

Santa Barbara City College
College Planning Council
Tuesday, May 17, 2011
3:00 p.m. – 5:00 p.m.
A218C
Minutes

PRESENT:

A. Serban (Chair), Superintendent/President;
I. Alarcon, President, Academic Senate;
O. Arellano, Vice President, Continuing Education;
L. Auchincloss, President, CSEA;
P. Bishop, VP Information Technology;
S. Ehrlich, VP HR &LA
R. Else, Sr. Dir. Institutional Advancement, Research & Planning

J. Friedlander, Executive VP Ed Programs;
T. Garey, Academic Senate Representative;
M. Guillen, Classified Staff Representative;
K. Monda, Academic Senate Representative, Chair Planning and Resources Committee;
K. Neufeld, VP, Academic Senate;
D. Nevins, President Elect Academic Senate;
C. Salazar, Classified Staff Representative;
J. Sullivan, VP Business Service

ABSENT:

R. Limon, President Student Senate

GUESTS:

M. Croninger, Board of Trustee Member;
K. O'Connor, Interim Director, PE;
A. Scharper, Dean Educational Programs;

L. Stark, President/Treasurer, Instructors' Association;
L. Vasquez, Information Technology Committee Chair

Superintendent/President Serban called the meeting to order.

1. Approval of the minutes of the following CPC meetings: December 16, 2010 (attached); February 8, 2011 (attached); February 15, 2011 (attached); March 1, 2011 (attached); March 18, 2011 (attached); March 22, 2011 (attached);

March 25, 2011; April 5, 8, 19, 22, 2011; May 3, 2011 (will be sent later in the evening on May 16, 2011)

Dr. Serban said the minutes were not sent due to the late time of the previous evening's meeting and that she will send them tomorrow. She wants the votes for approval by Wednesday, June 1, 2011.

Information/Announcements

2. Update on State Budget - Governor's May Revised Budget (if information available by the time of the meeting) - Dr. Serban

Dr. Serban stated that essentially this revise is not much different than the January version. The governor is still trying to get the tax-extension vote and it is clear it is not going to happen since there is no support for it. The College is still looking at the \$6.8 reductions, even though it could still be \$10.5, and even though it looks less likely because of the

additional revenue that the State received making it harder to justify the full suspension of Proposition 98. This is the good news.

Assuming that this proposal holds the deferral amount is being reduced for SBCC from \$13.2M to \$8.4M. That helps in terms of cash flow. Dr. Serban stated that at this point she is quite certain that we will not have a budget until October or November.

Even though we will receive the \$11.3M in July, that is owed from last year, in terms of apportionment owed in the next fiscal year, the College will probably not get anything until October or November 2011. This means that the college will need to rely on the cash balance reserves.

Discussion

3. Handout provided by Trustee Macker at the May 12, 2011 Board study session (attached)

Dr. Serban stated that at the Board Study Session, the ultimate conclusion, as it relates to the 2011 – 12 tentative budget, is that we will proceed with the tentative budget that you have in front of you with the exception of taking the \$6M for Drama/Music building that we were planning on taking from the Construction Fund to pay for its additional costs. It will be done next year and this project needs to be funded, but for now, the desire was to use Measure V Funds. Of course that has impact in terms of what is left in Measure V funds, but this discussion will occur in several iterations between Board and Facilities Committee Meetings as we move into fall. We already know that we are overspent by about \$6M without the Drama/Music building project, so by adding this \$6M, we are now overspent by over \$12M. At some point, unless we use the Construction Fund to pay for this project, it means that some projects will not get done. There is time available to discuss this funding matter.

President, CSEA, Auchincloss asked if there was a plan to sell the second part of the bond. Dr. Serban replied that we need to have spent almost all of our first issuance; there is no point to go for a second issuance if there is still money from the first one. Second of all, when we plan for the second issuance, we have to have a clear understanding what projects are going to be done and when. If we still hope to do the Schott and Administration buildings, we need the state to pass a capital bond for us to get some money. So we may even actually split the second issuance and a second and third issuance rather than just go for a second bond. Also, we do not need to take all the money in one lump sum, which the taxpayers appreciate. Interim Athletic Director O'Connor asked what the impact will be on the remodel for the Humanities building and the Campus Center. Dr. Serban replied that further discussion needs to occur because as we go through the tentative budget there is a section there on where we stand on the Measure V money.

Dr. Serban pointed to the Bond Construction Fund section of the 2011-12 Tentative Budget, and explained that if we proceeded as we were planning to proceed we would have ended 2011-12 with about \$12M left from the first issuance of the bond money and you may recall that humanities right now is estimated at about \$14M.

The \$12M ending fund balance from Bond Construction Fund 2011-12 will change to an

ending fund balance of \$6M since we will use the \$6M to complete Drama Music and it means that there will not be enough to start Humanities. It would be at that point we would have to go for a second issuance. In the end, we are still left with a lot that cannot be done anymore, so that is the discussion that needs to take place.

There was further discussion regarding the list of projects that we were proposing to do, possibly out of the second take down, and left us still with a deficit of about \$6M but it had Campus Center - \$14M; Schott - \$7M; Administration Building - \$9.9M and the Program Management which we have to pay \$1.6M. It was agreed that this all will be discussed in more detail in further meetings

Dr. Serban said that in terms of this handout, the agreement was that we will look at the proposals (they are not policies, which is a broader legal term) and respond in time for the development of the adopted budget. The adopted budget needs to be approved before September 15, 2011. There was discussion about the timing and it was agreed that CPC will meet Friday, June 17, 2011 from 1p.m. – 3p.m. to discuss this and come up with a response prior to the June 23rd Study Session.

Dr. Serban stated that she and the VPs have looked briefly at the proposals and see that in some areas we actually need some clarifications and what some of these things are really intended to mean. The concern from a few of the Board Members was that we are not cutting enough in 2011-12 and that we need to cut more in 2011-12 to make sure that we have a higher level of reserves by year 2013-14, than is currently predicted based on this current pattern of spending. If we know by August, if the proposed reduction in the amount of the deferrals holds, it will help with cash flow.

Dr. Serban stated that what we are talking about internally from her perspective is participatory governance, per Title V, AB 1725 and our own Board Policy #2510. Board Policy 2510, Participation in Local Decision Making, has a clear definition of what the consultation process is. Dr. Serban stated that it is important to make sure that everybody understands what we are talking about. Dr. Serban gave an example that if a classified staff position becomes vacant; it is actually management's responsibility to decide if that position needs to be filled or not. It is not a participatory governance process. It is a discussion in CSEA as the bargaining unit, but it is not a discussion that goes back to participatory governance. We need to be clear what is subject to consultation, to participatory governance, by whom, and what is not. Otherwise it is truly unmanageable.

Dr. Serban pointed out that some of the issues need to be discussed now. For example: *II. Financial Aspects, 9. Under current economic circumstances and recognizing the need for clarity in discussing and understanding the budget, the 2011/12 and following budgets, will use a baseline of actual average expenditures in each major object and account for 08/09 and 09/10. This baseline will be adjusted by projected changes in enrollment and/or reasonably anticipated cost increases or decreases.*

- a. Dr. Serban said that to set a baseline related to the average of the expenditures in 2008-09 and 2009-10 does not recognize that those were the years where we spent the least in a long time comparatively speaking to the growth enrollment and everything else. That was a concerted effort to reduce our spending. We now realize that in certain areas, the amounts cut from the budget did not work and we

restored certain amounts for readers. She further explained that these years are not a good baseline to use because they are over where we asked everyone to limit spending.

- b. VP Business Services Sullivan said that we need to propose an alternative baseline because we have to reduce from actual expenditures. Dr. Serban thinks we should use 2010-11 as the new base because it was an important year. It was the first year where we fully implemented the program review allocation model. Before we did not allocate resources based on program review. We cannot go backwards; it took too much effort and work to get where we are. I think that is what we need to discuss. Dr. Serban would like a reasonable alternative that makes sense that does not undermine the efforts that we have made to both not spend and implement program review. Dr. Serban stated that there is some agreement on some of the recommendations; they are what we have proposed initially anyway.
- c. Academic Senate President Alarcón mentioned to the Board yesterday that one of the items that he thought needed further discussion for him was: *II. Number 11. A hiring chill is imposed as of May 16, 2011.*
 - a) *Faculty positions already approved by the Academic Senate as of that date for rehire based on retirement or resignations are exempted.*
 - b) *All other proposed replacement or new hire positions not hired as of May 16, 2011 will be re-evaluated and new or replacement hires proposed will be brought to the Board with a memo addressing the proposed hire in terms of the target, and other relevant factors including recommendations of stakeholder shared governance groups and affected departments.*

Mr. Alarcón stated that under Scenario 5, we will look at all vacant positions carefully. The process that is being described in the memo is against Board Policy 2510 where we have made clear that hiring processes for faculty members are the purview of the Academic Senate.

There was further discussion regarding the budget suggestions that were emailed from the campus community to the budget email address, budget@sbcc.edu. Dr. Serban said she would share these suggestions without the names attached. Some of the suggestions were: (1) charge employees for parking on the Main Campus and also charge parking at the Schott and Wake centers; and (2) use La Playa Stadium for large concerts. Even though the proposals are good ideas, the College cannot build operational ongoing expenses on this kind of money. This kind of money would help us fund initiatives. There were no ideas regarding significant expenditure reductions. VP Sullivan announced that there would be a Farmers' Market this summer on the West Campus.

There was a suggestion that CPC could discuss this with the Board Member who wrote the proposals and Dr. Serban clarified that we don't have conversations with individual Board members, it is not appropriate. We have to use the Board Meetings for discussion. The Board is supposed to conduct its business in public. To constantly do Board work outside meetings is not appropriate.

4. Discussion and outcomes of the May 12 & 16, 2011 Board study sessions on budget that Andreea Serban, VPs, Ignacio Alarcon, Liz Auchincloss, and other CPC members attended all or part of these meetings.
5. Budget Assumptions Tentative Budget 2011-12 as of May 9 2011. (attached)
6. Draft of tentative budget 2011-12 as of May 5, 2011 (attached)

VP Business Services Sullivan went through the of the SBCC District Tentative Budget for July 1, 2011 – June 30, 2012 which includes restricted and unrestricted funds starting on page 1. The details are in the Assumptions which is a separate document.

Dr. Serban explained from page 10 of the Tentative Budget Draft and from the handout, Equipment Fund Expenditure Balances, why we need to expend \$1.5M on the program review resource requests. She pointed out that we need to end the year with a balance of the \$1.6M in the Equipment Fund for a cushion and unexpected expenditures that come up during the year.

5. Program review resource requests for 2011-12; and routine and non-routine Equipment requests for 2011-12 (handout)
 - a. Dr. Serban opened the discussion for the Program review Resource Requests 2011-12 handout. These are the totals that were submitted at the Priority 1 level. Dr. Serban noticed some discrepancies, then enumerated them. There was detailed discussion, then Dr. Serban stated her proposal:
 - a. The final allocation that the college will fund is \$1.5 M. Each area will prorate this amount. For example General Equipment requests totaled \$815,000, which represents 38% of the total \$2,161,191. Of the \$1.5M to be funded, \$565,000 will go to General Equipment and \$565,000 will be decided between the VPs within their own areas.
 - b. In terms of the P&R and ITC requests, Executive VP Friedlander will go back to those rankings and take the ones that were ranked number 1 by ITC and P&R off the top, meaning those would get funded first and if there is any money left over, then other things will get funded.
 - c. Dr. Serban explained that she is proposing the following: \$565,846 for General Equipment; \$665,924 for Hardware; \$268,231 for Software. Based on the proration of those amounts, we need from the areas other than Ed Programs a concept of whether we wait for them to figure out their amount needed to find their highest priority.
 - d. Further discussion ensued about the necessity to have better feedback directly into the online system since the spreadsheet situation does not work. The additional review is needed on the items entitled “other” that were on the former Program review Resource Request list, which were not included on this list, and the role of DTC.

6. Next steps

Dr. Serban reminded everyone that our next meeting will take place Friday, June 17, 2011 from 1 p.m. – 3 p.m. in room A218C to discuss the Macker/Croninger proposals for the budget, then adjourned the meeting.

Next CPC meetings:

Friday, June 17, 2011, 1 p.m. – 3 p.m.-A218C

Summer CPC meetings for development of college plan 2011-14: Friday, July 22, 2011, 9:30 a.m. -12:30 p.m., A218C and Monday, July 25, 2011, 9:30 a.m. -12:30 p.m. in A 218C.