

Oxnard College Campus Budget Forum

Presented by:

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College Budget Overview

- Forums were held on campus April 14th and 15th to discuss the release of the 2009 Budget Act on February 20, 2009.
- At that time, the 2009 Budget Act was promoted as representing a “comprehensive solution to the state’s \$41.6 billion budget shortfall; the most challenging budget shortfall in the state’s history.”

General Fund reductions included in 2009 Budget Act for California Community Colleges

- A decrease of \$230 million to college apportionments was included to reflect an ongoing deferral of a portion of payments due in January and February of 2009. These cash payment deferrals have been continued as part of the 2009 Budget Act.
- A 0.68 percent COLA, provided to CCC's in the 2008 Budget Act, and which amounted to \$39.8 million, was also eliminated in the 2009 Budget Act.

Summer changes to the 2009 Budget Act

- The 2009 Budget Act relied on several revenue and cost saving ballot measures to be passed in May in order to be balanced. These measures were estimated to address up to \$6 billion of the projected budget shortfall for 2009-10. None of the ballot measures passed, which resulted in the Legislature and the Governor going back to State agencies and departments for additional budget reductions.
- At the time of the enactment of the 2009 Budget Act in February, CCC's were "spared" from program cuts that were implemented for the K-12, UC, and the CSU systems. With the failure of the May ballot measures, allocation cuts totaling approximately \$235 million were imposed upon the CCC's through follow up legislation that was signed by the Governor on July 28, 2009.

CCC Allocation Reduction Detail

- Base apportionment reduction of \$120 million General Fund.
- Anticipated shortfall in General Fund revenue of \$41 million, and an overestimation of property tax revenue by \$21.2 million.
- Reduction of \$53.4 million from projected enrollment revenue.
- \$85 million mid-year reduction in 2008-09 continued as an ongoing reduction.
- Categorical programs had funding reduced from 0-100%
- Total 2009 Budget Act reductions for the community colleges totaled \$680 million, with a projected enrollment loss of 250,000 students to the system.

2009-10 Reduction Recommendations/Actions

On May 5th the P&BC made final recommendations to the college President regarding how the college should approach budget reductions. The following recommendations were made:

1. **Vacant General Fund positions would not be filled unless they are critical to the college.**
 - **Vacant positions in areas such as History, Math, Grounds, and Management were not filled in the Fall in order to generate General Fund savings to support 2009-10 college operations.**
Management positions kept vacant, such as the Supervisor of Technology Services, and the Dean of Student Services will be filled for the Spring to provide needed supervision and direction of these areas. The Dean of Economic Development position has been eliminated and the Ground Maintenance Worker will not be filled in 2009-10. Faculty positions in History and Math will be reviewed to determine the college need to fill them for 2010-11.
2. **The college would reduce hourly classified staffing, unless this was critical to ensure a program's compliance with State or Federal mandates.**
 - **Staffing for hourly student workers was cut college wide, as well as hourly funding for Counseling in the Student Services unit.**
3. **The college would schedule courses taught by hourly faculty based upon the definition of core courses and available funding.**
 - **Section offerings were reduced in the fall and spring, and with the severity of budget reductions, the 4-week schedule will not be offered in Summer 2010.**

2009-10 Reduction Recommendations/Actions

4. **Equipment, computers, or other program service needs such as consultants, would be delayed until funding is available.**
 - **New General Fund purchases for maintenance equipment and office computers and printers have been delayed, with funding for consultant services such as grounds maintenance and professional development reduced or eliminated.**
5. **The college Publications and Marketing budget would be reduced, relying on web technology more to assist. The college would also print fewer class catalogs.**
 - **The college Publications/Marketing budget was reduced by 50%, with the college also moving to print catalogs on DVD's, resulting in minor savings for this expense. The college is also looking to provide more paperless options for the class schedule to generate additional savings.**
6. **The college would reduce full/part time positions as needed to reach the 5% reduction level, but only as a last resort.**
 - **General Fund/Categorically funded positions such as a Media Service Specialist in Technology Services, a Student Services Specialist in Student Services, a Placement Project Specialist in CalWORKS, a Counselor Assistant in Matriculation, a Learning Disability Technician in DSP&S, and a Public Relations/Marketing Specialist in the President's Office, were among a number of positions that were reduced, eliminated, or consolidated due to budget reductions or organizational restructuring.**

2009-10 Reduction Recommendations/Actions

6. The college would reduce full/part time positions as needed to reach the 5% reduction level, but only as a last resort (cont.)

These positions were recommended for reduction or elimination if no other alternative reductions were available. All recommended reductions were vetted and approved in Chancellor's Cabinet prior to submittal to the Board.

7. All Divisions were to participate in college budget reductions.
 - Administrative Services (\$204K), Student Services (\$218K), and Instruction (\$817K) all contributed to the college reduction as recommended by the P&BC.

Campus Budget Planning Overview

- After the conclusion of the mid-year budget cuts in November 2008, college units began informal discussions to plan for possible reductions that were anticipated for 2009-10.
- In December 2008, units were instructed to begin the formal process of meeting to discuss their individual reduction plans, with possible reductions to some programs or services estimated to be as much as 10-20%.
- Given the revenue projections from the Department of Finance, the college Planning and Budget Council (PBC), as well as the individual college units, were alerted in January 2009 that the college was looking at a 2009-10 General Fund reduction of up to \$1.8 million, or 7% of the overall college budget. The three college Divisions were instructed to build their budgets based upon a 3%, 5%, or 7% budget reduction.

Campus Budget Planning (cont.)

- At the January 21, 2009 PBC meeting, members discussed the necessity of building three different budgets and how decisions would be made by the units to determine what positions, programs or services would be reduced. It was agreed that each Division would need to identify its core programs and services through their respective Program Review processes with the results presented to the PBC in March or April.
- Also at this meeting “core” instructional classes were defined as those instructional classes that were essential to support transfer, certificate and degree programs, needed for students seeking to learn English as a Second Language and the transitional skills necessary for access and success in the college curriculum and community life, and classes for students/community members seeking continuing education to fulfill employment or professional certification requirements.

Campus Budget Planning (cont.)

- “Core” programs and services was also discussed by the PBC as those programs and services essential to meeting and supporting the mission of the college, whether it was in the Instruction, Student Services, or Administrative Services Divisions. College units were then responsible for defining their core functions in order to make reductions recommendations to the PBC.

Campus Budget Planning (cont.)

- During the months of February and March 2009, the Program Effectiveness and Planning Committee (PEPC) and the Student Services and Administrative Services Divisions were to meet to go over program review and further define the definition of core services for the different college areas. Information from these groups was to be forwarded to the PBC for discussion and final recommendations in May 2009.
- At the April 29, 2009 PBC meeting, the prioritization of units resource requests as well as the process for how these requests were vetted was discussed. Each Division utilized a collegial process where program or service expansion needs or proposed reductions for 2009-10 were discussed. For the Instructional Division, budget planning was vetted through the Department Chairs, Deans and the Vice President of Instruction, with the Student Services and Administrative Services units meeting with their respective Vice President's reviewing and recommending unit needs and budget reduction plans for 2009-10.

Campus Budget Planning (cont.)

- On May 5, 2009, the PBC met one final time before the close of the year to review college resources requests and recommend the budget prioritization for college resources and personnel. Potential budget cuts totaling approximately \$1.2 million (5%) for the college was discussed, along with recommended rules and guidelines for future program discontinuance and any college reductions that would require implementation during the summer.
- Also at this meeting, a draft report of the PEPC subcommittee on core courses was distributed which designated “core” courses as those courses which would be necessary for degree programs and/or transfer, English as a Second Language or transitional studies courses, or classes for continuing education. Elective offerings were to be offered based upon budget availability. The recommendations in this report served as part of the general principles for selecting courses for the 2009-10 college schedule.

Campus Budget Planning (cont.)

- Core services for non-Instructional units were viewed as programs or services necessary for Health and Safety, State or Federal Mandate compliance, required to meet the objectives of the college Strategic or Educational Master Plans, or needed to meet college enrollment growth or building expansion. Non-Instructional units submitted resource requests or implemented budget reductions based upon these criteria.

2009-10 Budget Development Summary

- In late May 2009, a college reduction plan totaling 5% was implemented as submitted to the college Business Office by the Divisions, and as recommended by the guidelines of the P&BC at their May 5th meeting. This was required to prepare for the Preliminary Budget which was approved by the Board on June 23, 2009. The reduction plan was implemented for the Preliminary Budget given the information provided by the State in late May, and after the P&BC recessed for the summer.
- General Fund reductions implemented by the college for the subsequent Tentative Budget, which was approved on August 4, 2009, or the Adopted Budget approved on October 13, 2009, were consistent with the initial college reduction plan reviewed in May. These reductions were implemented as a result of college reorganization or program consolidations and would provide sustainable reductions for the college to meet ongoing base reductions to funding implemented by the State.

2009-10 Budget Development Summary

- Reductions to categorical funding, based upon expected funding from the federal government, also drove the revisions for the Tentative and Adopted budgets. Some areas such as Instructional Equipment and Library Materials (IELM) and Scheduled Maintenance had virtually all of their funding eliminated in the 2009 Budget Act. Funds in these areas however, have been used by the college to support ongoing program or service needs. See Attachment #1 for reduction specifics.
- Due to the elimination of funding for IELM and Scheduled Maintenance, the reduction to General Lottery funds, and the need to meet ongoing costs associated with various instructional and institutional support needs that were supported by reduced or unsustainable funding, the college allocated funds to meet program and service needs for the Library and Matriculation programs, Biological and Physical Sciences, Athletics, and the Culinary and Restaurant Management and Dental program areas. While one-time General Fund, STEM, and Restricted Lottery funds were used to meet these operational needs in 2009-10, these costs will need to be incorporated into our base level of ongoing General Fund if they are to be continued in future years.

Outlook for 2010-11

- The college Planning & Budget Council will again need to utilize program review processes from the respective divisions to make budget recommendations to the college President. Budget recommendations will be criterion based and related to college mission priorities, strategic and educational master plan recommendations, state and federal mandates, and health and safety requirements, while recognizing the level of funding that will be available for distribution.
- Federal funding, totaling \$35 million, and provided on a one-time basis to the state, will not be available for categorical programs next year. This may require the General Fund to make additional reductions to absorb these programs and services.

Outlook for 2010-11

- Property tax, sales tax, and corporate income tax revenues are below their forecasted levels. On October 16, 2009, the Sacramento Bee reported that state revenues are more than a billion dollars less than anticipated at the end of the first fiscal quarter. With lower state revenues, this will again drive the state to provide a reduced base level of funding to community colleges as well as other state agencies.
- Currently, the District is serving approximately 3,500 unfunded full time students (FTES), at a projected revenue loss of approximately \$16.6 million. Of this number, Oxnard College serves an estimated 800 unfunded FTES, totaling approximately \$3.6 million in unfunded revenue. Without funding to support the services needed for these students, this creates an additional burden on how we allocate our limited resources.

Outlook for 2010-11(cont.)

- Another consequence of reduced state revenue for 2009-10 required the Legislature and the Governor to reduce the funded FTES base for the community colleges. The District funded FTES base was reduced by approximately 1,000 FTES, which was a loss of \$4.5 million in anticipated revenue. This is an ongoing base reduction and it is not expected that this will be readjusted or restoration funding provided in future years.
- Additionally, no funding for enrollment growth, or funding for cost of living adjustments (COLA) was provided for the 2009-10 fiscal year. It is highly likely that funds for these expenses will not be provided in 2010-11 as well. Nevertheless, the college and District are experiencing phenomenal growth, in addition to increased fixed costs related to faculty and staff benefits, and contracted step in column increases. With no funding from the state, these costs will need to be absorbed within existing resources, which will require additional reductions in order to continue funding these expenses.
- On a high note, General Fund and Science, Technology, Engineering and Mathematics (STEM) funds were used to renovate classroom areas in the old Learning Resource Center. These renovations will provide the college with additional large classrooms which will help us serve and meet enrollment for our high demand courses and programs more efficiently.

2010-11 Budget Development Guidelines

- The college's 2010-11 budget process will now begin given that the 2009-10 Adopted Budget has been approved. The process will begin early this year in order to provide our college constituent groups with additional time to consider program and service offerings, and to recommend program and/or service eliminations, as needed to meet our reduced budget allocation from the state.
- At this time, and given the continued reduced levels of State revenue, we again expect to implement a college budget reduction of as much as 5%, or approximately \$1.29 million of our current appropriation. Per our planning process, the college P&BC will review all reduction plans recommended by the respective college Divisions and make additional recommendations, if necessary.

2010-11 Budget Development Guidelines

- The college will continue to consolidate services where feasible, and evaluate all funding sources, and utilize them where appropriate, to meet campus budget needs.
- Any reductions proposed for 2010-11 must be ongoing, sustainable reductions. The PBC will again be asked to develop budget principles to help guide this process.

Please contact your designated representative if you have any questions regarding the college budget development process.

- As additional budget information is released by the State, we will update the college as things change.

2010-11 Planning & Budget Council Members

John al-Amin, Ph.D, Co-Chairperson
Vice President, Business Services

Robert Cabral, Co-Chairperson
Academic Senate President

Marie Butler, Ph.D, Faculty - Sociology
Andrew Cawelti, Faculty – Automotive Technology
Jonas Crawford, Faculty – Intercollegiate Athletics Director
Luanne Crockett, Faculty – Chemistry
Debra Cronin, Classified – Campus Technology Services
Diane Eberhardy, Ed.D , Faculty – Business/CIS
Gwendolyn Lewis-Huddleston, Dean – Liberal Studies
Diana Lopez – Associated Student Government Representative
Floyd Martin, Dean – Math, Science, Health, Physical Education & Athletics
Elizabeth Rangel – Associated Student Government Representative
Jeannette Redding, Faculty – English/ESL
Linda Robison, Classified – Financial Aid Director
Ralph Smith, Faculty - Counseling
Ana Maria Valle, Faculty – EOPS Coordinator

Ex-Officio Members

Erika Endrijonas, Ph.D, Executive Vice President, Student Learning
Carolyn Inouye, Ph.D, Dean – Educational Services and Research

Questions?