What did January bring this year?

January is the month for new beginnings and resolutions. Well, Palomar College got something new--additional budget cuts by the State. Palomar faces the beginning of the year with severe budget issues due to the condition of the State Budget and the Governor’s proposed budget to solve the state deficit over the next 18 months. Two things will be happening over the next several months: political lobbying of the Legislature and Governor by every group affected by the cuts; and local districts making cuts to balance their budgets while the political process is in high gear.

As of today, the Governor’s solution means that the community colleges will take a disproportionate share of the hit. The Governor proposes providing community colleges 9.2% of the Prop 98 guarantee, approximately $746 million below the 10.93% statutory level provided in Education Code Sec 41203.1. The Governor’s budget compares funding changes to the revised (including the December cuts of 3.66%) 2002-03 funding levels, which shows that CSU and UC both were provided net increases in funding of 2.5%; K-12 would have increased funding of 1.6%; and, funding for community colleges would be cut by 6.2%.

The Governor’s budget means the community college system will receive $658 less per student, yet fees increase to $24/unit. The community colleges do not keep the increase; it goes to solve the state deficit. In addition, he proposes funding 3% growth for the system and indicates this revenue will help community colleges address the needs of additional students served. Obviously, this proposal isn’t based on logic.

The community colleges will need to be very active in their political lobbying to minimize the magnitude of his proposal. We need to accept our fair share of the cuts, but our students should not be expected to suffer more than their fair share.

What will happen at Palomar?

Initial estimates of the permanent cut for Palomar College’s 2002-03 unrestricted general fund are $4.5 million (our share of the mid-year cut). For the 2003-04 unrestricted general fund, it is estimated that the reduction will be an additional $6.4 million. For the 2002-03 categorical funds, the cut is estimated at $789,141; for 2003-04, an additional $479,579. These cuts are severe and will have a negative impact on our students and staff. These figures will also change as more information is received from the state, but it would be irresponsible to think we are not going to have major budget reductions over the next year and a half.
My resolution is to approach the process of reducing budgets in an open and fair manner using our existing governance structures.

At the January 21 Strategic Planning Council meeting, we will review criteria for determining cuts and also general implementation plans for the mid-year and next year budget cycles. The Resource Allocation Committee will work with the details of the budget. It is imperative that we make decisions on the reductions for the 2002-03 year as quickly as possible, given the fact that we have been spending for half a year. Actions now will alleviate some of the severity of reductions in 2003-04.

**What can you do?**

I am requesting that we all be extremely prudent in our expenditures for the remainder of the year. Administration will be working with their staff for suggestions on budget reductions and begin making the required reductions. Only necessary travel, requests for services, and orders for supplies will be approved. Your ability to be creative in saving funds will be necessary. As the details of the budget reductions become more specific, you will be informed.

The magnitude of these cuts to Palomar and to the system will dramatically change the way we serve students and our community. Your efforts to be positive, in what is a very negative situation, will be appreciated by those we serve. I am confident we have the ability to make the best of this imposed situation. My resolution is to provide the leadership necessary to keep our focus on achieving our mission using the available resources.