Hello Cabrillo,

Last week the Association of Chief Business Officers met along with the Chief Instructional Officers, the Department of Finance and the Legislative Office. This meeting was designed to inform the system regarding the governor’s recent budget proposal; to review the challenges and opportunities of this budget proposal; and, to assist the system with consistent messaging for all of the 112 community colleges we serve. This memo is designed to share all of that content with you.

Challenges and Opportunities (Messaging) for all community colleges:

There were several things that all workshop participants agreed on and wanted to convey. The first is that this is a good budget proposal for community colleges and continues to demonstrate the governor’s commitment to the community college system here in California. This is the best budget we have seen in many years. The challenge to this message is that much of it is one time money. The implications of this challenge are especially present in the ability to hire permanent staff and to long term planning.

The second message is this should be a cautious year for all colleges in terms of how we apply our resources. This could be a ‘one year wonder’ in terms of continued support at this level. Challenge awareness under this heading of caution is the Affordable Health Care Act; STRS/PERS increases and continued lack of scheduled maintenance / state bond monies available for our facilities. The advice given is to put some money away to take care of these issues as they arise because as looming costs there is no answer coming from state dollars to assist us in coverage.

The third message is that as Proposition 30 sunsets, every college needs to review those implications and may want to review how to plan for tomorrow’s issues in context of the Prop 30 monies going away. The challenge here is to help colleges understand the best use of one time monies in light of long term costs – the velocity of which is not really in front of us at this time. We were also reminded and advised, this is just a proposal at this time. This budget has not been approved and has awhile to go through many of the arenas that may ask for significant changes to the governor’s proposal.

Summary and reflections from the President and Vice President:

The unique part of the workshop for me personally was this is the first time in my memory that all the workshop participants agreed on the challenges and the opportunities. In my time as an administrator I have never heard such consensus of thought from the Department of Finance, the Legislative Analyst Office or the League on the budget. In terms of taking ‘expert advice’ it appears that as a college we need to have discussions regarding our enrollment and the implications of incoming resources as they relate to the new funding formula; we need to have discussions regarding our priorities for one time resources; we need to have discussions on how we best leverage existing resources so that general fund monies are freed up wherever possible; we need to concentrate on doing a few things extremely well (our strategic plan has been a good gauge of this for us this year and CPC will be discussing next year in light of how we continue to refine our focus); we need to continue to concentrate on bringing in outside resources to assist the college in funding initiatives that can promote student success with one time expenditures; we need to take very seriously the notion that we plan for increasing costs; and finally, we
need to review and evaluate the extensive changes going on both legislatively and with funding formula while we set the stage for long term fiscal health of the institution. Vice President Lewis has posted a summary of the 2015-16 [Governor’s January Budget](#) to the Budget Information Center web page.

Please, if you can, join us at CPC in the next month for these valuable discussions already listed here. We will need your input and your wisdom to make healthy decisions even in light of what is overall a GREAT budget.

February will be CPC training month. We will have three meetings: on 2/4, 2/11 and 2/18 – each meeting will target a specific focus area, all meetings are from 2:00-4:00pm. Details:

- **2/4/15:** Enrollment Education – featuring speaker Pam Deegan – a collaborative effort for institutional understanding in enrollment practices. In order to accommodate a larger audience, this meeting will be held in Room 450. Please let your constituency members know – all are invited.

- **2/11/15:** Budget Planning (working off of the enrollment education training, CPC will review and discuss the integrated budget planning model as it pertains to enrollment revenues and budget process). Meeting will be held in SAC E 225

- **2/18/15:** Strategic Plan review (working off of the budget planning and enrollment education training, CPC will review and discuss the institutional planning and funding for 2015-2016 strategic goals). Meeting will be held in SAC E 225