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Sent by: President's
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To PRES-ALL@MTSAC.EDU

cc

Subje [PRES-ALL] MONTHLY LETTER TO THE CAMPUS
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Please respond to John Nixon <JNixon@MtSAC.edu>
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Colleagues:

I am writing this letter later in the month because I want to present the latest information on the State budget, focusing on the so-called May Revision, announced last week by Governor Schwarzenegger. As we all know (and feel), the economy is experiencing a downturn, resulting in lower tax revenues (sales, income, property) to the State and less revenue available for State funded programs, including education. Our System Office recently announced that current year property tax shortfalls (the State is collecting less money from property taxes than the current year State budget assumed) would result in less revenue to community college districts, reducing Mt. SAC's 2007-08 revenue by just over \$2 million. That was the first round of bad news, and we expected a second round of bad news with the Governor's May Revision (for 2008-09). However, the May Revision does not impact community colleges as negatively as many in Sacramento had feared.

The Governor's revised budget proposal for 2008-09, as announced last week, funds a modest level of enrollment growth (less than 1% for Mt. SAC); augments available general funds to backfill for anticipated decline in property tax revenues next year; and, on a one-time basis, restores approximately 80% of the revenue lost in the current year to declining property tax revenues. Of course, those proposals only sound good at a time when many of us in education anticipated far worse. Indeed, the Governor's proposal includes no cost of living adjustment (projected at 5%, if it were funded) and includes a 7% reduction to a number of ongoing categorical programs, primarily in Student Services, e.g., EOP&S and DSP&S, among others. Without a cost of living adjustment and with only a small allocation for growth, we will not have sufficient new revenue to cover cost increases for which we are obligated next year, e.g., employee step and column, utilities, contracts, and so forth. We will have to rely on cost savings and available one-time funds to balance next year's budget.

As I have stated before, Mt. SAC remains fiscally sound, and I am confident that we can withstand a year or two of State budgets on the order of the Governor's May Revision without making significant cuts to programs and services and without affecting the job security of current employees. (We also must recognize, however, that the Governor's May Revision is a proposal to the legislature and that the final budget for 2008-09 may be different.) Although the economy is weak, we will approach the future together from a position of strength, focusing on our mission and not allowing noise from Sacramento to distract us. I will keep you informed, and, should you have any questions, please contact me.

One final note – citing a need to remain focused on our mission, I point out that Mt. SAC has a new mission statement, approved by our Board of Trustees last month, following development and recommendation by the President's Advisory Council. Our new mission statement is the following single sentence:

The mission of Mt. San Antonio College is to welcome all students and to support them in achieving their personal, educational, and career goals in an environment of academic excellence.

The plan is to post the new mission statement in all buildings and classrooms, reminding us and our students of our common purpose and of why Mt. SAC is the best community college in California.

Regards,

John

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