



# MEMO

**To:** Bruce Baron, Chancellor

**Date:** 10/16/2014

**From:** Tim Oliver, District Budget Committee Chairperson

**Re:** District Budget Committee Recommendation #FY2015-01  
**Compensation Modification Scenarios**

At its **October 16, 2014** meeting, the District Budget Committee (DBC) approved the following recommendation to Chancellor's Cabinet.

*In accordance with the DBC charge as outlined in Administrative Procedure 2225: "Union issues which are conducted as a part of labor negotiations are not a part of [the Budget] Committee's responsibility."*

*It is being recommended, however, that Fiscal Services be authorized to include various "what-if" assumptions regarding the impact of modifications to employee compensation (i.e. salaries, benefits, taxes, retirement costs, etc.), within illustrative financial forecasts such as the Resource Allocation Model. This will better enable committee members to participate in the financial planning and recommendation processes.*

/kg

Chancellor Cabinet Response:

I accept this recommendation as long as the first paragraph is adhered to and we are not entering into any type of negotiations regarding salary or benefits in the District Budget Committee. Rather, we are developing various budget forecast scenarios to determine the impact of potential expenditures and revenues on the District's short-range and long-range financial plans.

Chancellor

Date

10/27/14