PRESENT:
Kathy Bakhit, Ben Brown (Student Representative), Carol Cone, Carol Horton – chair, Dennis Korn, Rocky Reynolds, Judy Rojas (recording secretary), Tasha Van Horn and Jim Williams. Absent: Rosalinda Buchwald, Roseann Manfre-Campillo, Mike Fehrs, Jeanne Hamilton, William McCusker, and Dr. Michael Viera.

OLD BUSINESS:

9.1 Approval of minutes of June 14, 2004 – Minutes were approved as presented.

NEW BUSINESS:

9.2 04-05 Budget Review - Carol Horton presented a copy of the budget that will be presented for adoption to the Board of Trustees at the October 5, 2004 meeting. Since the complete budget has not yet been printed in quantity the summary pages of each fund are available for your review. Carol reviewed the power point presentation that will also be presented to the Board of Trustees. She noted that we have 11 funds this year which includes a new fund for Bond money for capital improvements in the district.

Carol also informed the committee that the auditors have been here this year. The audit report will not be issued until December. The budget to actual information will be reported to this committee and the board as soon as it is available. Carol noted that State revenue for 03-04 was lower than budgeted by $1 million because of the deficit apportionment, but the actual expenditures were also lower than the budgeted amount by $1 million.

Carol reported that for the first time the district has not met the 50% law. We will be submitting a waiver at the October 19th Board of Trustees Meeting. The state requires that a calculation be done to show that 50% of expenditures are spent on instruction and this year we were short by .45%. Hiring new faculty will take care of the difference. There is no monetary penalty but the corrective plan must be in effect. As soon as the plan is prepared Carol will forward it to the Academic Senate.

Carol Horton explained that she and Carol Cone look particularly at the changes in expenditures to insure that they are correct. An example of one of the changes was in the Business Department. Last year there was a lot of faculty retirements in that department which accounted for a substantial decrease in expenditures. The faculty to replace them was not hired until the current year which increased the expenses. Also, the Associate Deans salaries previously were charged at 40% to Instruction and 60% to the Dean’s cost center. Since the reorganization this year, the salary expense is 100% in the Dean’s cost center which makes it appear to have a large expenditure increase, when it is actually lower.

The printed budget books will be distributed to you by the end of the week.

The meeting was adjourned at 1:50pm.