

**SANTA BARBARA CITY COLLEGE
COLLEGE PLANNING COUNCIL**

**January 21, 2003
3:00 – 4:30 PM
Room A218C**

MINUTES

PRESENT: J. Romo, J. Friedlander, B. Fahnestock, L. Fairly, S. Ehrlich, K. McLellan, L. Rose, G. Carroll, T. Garey, P. Haslund, E. Frankel, L. Auchincloss and J. Jackson

GUEST: L. Griffin

EXCUSED ABSENCE: A. Serban, B. Hamre

1.0 Call to Order

Superintendent/President John Romo convened the meeting.

1.1 Approval of the minutes of the December 17, 2002, CPC meeting.

The approval of the minutes was tabled until the next meeting to give members an opportunity to review them.

1.2 Announcements

Andreea Serban has been elected the new chair of the Association for Institutional Research Publications Committee. This recognition is from Andreea's peers at the national and international levels.

Peter Georgakis was nominated for the 2002 Teaching Excellence Award of the American Mathematical Association of Two-year Colleges.

Dr. Friedlander mentioned that the Sunday issue of the *News-Press* recognized both Andreea's and Peter's accomplishments.

2.0 Information Items

2.1 Update on spring 2003 enrollments

Dr. Friedlander announced that the headcount is up by 6.9% reflecting just under 900 additional students. This is above last spring's record enrollment. More significant is that fact that we are up 10% in students enrolled in 12 or more units. Compared to this time last spring, the headcount is higher by 10.7% in less than two units and 10.8% in 2 to 5.9 units. We are even with last year in the 6 to 11.9

unit category. If the enrollments hold, we will easily exceed our cap for this year which will enable the college to save money by reducing Continuing education's spring quarter by one week. Since we are over cap and are need to reduce costs, we are canceling more low -enrolled classes than we would have been if these two conditions were not present. Dr. Friedlander indicated that there are standby English 100 classes that could be opened to accommodate any late enrollments by international students. He also indicated that the enrollment for international students is down due to the change in INS rules that were implemented this spring.

3.0 Discussion Items

- 3.1 Update on system budget situation *and*
- 3.2 Consultation process

President Romo distributed the 2002-03 midyear budget reductions as compiled by the Community College League of California. The League is serving as the coordinating entity for all of the community college lobbying effort that is taking place in Sacramento. President Romo led a discussion relating to the budget as adopted in October 2002 and the suggested reductions by the Governor and the Assembly. The major area of reduction, from what ultimately was proposed by the Assembly compared to what the Governor proposed, is not to decrease apportionments in the General Fund. They have increased significantly the recommended amounts to be cut for instructional equipment and scheduled maintenance.

John Romo indicated that an important item that is not reflected in his handout is the recommendation for a deferral once again on the June payment to the next fiscal year. What it does for us as a system is buy time. This would increase the amount of the budget reduction for 2003-2004.

Brian Fahnstock indicated that the governor has recommended a mid-year cut of 5.4% to the budget for 2002-03 and the Assembly has recommended a mid-year cut of 3.3%. As a precautionary measure for this year we will be operating on the governor's budget reduction figure of 5.4% midyear. Until we hear otherwise, we will assume that the reductions in the state budget for community colleges will be 5.4% across the board.

Brian Fahnstock went lead a discussion of his handout of the potential savings form the 2002/03 General Fund budget. He discussed the budget reductions in the Governor's January 10, 2003 proposal and the instituted measures of a freeze on hiring, travel and conference and no hourly/student COLA as well as a freeze on the hiring of hourly, non-teaching workers. The objective is to save, short term, between now and June 2002, \$2m dollars in those four areas. Brian provided a more detailed sheet that identified the potential savings from the actions that have been taken to date to reduce expenditures for this year. The vice presidents have all submitted to John Romo reductions in their respective areas. The proposed reductions will be distributed at the next CPC meeting.

President Romo said that he has met with the Foundation's Executive Committee and they are very concerned with the college's fiscal situation and are receptive to supporting areas of the college that need financial assistance. However, the Foundation Board has not made a commitment to the college in terms of additional funding. President Romo indicated that he will have to go with a recommendation to the Board of Trustees that we will include, for 2002-03 at least, to use some reserves. When the numbers are in tighter form, he will value the input of the Council in a recommendation of what that reserve amount should be. Keith McLellan noted that in his discussions with various campus constituents, the question was asked about the reason for not using all of the reserves to help balance the budget as opposed to just some of the reserves. The question was also asked about the relative priority of using reserve funds compared to making program reductions to balance the budget. John Romo responded that we would have that discussion when we determine the shortfall and what consideration we might give to the recommendation to use reserves. There are consequences relative to how the reserves, other than the General Fund 5% reserve, have been set up and why.

Liz inquired about whether the cuts for this year will be carried forward to next year. President Romo responded that his intent and commitment, especially with regard to the positions and vacancies, is that the cuts for 2003-04 will be a new consideration. The 2-year projection we are using right now is in the neighborhood of 12% in cuts for 2003-04.

Tom Garey asked about the \$4.5m reserves toward the building of a parking structure and the attempt to mitigate the need for that additional parking structure. Brian responded that our direction has changed and we are looking into building a parking structure and using roughly \$3m of the reserves for that purpose. John Romo added that the planning continues with the assumption that we will very likely need to build a parking structure. We are exploring other mechanisms we might use to contribute toward financing of a parking structure if we need to build one that would lessen the impact on the funds set up in the reserves. The building of this structure will be on the table as we go forward with our long-range building plan and with negotiations with the Coastal Commission. Dr. Friedlander added that the absence of adequate parking is likely to continue to adversely affect the college's enrollments. Another factor is the changing demographics in our community. The high schools have very high enrollments now but there is a decline in enrollments in the elementary, junior high and secondary schools. We may become more dependent upon older students who are less likely to take public transportation. Esther Frankel commented that we do not know how many students we are now losing by the fact that they cannot find parking. One alternative for financing a parking structure is to borrow funds and to pay the loan back from the revenue stream of student parking fees. Peter Haslund inquired as to what would be the mitigating circumstances that would dictate that we would not build a parking structure. John Romo responded that part of this is the work that would go into the long-range development program. We have to keep alive the possibility of a structure in the future. The Online College, Employees' University, Dual Enrollment program, tele-web courses and the Center for Management and Staff Development have enabled the college to

increase its off-campus enrollments which has helped mitigate the parking problem.

President Romo then addressed the 2002-03 budget reductions. For the 2002-03 the following actions have been implemented:

- A hiring freeze on all regular classified and administrative staff vacancies
- A freeze on the 2003-04 faculty hiring process
- A freeze on equipment purchases
- A freeze on reimbursement of travel and conference expenditures
- A freeze on new non-state funded facilities projects
- No % increase to student hourly rate
- Reduction in non-instructional hourly expenses

The vice presidents are implementing reductions in spending in all possible expense categories for both general and designated funds. These reductions will be reported to CPC on January 28th and to the Board Finance Committee on February 5th. President Romo went on to say that the Board is very understanding of the budget crisis and that in this emergency situation for 2002-03 they would support some level of use of the reserves. For 2003-04 there was a range of concern within the Executive Committee about whether we can deal effect the budget changes/reductions for 2003-04 within a few months that will amount to approximately 12% for the next fiscal year. Dr. Friedlander will be working with the deans, department chairs and the Academic Senate to identify which of the 26 faculty positions are essential for be filled for 2003-04. He said we still do not have any guidance on the extent to which the AB 1725 full-time faculty obligation will be waived, suspended or reduced.

John Romo is asking the vice presidents to work with staff to develop a 12% reduction scenario for 2003-04 at each VP level to include the following information:

- Specific items for consideration in priority order
- Savings to be achieved by possible reduction
- Impact of the proposed reduction
- Explanation of how core services delivered in cut area to be sustained

The Executive Council will review the recommendations for increasing cost effectiveness and generating new revenue and submit these recommendations to CPC and for then for consultation on the college-wide application. The President will submit the final recommendations to the Board Fiscal Committee.

President Romo will consult with CPC on the idea of investing some resources to increase our international student enrollment as a way to generate additional income for the college. The International Student department has indicated that with an investment it could significantly increase the presence of international students on campus.

Lana asked about the process of restoring programs/areas where reductions have been made once the budget is restored and a fair mechanism for doing so. Gary Carroll indicated the way it was done in the past was not to cut but to cut back so that it still exists and when money comes back, it could be restored.

John said unfortunately we might need to consider the possibility of eliminating some programs. Lana indicated that we need to preserve the right to discuss what process would be developed to restore programs.

President Romo said that we should and will address what should be the priorities of the goals and objectives of the College Plan 2002-2005.

4.0 Action Items

4.1 District Budget Principles

The District Budget Principles will be addressed at the next meeting.

5.0 Other Items

6.0 Adjournment

President Romo adjourned the meeting at 4:15 p.m.