

Santa Barbara City College
College Planning Council
Tuesday, April 19, 2011
3:00 pm – 4:30 pm
A218C
Minutes

PRESENT:

A. Serban (Chair), Superintendent/President;
I. Alarcón, President, Academic Senate;
O. Arellano, VP, Continuing Education;
L. Auchincloss, President, CSEA;
P. Bishop, VP Information Technology;
S. Ehrlich, VP HR &LA;
R. Else, Sr. Dir. Inst. Assessment, Research
and Planning;
J. Friedlander, Executive VP Ed Programs;

T. Garey, Academic Senate Representative
M. Guillen, Classified Staff Representative;
R. Limon, President Student Senate;
K. Monda, Academic Senate Representative,
Chair Planning and Resources Committee;
K. Neufeld, VP, Academic Senate
Representative;
D. Nevins, Academic Senate President-elect;
J. Sullivan, VP Business Service

ABSENT:

C. Salazar, Classified Staff Representative

GUESTS:

C. Alsheimer, Instructors' Association;
M. Croninger, Board of Trustee Member;
L. Griffin, SBCC Controller;
J. Meyer, Biology Professor

K. O'Connor, Interim Director, PE;
A. Scharper, Dean, Ed Programs;
L. Stark, President, Instructors' Association;
L. Vasquez, IT Committee Chair

Superintendent/President Serban called the meeting to order.

Information/Announcements

1. Grant applications under development – Jack Friedlander
Executive VP Friedlander gave an update on the current eight grant proposals. Dr. Friedlander stated that the first three concept papers were submitted through the Santa Barbara Foundation and one concept paper through the Hutton Foundation basically asking for additional support for the Express to Success Program (ESP) and for ESP degree transfer program development.
Two proposals are Title V grants that focus on specifically increasing the number of low income Hispanic students in particular who get degrees in Science and Engineering, and Math. These are 5-year grants, worth several million dollars. Academic Senate President Alarcón will be the project director for these two Title V grants. SBCC is partnering with CSUCI, who is running the grant. This partnership will provide a lot of benefit to our students who will learn of the various opportunities available to them. There are two FIPSE grants that have been submitted: 1) to more fully develop and implement our Eco-Entrepreneurship Program and 2) to develop and implement the ESP: Degree/Transfer initiative. The last grant is the Department of Labor's Trade Adjustment Assistance/Training Grant competition: the title of our proposal is "Going Global: International Logistics and Supply Chain Management Training Program".

There was further discussion on the details of the grants. Dr. Serban reminded the members that they had spoken before about no longer hiring for full time positions that will

be paid by grant money. It does not matter what the subject of the grant is we are not creating permanent positions anymore. Individuals will be paid as hourlies or as consultants or we will reassign time for our own faculty. We will not add positions that we then have to absorb once the grant is over.

Superintendent/President acknowledged Dr. Friedlander, the Deans, the faculty and staff for the significant amount of work going into these grants. It is a new record for us to have this many grants going out at the same time.

Discussion

2. Report from the Academic Senate – Ignacio Alarcón

Academic Senate President Alarcón reported from the last Senate meeting the several action items: 1) the reaffirmation of support for the Partnership for Student Success funding. Also it would be beneficial to have this funding and to have it visible in one single spot in the budget instead of the different centers where it is; 2) Recommendations for Budget 2011 – 12, the scenario that got consensus was Scenario 5. The only difference was there was a divided vote about when to start, Spring 2012 or Fall 2012. There was a motion not to start reductions until the Fall but that was defeated. 3) The other items that had the Academic Senate consensus were:

- maintaining center status for the Schott and Wake Centers, possibly through a combination of credit and non-credit
- maintaining the commitment to employment of all regular employees
- avoiding borrowing and maintain minimum fund balance of 5% contingency, cost of TLU liability, and the estimated deferrals of about \$13 million
- Transfers to the construction fund of a minimum of \$2 million and to the equipment fund of \$1.5 million.
- Bottom line starting in the Spring with modest reductions that were proposed.

3. Report from Classified Consultation Group – Liz Auchincloss

President, CSEA Auchincloss reported that the Classified Staff had consensus after much discussion at their budget forum and afterwards. The consensus is that the least amount of cuts should be made, starting with the Spring 2012 semester, as after that it would be detrimental to the college. They were all in agreement, of course, with not laying off permanent staff.

Dr. Serban reported that she was invited by Student Senate President Limon to speak at the Student Senate Meeting where she described the six scenarios. The Student Senate will take a formal vote this coming Friday.

4. Budget development for 2011-12 and preparing for 2012-13 and 2013-14 – continued from March 18, 2011 CPC meeting – please bring materials provided at the March 18 and March 22, 2011 CPC meetings - Preliminary recommendations to and questions for the Board of Trustees from the Superintendent/President and Executive Committee – discussed with the Board of Trustees at the February 16, February 23 and March 10 study sessions (Attachment 1)

Dr. Serban stated that at this point instead of following the agenda she wanted to look at the logic of certain things.

Dr. Serban referred to the handout, the “Plan for Ongoing Reduction in Expenditures 2011 – 12”. She explained in detail how the reductions will be implemented using Scenario 5, if there is to be a \$6.8 million permanent reduction in revenue and using Scenario 2, should there be a \$10.5 million permanent reduction in revenue.

Dr. Serban pointed out that regardless of the reduction, a \$6.8 million reduction or a \$10.5 million reduction, the \$2 million first year (2011 – 12) reduction target was the same for both cases.

Dr. Serban then went through the 2013-14 Scenario 5 plan, the \$6.8 million permanent reduction in expenditures. She explained in detail and pointed out just exactly how the college will arrive at reducing expenditures by 2013-14. Dr. Serban stated the proposal is to reduce \$500,000 in hourly expenditures. Hourly is the nomenclature which includes: short term hourly workers, student workers and overtime paid to classified staff. The reduction in the 4000 and 5000 is \$993,000.

Dr. Serban explained in further detail what this all means and referred to a hand-out “Expenditure Balances in Hourlies in unrestricted and restricted funds”. She pointed out how the areas would be cut then referred them to 2011-12 Expenditure reductions in hourlies and 4000/5000s accounts which showed how these areas would be cut. She said that the important point is to go back to look at what was spent. If you look at what was spent, then look at what is left after applying these reductions, it is actually still significantly over what was spent.

Dr. Serban explained in detail her reasoning for this which bottom line ends up adjusting down the budget and lessens what goes into ending balances.

Dr. Serban reported on the next spreadsheet representing the details of the reductions of expenditures phased over three years starting in 2011-12 as related to Scenario 2, the \$10.5 million permanent reduction in revenue. With the \$10.5 model there are more reductions in sections up front. The main difference in 2011-12 between \$6.8 model and \$10.5 model is that the \$6.8 model *operations* takes a harder hit up front rather than *instruction*. That is just the first year of reductions, but bottom line over time we still need to get to that higher amount, whichever one it will be.

5. Assumptions for budget development 2011-12 (handout)

Dr. Serban stated that this handout, “Assumptions for Projections 4/19/2011”, is a much more refined work on projections as it shows the impact on ending balances, because we are now including in 2011-12 what we expect to be increases (such as health benefits and PERS etc.) that we already know about, as there will be more that we do not know about. Scenario 1 has been dropped, because it is no longer an option.

After going through the details of this spreadsheet, Dr. Serban stated that the summary she is drawing from this, as she looks at the numbers, is that it is her strong conviction right now is that it is imperative to start reductions in 2011-12 and it is imperative to reach the \$2 million reduction and if you put that phase implementation that we talked about and even with that we don’t maintain enough reserves.

Dr. Serban stated that the discussions about the Assumptions for 2011-12 will be postponed, because it is time to vote on items 10 – 18.

- 6. Projections of impact on ending balances and reserves (handout)
- 7. Updated cash flow for 2010-11 (Attachment 3)
- 8. Update on status of program review resource requests; and routine and non-routine equipment requests
- 9. Updated timeline for development of college plan 2011-14 (handout)

Discussion/Action

Dr. Serban stated that the following items 10 through 18 have been discussed many times and initiated voting on the items.

10. Implement the ongoing cut to base funding in a three-year phased approach as follows:

| | 2011-12 | 2012-2013 | 2013-14 |
|-------------------------|----------------|---------------------------------------|---|
| If cut is \$6.8 million | \$ 2 million | \$ 2 million (\$4 million cumulative) | \$ 2.8 million (\$6.8 million cumulative) |

M/S [Sullivan/Alarcón] to implement item 10 as it is stated here with a phased-in approach beginning in 2011-12.

Discussion:

After discussion, Academic Senate Representative Monda stated that she is not ready to vote on the \$10.5 cuts. The motion was modified to include each cut separately.

M/S [Sullivan/Alarcón] to implement the ongoing cut of \$6.8 million in reductions, with a target of \$2 million in reductions starting in 2011-12, \$2 million in reductions in 2012-13 and \$2.5 million in 2013-14.

Yes: 12; No: 1; Abstain: 0

| | 2011-12 | 2012-2013 | 2013-14 |
|--------------------------|----------------|---------------------------------------|--|
| If cut is \$10.5 million | \$ 2 million | \$ 4 million (\$6 million cumulative) | \$ 4.5 million (\$10.5 million cumulative) |

M/S [Friedlander/Alarcón] to implement the ongoing cut of \$10.5 million in reductions, with a target of \$2 million in reductions starting in 2011-12 and with a provision that each year going forward, CPC revisit the State revenue.

Yes: 12 ; No: 1 ; Abstain: 0

11. Budgeting for the 4000 and 5000 accounts.

Dr. Serban stated that this will be discussed further at the next meeting, Friday, April 22nd.

She stated that she wanted to have a sense whether there is support for these targets as outlined with the cuts in hourlies, and the 4000 and 5000. This is fundamental in building the 11/12 tentative budget so that is an important conversation and by then you will have time to read the draft.

12. Scenarios for reducing expenditures over three-years (Attachment 2)

M/S [Alarcón/Friedlander] to implement Scenario 5 if we are faced with reductions of \$6.8 million.

Yes: 10; No: 2; Abstain: 1

M/S [Alarcón/Sullivan] to implement Scenario 2 if we are faced with reductions of \$10.5 million.

Discussion: There was clarification that for planning purposes, CPC needs to commit to a broad conceptual framework by voting on these different scenarios for each reduction amount. There was further discussion about cutting sections and how difficult that will be if we have to cut 650 sections rather than 440, and in terms of operations, there is the need to look at all of our services and what we can do without, and the importance of reduction in expenditures by cutting sections by Spring 2012 and start to plan for cutting operating costs as soon as possible.

Yes: 9 No: 3 Abstain: 0

13. Maintain center status (minimum 1,000 FTES per center) for Schott and Wake through a combination of non-credit and credit FTES

M/S [Nevins/Alarcón] to maintain center status (minimum 1,000 FTES per center) for Schott and Wake through a combination of non-credit and credit FTES.

Yes: 13 No: 0 Abstain: 0

14. Maintain the commitment that all regular employees of the college will be employed – no layoffs of regular employees due to budget reductions

M/S [Nevins/Bishop] to maintain the commitment that all regular *current* employees of the college will be employed – no layoffs of regular employees due to budget reductions.

Discussion:

The discussion about a hiring freeze versus not automatically replacing any position took place, meaning that each open position will be reviewed in terms of the needs of that department. CSEA President Auchincloss asked if this means that there will be no layoffs of current positions. *Current* was added to the motion that passed. Not added to the motion, but understood was that not every vacancy will necessarily be replaced and we will not put hourlies in those positions.

Dr. Serban stated that she wanted to be clear that in order for us to make this happen, we need to take the measures previously outlined to make the reductions that will keep us solvent to keep everyone employed.

Yes: 11 No: 1 Abstain: 1

15. For 2011-12, maintain the same total additional support for categorical programs (EOPS, DSPS, matriculation) from the general fund as in 2010-11 \$825,173

M/S [Friedlander/Nevins] that for the year, 2011-12, maintain the same total additional support for categorical programs (EOPS, DSPS, matriculation) from the general fund as in 2010-11 \$825,173.

Yes: 11 No: 1 Abstain: 1

Discussion:

VP Sullivan stated that he thought categorical were being treated better than everyone else. Dr. Serban said this commitment is for 2011 – 12 only, and we will revisit as we build the 2012 – 13 budget. If we cut enrollments, their needs not be the same. CSEA President Auchincloss asked if those in categorical funding will have their hourlies staying the same. Dr. Serban said that each VP will deal with their targets internally

16. Continue effective and prudent fiscal management to ensure that the college does not need to borrow

M/S [Nevins/Guillen] to continue effective and prudent fiscal management to ensure that the college does not need to borrow.

Discussion: There was no discussion.

Yes: 11 No: 1 Abstain: 1

17. Maintain a cash fund balance equal to 5% + cost of TLU liability + annual deferrals paid into the next fiscal year. This is the minimum level of cash needed to ensure that we meet cash flow needs throughout the year without the need to borrow. Minimum cash reserve of \$19 million

M/S [Alarcón/Nevins] to maintain a ~~cash~~ fund balance equal to 5% + cost of TLU liability + annual deferrals paid into the next fiscal year. This is the minimum level of cash needed to ensure that we meet cash flow needs throughout the year without the need to borrow. Minimum cash reserve of \$19 million.

Discussion:

Academic Senate President Alarcón made the motion stating that this item read as “fund balance” rather than “cash fund balance” as there is a significant difference. Dean seconded the motion, there was a short discussion about the change.

Yes: 11 No: 0 Abstain: 2

18. Transfer at least \$ 2 million/year into the construction fund and \$1.5 million/year into the equipment fund.

M/S [Monda/Neufeld] to transfer at least \$2 million in 2011-12 into the construction fund and \$1.5 million in 2011 – 12 into the equipment fund.

Discussion: Academic Senate Representative Monda reported on the faculty budget forum. Further discussion about the fact that the district would not start a project without adequate funding for a project, the flexibility to make funding decisions to augment the construction fund as needed, the fact that we need to make certain commitments and make an effort towards them no matter what the budget will be in the future, revisiting where we are in terms of Measure V funds, the \$ 2 million and \$1.5 million transfer will come off the top of next year's revenue because it would be in the budget.

Yes: 13; No: 0 Abstain: 0

Dr. Serban suggested that the next two meetings end at 5pm instead of 4:30pm. Everyone was in agreement. The meeting was then adjourned.

Next CPC meetings:

Friday, April 22, 9:00 am-12pm A218C – special meeting preparation for developing the 2011-14 college plan
Tuesday, May 3, 2011, 3:00-4:30pm, A218C
Tuesday, May 17, 2011, 3:00-4:30pm, A218C
Suggest to extend these last two meetings until 5pm.