I. ACTION ITEMS
   At 3:37 p.m., Brad Zuniga called the meeting to order.

   a. Consider approval of the 1/8/13 minutes
      The minutes of the 1/8/13 meeting were approved.

II. DISCUSSION

   a. Budget Update  Andy discussed the Institute Forum. On Jan. 10th the budget was approved.
      Prop 30 passed which provides some temporary funding, but it will go away. We will see
      some restoration funds ($377,000) for workload reduction. Lately, we’ve been workload
      reduced so these funds are more of a “restoration” than a “growth” funding. The Board
      of Governors will determine how funds are allocated. More than likely, before the May
      Revise, there may be more clear guidelines for how the funding will be sourced. Deferral
      funds have also been restored ($1.6M). It’s not new program money, but it’s funding
      the college can use. A big focus was on student completion. The budget is balanced!
      The good news for the students is there no fee increase. $197M in apportionment funds
      will be coming our way, but we don’t know how this will be distributed. Instead of
      deferring $12M, they are going to defer only $8M.
      The Governor is proposing $49M in Prop 39 funding. There are funds for online learning
      and RDA funds. The Governor eliminated RDAs to fund education. We were short on
      RDA funding so the Governor put some “back-fill” funds in to cover the shortage.
      Kim suggested that instead of waiting to hear what happens to us, we gather all of the
      constituent groups and have one voice on what we think we need. This could be a good
      discussion for this group. What would be the implication of COLA restoration, categorical
      restoration, etc. on Butte College. We need funds to cover our structural needs –
      moving on-going expenses out of one-time funds.
      Every year, we have $1.3M increase to fixed costs. We are funding on-going expenses
      with one-time dollars. We need to cover two grant funded faculty. We need to transfer
      funds to pay $500,000 to offset the medical premiums for retired employees. We are
      not out of the water yet. There’s not enough to fix our structural needs.

      Adult Education is another topic that Andy discussed. The state is proposing the full cost
      of tuition for students who have over 90 units.
      The Governor is sending a clear signal to what he values - getting students to complete
      sooner. He is suggesting that funding be based on completion, not census.
      The LAO is going to analyze the budget. We have a good chance of getting the budget
on time this year.

b. **Planning Way Ahead** Les suggested that we change direction in planning. After the Strategic Planning Retreat, we thought we would have some ready-made initiatives, but it looks like we are going to do a bit more work to create the initiatives. Les shared a PowerPoint that showed what was previously proposed and what is currently proposed. One thing we need to review is our values. There was a lot of discussion at the Retreat that the values and initiatives are aligned. We are proposing that we develop the Strategic Initiatives this semester, the Strategic Direction the Educational Master Plan in 2013-2014 and the supporting plan to be completed in 2014-2015. Les went over the Planning Way Ahead document that was earlier sent out to the committee. He reviewed the background and the timelines for the planning.

Kim said that the accrediting boards are looking at data to review our mission. We have a wealth of data. We need to choose what data we want to use to show we are meeting our mission.

We are inviting functional area managers to the next two Educational Master Planning Committee meetings to help with the development of the Strategic Direction.

Les asked for the committee for approval. Trevor moved to approved Les’ plan. Karen Michalizio seconded. The committee approved Les’ proposed planning plan.

c. **Training for Committee Members on Budget Terms, etc.** Trevor shared a PowerPoint on FTES. There is apportionment funding - property tax revenue, enrollment fee revenue, and state general fund. Funding rates include basic allocation, credit FTES, noncredit FTES, and NC CDCP. Trevor also talked about 50% law. At least 50% of the district’s current expense of education be for payments of salaries and benefits of “classroom instructor.” Not considered “classroom instructors include: librarians and counselors; department chairs and coordinators; any other non-teaching reassigned time for negotiations, academic senates, accreditation, etc.; infrastructure costs like insurance, utilities, service contracts, supplies; and technology that supports instruction. Fund 11 only.

**Why are we so concerned about the 50% law? The Chancellor’s Office withholds our funding until we are in compliance.**

d. **February 12 Forum Planning - 3:30 p.m. - 5:00 p.m. Center for Excellence**

   **Agenda:**
   - Welcome – Brad
   - Remarks/ Legislative Update – Dr. Perry
   - Governor’s Budget Proposal Update – Andy (include Board Budget Criteria)
   - Enrollment Management Update – Clinton
   - Fall Schedule/Faculty Hires – Samia
   - Planning Update/Educational Master Plan – Les
   - Q&A

Peter asked if we want stream the Forum to the Chico Center? **Answer: Yes!** Peter will work on this. He will know tomorrow if this is possible. There would have to be a District Announcement to let people know that the Budget Forum will be in Chico.

III. **ITEMS FOR THE NEXT AGENDA - February 26, 2013 @ 3:30 p.m.**

   - Budget Update
   - Planning
   - Training

IV. **ADJOURNMENT**

   At 4:56 p.m. the meeting was adjourned.