

**Santa Barbara City College
College Planning Council
Wednesday, June 17, 2009
3:00 pm – 4:30 pm
A218C
Minutes**

PRESENT: A. Serban (Chair), I. Alarcon, O. Arellano, L. Auchincloss, P. Bishop, S. Broderick, S. Ehrlich, J. Friedlander, T. Garey, M. Guillen, J. Meyer, K. Molloy, D. Nevins, C. Ramirez, J. Sullivan

GUESTS: P. English, L. Griffin, K. O'Connor, A. Scharper, C. Smith, M. Spaventa, L. Starke, M. Linn, J. Walker

Call to Order

Superintendent/President Dr. Serban called the meeting to order. She welcomed Dean Nevins, Ph.D., the new faculty member from Academic Senate,

1. Approval of the minutes of the May 19, 2009.

**M/S/C [Guillen/Molloy] to approve the minutes of the May 19, 2009 CPC Meeting.
Everyone in favor.**

Information Items

2. Brief overview of Superintendent/President Serban's visit to Sacramento June 15-16.
 - a. Superintendent/President Serban went to Sacramento with a group of 21 people, from the Tri-County Education Coalition (TCEC), a non-profit group that represents K-12 and community colleges from Ventura to San Luis Obispo, as well as others from the Central and South Coast education community. The group developed talking points that they presented to everyone they met which included: legislators, staff of legislators, and representatives from ten different organizations including a CSEA representative. They also met with Senator Gloria Romero, Chair of the Education Committee and Glen Thomas, the Secretary of Education who both spent a lot of time with the group discussing the dire and critical State Budget situation ending up stating that 2010-11 is going to be worse than 2009-2010.
 - b. Superintendent/President Serban summarized what happened in the budget conference committee from the June 16th proposal that was included in the email from Erik Skinner, CCCCO Vice Chancellor of Fiscal Policy. The information that was not mentioned in Skinner's email is that the budget attached to his email is based on a significant amount of money that Democrats are proposing in new tax revenues.

These new taxes span from taxing the oil operations, reverting tax breaks that businesses received in February 2009, to taxing capital gains for business. There is a great chance these new taxes may not be enacted because there is a strong contingent who are vehemently against raising any taxes, thus if not passed would change the budget. However, everyone recognizes that this time around the legislators need to reach a compromise by June 30th because the state will be out of cash by July 1.

- c. Superintendent/President Serban spoke to several legislators about the information on the proposal of a five year suspension of the Full Time Faculty Obligation (FTFO) and the fact that the proposal had been voted down in the budget committee because of strong lobbying from faculty unions. Dr. Serban said that it would have been helpful for budgeting purposes if the college knew for a fact that for 5 years there would be a moratorium on the Full Time Faculty Obligation. It would have made budget planning very different. In a meeting with Dr. Serban, Lance Izumi, the CCC Board of Governor's President stated that the BOG can only waive the FTFO one year at a time.

Discussion Items

- 3. Status of SoMA – reduction in state funding – continued discussion from May 19 CPC – Andreea Serban, Barbara Ben-Horin
 - a. This was postponed until there is further information on the situation with matching funds for SoMA.
- 4. Revised budget assumptions for 2009-10 per May 14 Governor's Budget Presentation – highlight of some revisions since the May 19 CPC (attachment)
 - a. Controller Leslie Griffin reported on the following:
 - i. Conference Committee's June 16 budget changes and the new schedule for the categorical cuts. The categorical 54% cuts were changed to 16% or 32% cuts, which is good news. She reported that for those programs with the 16% cut there will be no backfill from the general fund. Those areas with 32% cuts may need backfill from the unrestricted general fund. Superintendent/President Serban reported that in the meetings with categorical groups they spoke of the need to create a budget scenario with the cuts included and what does that really mean for this coming year and 10-11. Dr. Serban stated that the college cannot continue on an ongoing basis to fully back-fill the categorical program cuts from the general fund.
 - b. Leslie Griffin pointed out the ending fund balance and the fact that the college needs to have enough cash to cover the following requirements: The 5% contingency fund and the banked TLUs.

- c. The need to reduce \$1.5 million from the hourly expenses, leaving the need to cut \$4 million from somewhere else.
 - d. Dr. Serban spoke of the idea that the college may not be required to maintain the current base, which means that FTES can be reduced. The next step is to figure out what the budget implications are and how that will affect our students, faculty and staff along with the increase per unit coming up. What FTES will be targeted for reduction and how it can be implemented by the Fall given that students have started registering will be part of a discussion. How much FTES that will be targeted needs to be balanced with the impact that the \$26 per unit may have on enrollment.
5. Revised tentative budget for 2009-10 highlight of some revisions since the May 19 CPC (attachment) – Joe Sullivan
6. Implementing expenditure reductions and revenue generation for 2009-10 and beyond (attachment) - All
- a. Recommendations from the Academic Senate. Academic President, Ignacio Alarcon reported that the Academic Senate discussed several things at their last meeting, like taking more students, supplementing tutorial, and the instruction in some of the labs. The Senate will meet July 15th and will have more to report, depending on what happens June 30th.
 - b. Change in hourly pay schedule (attachments).
 - i. VP Sue Ehrlich reported from the updated hourly pay schedule sheet. Sue Ehrlich said that this schedule is the result of a range of discussions and exchanges relative to how the college wants to approach dealing with the budget reductions. The different levels of savings are simplified by using color codes: the red rates as the higher rate per hour and the rates indicated by the blue indicate less dollars per hour. The greater amount of savings would be achieved if the blue rates are implemented. The goal is to recognize that this college, compared to other community colleges, and compared to what our work load should look like if one reads the CA Education Code, is very heavy with hourly employees and we need to make a significant reduction. Ehrlich stated that the difference in this attachment from the first is that there are more exceptions listed which had been modified based on feedback. These are positions that carry a licensing or a certification in order to do that work, for example a registered nurse to do that work or an EMT license or an athletic training certification.

Dr. Serban noted that the targeted reduction in hourly expenditures for 2009-10 is \$1.5 million. With the blue rate, there are more hours of service for the college and the option for more people to make money versus paying the red

rate which gives the worker and the college fewer hours. The cut that is needed from the hourly budget is not across the board. The Departments' needs have to be analyzed. The cleanest way to implement a change like this is to do it all at once and all at the same time, effective July 1. Hourly pay rates are not subject to shared governance; however, because the college is in such a challenging fiscal situation, Dr. Serban wants everyone to understand where the college is and she asked for CPC's support.

There was further discussion about the concerns of not being able to hire capable people at the lower rate. The CPC members spontaneously spoke for their preference, the red rates or the blue rates, on behalf of their Departments. Many were in favor of the blue because there would be more coverage for the students. At the same time, some were concerned about the possibility of losing the current qualified responsible hourlies to the less qualified at the lower rates.

This was acknowledged as potentially being an issue and at the same time there is only so much money available. Student Senator Mike Linn stated the student's perspective that the blue rate is better because the students gain experience that they would not otherwise gain plus the international students are legally allowed to only work on campus.

Director of Human Resources Pat English informed the CPC members that currently the labor market is quite different than in the past. For example, twenty people used to apply for classified jobs whereas now 100 people are applying for those same jobs. There is currently an abundance of people to choose from and those eager to do the work that needs to be done will be getting the jobs. CSEA President Auchincloss, Director Jason Walker and Dean Marilyn Spaventa brought up pros and cons of using hourlies.

Superintendent/President Serban asked for an advisory vote because she will continue discussions with management on Friday.

M/S/C [Sullivan/Auchincloss] that we adopt the blue model on the hourly pay schedule. Those in favor: 8; those opposed: 4; Abstained: 2.

M/S/C [Sullivan/Auchincloss] to move the adoption to action.

- c. Additional international students (included in the attachment to #5) - handout Planning for Expenditure Reductions and Unrestricted General Fund Revenue Enhancement in 09-10.

Superintendent/President Serban spoke about the recent discussion with the Board at the Fiscal Committee and at the Study Session about allowing SBCC to temporarily increase the number of International Students per semester from Board approved limit of 6% to a higher percentage, per semester, and what it means in terms of

revenues and impact.

VP Sullivan reported from: International Students contribution Margin Analysis. The analysis does not include additional cost of instruction or additional cost of administration, it is looking at the additional revenue and taking out any additional direct cost that is specifically attributable to international students, not students in general. Sullivan said that there was considerable discussion about the benefit of adding international students and concluded that the benefit is significant, in terms of revenue for the college. It is one of the few ways for the college to create significant additional unrestricted general fund revenue.

Senior Director of the International Program, Carola Smith gave some quick statistics on the diverse student population in the program and reported that there is a cap on students coming from some countries because of the need to keep the student population from growing disproportionately. The number one major is Liberal Studies because students who are undecided about their majors or who might be here for a semester or two prefer the general studies; one-third of the International Students are business students which is where they have the biggest impact. Film Production and all the media programs are very popular. International Students are high achievers with an average of a 3.25 GPA and 25% are in Phi Theta Kappa. She reported further on the positive impact the International Students have on other students in the college in the various classes. Academic Senate President Alarcon stressed that we owe it to the International Students to have the extra sections in place and make sure they get into the classes that they need. Sullivan noted that the cost of instruction is the cost of doing business and if we add a section for international students or in-state students, the cost is the same overall on the average. Smith said the availability of the English and Math classes is crucial and we must assure availability to them. Academic Senator Garey asked if in adding classes, are we still netting enough to make this worth it. VP Sullivan said there is net revenue for the college.

Student Senator Linn asked about the influence on competition with local students over classes. Dr. Serban stated that the international students are the ones who in attending classes that would have been cancelled help make the minimum 20 students, therefore salvage the classes that local students would not have been able to attend. Further discussion took place clarifying the positives of adding a higher cap to the number of International Students attending the college. Dr. Serban stated that since the Board is willing to consider a potential moratorium on the 6% cap for awhile, she asked if there is a sense that the CPC members are in approval of this. She wants to be able to take this to the June Board Meeting. The increase in the cap would materialize in the Spring.

Academic Senate Member Garey reported that a question had come up in the Academic Senate and that was if the budget is going to include a workload reduction in FTES for CA students, then is the college creating a PR issue of cutting out resident students and adding international students and is there any issue in terms of

addressing that? Superintendent/President Serban stated that the State of California is not funding the community colleges to serve more than x number of California students, whereas the International students bear a different financial burden. Dr. Serban said that the main issue is that the college needs to cut millions of dollars because of the California State Budget Crisis and if the college wants to minimize layoffs and reduction in services to students, there needs to be more revenue in order to have fewer cuts. Increasing the cap on International Students is one of the few ways we have to do this. If the community has a problem with this, the college is open to problem solving ideas rather than unconstructive criticism.

VP Friedlander reiterated what Dr. Serban said. By having additional international students, the revenue they bring will help us mitigate some of the cuts that we have to make that would directly impact students. Therefore our resident students will actually be advantaged by having the extra international students because it mitigates cuts and also it will create some additional opportunities for them to take classes in sections that would they may not otherwise have access to. There was further discussion to clarify issues.

M/S/C [Molloy/Alarcon] to approve raising the cap on International Students from 6% per semester to allow up to 8% for up to 5 years and make a commitment to ensure classes are available for those international students. Everyone in favor.

M/S/C [Molloy/Alarcon] to approve to move to Action Items. Everyone in favor.

d. Other actions – Andreea Serban

e. Timeline for implementation of expenditure reductions for 2009-10

7. Server and computer refresh options for 2009-10 (handout)

Paul Bishop reported: The Technology Refresh Draft Schedule for the Next Two Years that will be paid for from the \$820,000 that have been in that capital line for equipment, since we do know that we will not have additional dollars coming in. He went through all that needs to be refreshed and in what order. Machines need to be replaced specifically in the two labs, CAD and CNEE, critical because the lack of new machines has a dramatic impact on instruction, since they are currently using older versions of the software. After much discussion, Superintendent/President Serban said that we need to spend the extra money because we have a responsibility to offer instruction that puts the students' knowledge on the cutting edge in order for them to get jobs. These are certification programs. Superintendent/President Serban asked if CPC thinks we can proceed with spending the extra \$253,000 to refresh and update computers.

M/S/C [Alarcon/Nevins] to move to Action Item. Everyone in favor.

M/S/C [Molloy/Friedlander] to approve the spending of \$253,000 for refresh and replacing computers. Everyone in favor.

8. Moodle implementation – support – Superintendent/President Serban spoke on the timely issue with the need for support for the Moodle implementation. Given that online education is so critical for the college and is 10% of our FTES, we need to continue the work on Moodle. This is time sensitive in that the Remote Learner contract comes to an end on June 30th. They were paid from Lottery Funds that are for Instructional Support and we still have Lottery Funds for Instructional Support. Superintendent/President Serban asked for a vote from CPC regarding the need to continue with Remote Learner for 09-10 and pay from the same source, Lottery Instructional Support. The cost is \$90,000 this coming year, up from \$75,000 in 08 – 09. VP Friedlander stated that this is a lot less than we were paying in the past because we have discontinued our contract with WEB/CT, and we have a savings from Banner. Superintendent/President Serban said that The Lottery Instructional Fund has restrictions and can be used only for instructional support.

M/S/C [Garey/Nevins] to approve of giving a new contract to Remote Learner for the coming year. Everyone in favor.

M/S/C[Guillen/Ehrlich] to move this to an action item.

Superintendent/President Serban adjourned the meeting. Depending on what happens with the budget, CPC may need to meet earlier than July 27.

Next meeting: Monday, July 27, 2009 3:00-4:30pm A218C