

College Budget Committee Meeting
May 21, 2009
Draft Meeting Minutes

Attendance: Eloisa, Carla, Fermin, Rick Escalambre, Joe Morello, Rick Wallace, Anyta Archer, Soodi Zamani, Vicki Morrow, Barbara Lamson, Maria Escobar, Jeff Westfall, Nina Floro, Regina Stanback Stroud, Lori Adrian, Felix Perez, Mike Fitzgerald, George Wright

Absent: Ray Hernandez,

Review of minutes of April 30, 2009

The minutes were approved with one correction on page 2.

May Revise

Eloisa provided a brief synopsis of the Governor's May Revise. The May ballot initiatives did not pass. There is a \$5.8 billion shortfall, added to the \$8 billion shortfall, for a total of \$13.98 billion for the current year. There is a proposal to defer apportionment payments. There will be \$85 million across the board cuts to categorical programs. It is estimated that the \$42 million property tax shortfall will not be backfilled. In 2009-10, there will be \$340 million in proposed cuts across the board to categoricals and \$825 million in cuts for the whole system. People think the cuts to community colleges are disproportionate. The proposed cuts equate to 250,000 lost students. Funding to community colleges will be cut and at the same time be expected to grow and serve more students. Community colleges are encouraged to advocate for their fair share in funding. The proposals will go back to the legislature for further discussion. The State Chancellor made suggestions at ACBO, which include reducing course sections next year, not replacing resignations and retirements, and reducing administrative costs by having administrators oversee larger areas. The State Chancellor's office will advocate for the system, but foresee that they will succeed in reducing the proposed reductions by about \$300 million only.

Early analysis of impact on SMCCD

Based on Kathy's early analysis, the cut to apportionment is \$8.8 million and the cut to categoricals is estimated at \$5 million, for a total of \$13 million for the whole district.

Eloisa circulated the budget chart sent to the College Business Officers by Scott Lay of the Community College League of California on May 21. which lists cuts to categorical programs. Eloisa added additional columns to show the proposed change for 2008-09 compared to the enacted budget. The extent of the cuts will not be known until the legislature adopts the proposal and the Governor's signs it, which may not be for months. There was a brief discussion about AB551. If it passes, SMCCD would end up relying more on apportionment than property taxes. There is very strong support for that bill so. Ron, Kathy and Jim Keller have been going to Sacramento to ask State Chancellor's Office and CCLC staff not to support it. Property tax is a more stable source of revenue compared to apportionment.

Preview of proposed cuts to categoricals

Student Services staff shared how categoricals will be impacted. Eloisa created a chart to show the categorical programs at Skyline and impact of the proposed cuts to each one. The chart also shows the percentage of the allocation that goes toward salaries and benefits to illustrate that further cuts will affect people in positions paid out of these programs.

Next steps

Over the summer, the college and district staff will continue to dialogue and work together to identify measures to deal with the reductions. Lori said the Student Services managers and supervisors have met twice, as have the vice presidents across the district, to identify processes that can be simplified or centralized. There will be ongoing discussions and they have been looking at various levels of cuts, different ways of doing things, reorganization of functions. Regina added that the VPIs and instructional administrators have talked about coordination and low enrolled programs. There are also others along the lines of coordination of programs, collaboration and combining low enrolled programs between colleges.

Other discussion

- Cost cutting strategies: George suggested going back to earlier salary schedules, across the board, in an equitable way, to minimize/prevent layoffs and Vicki said if there is any interest it would have to be pursued through the collective bargaining groups. Mike thought voluntary furlough, such as a one-day salary donation, seems more practical and reasonable. Vicki said it needs to be a durable and persistent solution, a structural change, over multiple years. Vicki said there are cost-cutting strategies on the list that have been worked on. Fundraising strategies are inhibited by the recession.
- Student fees: There is a proposal to increase student fees from \$20 to \$24. Lori said an increase in student fees does not help the community colleges like it does the UCs and CSUs. If fees are increased, the CCLC said it would raise \$57 million for the state, which goes into the general fund. The community college system gets 2% of that.
- Cap: The district will hit cap next year so the colleges have to be careful not to have a lot of unfunded FTES.
- Facilities staffing: Currently, there are two custodians at Skyline during the day. If the cuts deepen, it is possible there may be one per day and two in the evening.
- Managed hiring: As the district moves toward managed hiring, people will move into slots vacated by retirements and resignations. Managed hiring has been done before but what is challenging is that there are not the not the number of open spots that there were last time. As a last resort, district would have to do layoffs.
- Open Forums: The May Open Forum on the budget is posted on iTunes U. There will be an all-campus forum in the fall for faculty, staff and students.
- Contacting legislators: George suggested people can channel their anger into positive motion. He suggested a march in Sacramento. Eloisa suggested contacting legislators and let them know what the impact will be on community

college students. Lori said there is a lot of advocacy going on right now by the community colleges. The legislators want to hear the impact on our students and their lives. The colleges have a short time span in which to do this, but it can be done. The CCLC has a form letter, but Lori said the legislators like the personalized letter. The website is www.ccleague.org and it will tell you the legislator's name, contact information and a form letter.

Budget meetings over the summer

The Chancellor said major decisions will not happen while people are gone, but the planning can be taking place. Eloisa and Kathy will continue to provide updates electronically.

- District Committee on Budget and Finance: The DCBF will not have regular meetings over the summer. Any state news will be forwarded via email.
- Skyline CBC meetings
Skyline will not have a known target number for months, but there needs to be aggressive planning. The colleges will be looking at ways to cut costs collaboratively over the summer. Eloisa suggested holding monthly CBC meetings over the summer, as needed. **The meetings will be held in Room 6203 from 2:10-4:00 pm on the following dates:**

June 25

July 23

August 27