She encouraged everyone to provide input and ideas for saving money during these tight times, no matter how small. She also spoke about using attrition to save jobs and the possibility of an incentive program to encourage people to retire early. The more flexibility we can build into our budget now, the better positioned we will be to address future cuts.

The forum was very well attended by approximately 150 people. For those of you who were not able to attend or did not receive a handout, we have attached the handouts with this message. If you would like to view the forum in its entirety, the video will be available soon on the Planning and Budget Committee webpage.

We will continue to plan for the known budget cuts that lay ahead and for now we will wait to see what the legislature and the Governor approve for the new budget.

Planning and Budget Committee:

- David Payne, Committee Chair
- Jo Anne Cripe
- Ruth Ann Hansen
- Kim Hutchison
- Lester Jauron
- Kenneth Meier
- Al Renville
- Peggy Jennings-Severe
- Teri Jo Buckman
- Trevor Stewart
- Andy Suleski