

Minutes
CCSF Planning and Budgeting Council (PBC)
April 18, 2008
Rosenberg 518
1:00 PM

Present: Attila Gabor, Bob Gabriner, Richard Gale, Peter Goldstein, Don Q. Griffin (Chair), Marc Kitchel, Susan Lopez, Alice Murillo, Stephanie Nuttman, Dennis Piontkowski, Mark Robinson, Athena Steff, Fred Teti, David Yee

Resource: John Bilmont, Bob Gabriner

1. Status Report on CCSF Budget 2008-09

Vice Chancellor of Finance and Administration Peter Goldstein mentioned in passing at the outset of his report that the College had been doing emergency preparedness training and that there had been some news interviews on that.

Addressing the question of the State Budget shortfall, he said there is no guarantee that the property tax will be backfilled, but he noted that a bill to do that had moved on to the Finance Committee in Sacramento. Whether or not that bill passes, property tax revenues may continue to fall short of expected amounts next year, which would continue to affect revenues to the whole community college system. Peter distributed a spreadsheet with CCSF budget projections based on the Governor's 2008-09 January budget proposal.

CCSF lottery revenues dipped last year but have begun to rise again to about \$0.5 mil. above what was expected for the year, which will be helpful. We have estimated expenditures for next year at \$197.4 (\$199.5 mil. in Banner, a typical variance from top-down calculations, and representing the high end of the range of the estimate) but revenues at only \$192 mil. This would leave a least a \$7.5 mil. shortfall that needs to be addressed through CCSF reductions in spending.

A number of savings measures will be required. Among the strategies under consideration are reductions in consulting, saving through administrative retirements, and moving some surplus accumulated in the contract education account. The latter cannot serve as an on-going amount, should there be a second year of cuts in revenues. In 2008-09, there will also be about \$2.5 mil. in spending cuts from the four divisions, and specifics on that will be made available by the next Council meeting. For Academic Affairs, many of the cutbacks relate to summer credit classes that are being partly replaced by basic skills classes. But all the identified savings that were discussed, plus the \$2 mil. moved from the reserve would total only \$7 mil., so approximately \$0.4 mil. in additional savings need to be identified elsewhere.

These projections are of course estimates at this point; nonetheless, Peter said he expects to identify \$0.4 mil. in additional savings in order to present a completely balanced proposed budget for 2008-09 by the next meeting. He cautioned that the amounts mentioned do not include any additional contribution by the District for healthcare premiums, a benefit that could possibly be negotiated, and which would partially offset large increases in premiums that the employees would otherwise have to pay. If that were negotiated, it would cost the District an additional half million dollars. Similarly, if a 1% across-the-board raise were negotiated in the absence of a state COLA, another \$1.6 mil. in savings would have to be identified in some other part of the budget. In concluding his report, Peter mentioned that CCSF is now hiring an internal auditor.

Chancellor Griffin followed up on the Vice Chancellor's report with additional budgetary observations. On May 2, the PBC will hold a budget hearing in the Wellness Center in order to

provide for additional transparency in the budget process. Dr. Griffin said that the next meeting would have more detail on how cuts that are being made affect the constituencies in an equitable fashion. He warned that if CCSF cannot achieve the planned savings, that might result in considerable modification of the schedule for summer 2009, something we would rather avoid. But he said he would do that rather than cut the spring semester too deeply or lay people off. CCSF needs to achieve greater cost savings in all areas. The District is committed to keeping current faculty and classified employees on the job at their same load, with the exception of some emergency hires who have not been through a regular hiring process and have not been evaluated. Faculty who have been working for the District for three semesters and have been evaluated should be all right for now. Departments are being told they cannot grow because CCSF does not have the money for that right now. There is no money to pay for adding sections. The Chancellor reiterated that CCSF is not in a position to backfill for the state cuts in our categorical funding.

2. Proposed Annual Program Review Reporting System

Vice Chancellor Bob Gabriner presented a Program Review proposal from administration. WASC (accrediting commission) recommended that the CCSF annual planning cycle incorporate the results of program review, along with associated criteria for resource allocation. He noted that the CCSF comprehensive system of program review has been on hold for two years. However, in conjunction with the Budget Review and Recommendation Process, CCSF has examined the productivity of various units/departments during that time and studied some of them at greater length when necessary.

In March 2009, CCSF needs to make a midterm report to WASC regarding how we are addressing their recommendations. Bob proposed to the Council a two-part program review system. An annual program review would include all units, starting in Fall 2008. At the same time, he also suggested continuing the 6-year comprehensive system that was used previously, without any changes to that process--the annual process would be an additional element. He presented some templates that would be used in the annual review. Some faculty expressed concerns about the proposal, e.g., that the new process as described might need further modification in order to meet WASC expectations. It will be reviewed by the Academic Senate, the Classified Senate, the DCC, SEIU 1021, and AFT 2121 before being finalized. A workgroup was formed to give further input into developing the initial program review proposal: David Yee, Richard Gale, and Susan Lopez will work with Bob Gabriner to continue to improve the proposal. Since the College had discontinued the 6-year process for a period of time, it was suggested that a buddy system to orient new chairs to the process might be advisable. Some department chairs who were present agreed with that.

Respectfully submitted,
Susan Lopez