

Official Minutes
CCSF Planning and Budgeting Council (PBC)
November 3, 2009
3:00 PM
Pierre Coste Room

PBC Members Present: John Bilmont, Carlota Del Portillo, Attila Gabor, David Gallerani, Peter Goldstein, Don Q. Griffin (Chair), Maria L. Heredia, Marc Kitchel, Susan Lopez, Madeline Mueller, Alice Murillo, Francine Podenski, Mark Robinson, Karen Saginor, Athena Lynn Steff, Fred Teti, Zen Trenholm.

Guests: Lawrence Edwardson, Karl Gamarra, Hal Huntsman, Steve Kech, Lindy McKnight, Pamela M. Mery, James Rogers, Kathleen White.

I. Approval of Minutes

This item was postponed until the next meeting.

II. Mission/Vision Statement Revisions Update

Hal Huntsman reported that the Academic Senate is not yet done discussing the Mission and Vision Statement revisions. The Vision Statement is being made much more concise by the work of the Senate. Huntsman distributed drafts of each statement, which are still being worked on by the Academic Senate Executive Council. Dr. Griffin said the Mission and Vision Statements need to be approved by the Board this semester. The final recommendation will come from the PBC to the Board.

III. Discussion on Increasing Student Involvement in Budget Decisions

Zen Trenholm reported that students want to be more involved in discussing the budget. Barriers to student participation and some means for overcoming the barriers were discussed. Student representation is often characterized by discontinuity because one set of students is replaced by the next cohort, who then has to get up to speed. Trenholm said that Associated Students leadership is working on that problem of transition. He said that students sometimes do not know about shared governance meetings nor do they hear about budget issues in a timely way. Both the Associated Students Council and their Executive Council could discuss the budget, which would be one way to get all campuses' students involved. The students could post the CCSF Master Calendar with its meeting dates. They could perhaps send proxies if the official representative was unable to attend.

It was agreed that the Interim Associate Dean of Student Activities (or other student services administrator) be asked to attend the PBC, as another budgetary resource for students. Several thought it was a good idea to have broad budget hearings during the year. The PBC could have larger meetings a couple of times a year, starting perhaps in January after the Governor's budget is released. A decision was made to have the next PBC meeting at Mission Campus as a start in getting the budget message out to other campuses.

IV. Preliminary Discussion of 2010-11 Budget

We still do not know how much we will be able to close out this year. We need to review our revenue and expenditure assumptions for 2010-2011. A substantial increase in health premiums is expected. We have a very lean budget for non-personnel items. The projected bottom line is a ~\$9 million deficit for 2010-2011.

Goldstein said the College is expecting to stay at a reduced workload in terms of apportionment; there may be no growth money either. We will therefore need to make cuts in 2010-2011 that go deeper than this year's cuts.

Dr. Griffin said that if the College can get close to base FTES in 2009-2010, it could take 2010-2011 as below-base year. If we can get to our base even without a summer 2010 session, next year's enrollment need not be high. In that case, classes that have been delayed might not be restored. We would offer a limited summer in 2011.

It would be ideal not to spend the two million from the reserve this year if that can be avoided. We should try to close out a positive balance so we can have some money to start with next year. There is some good news on nonresident student fees, especially from international students. The nonresident total will likely go up to over \$8 million in 2010-2011. We are considering increasing the number of nonresident students served. Nonresident fees

will not rise sharply; incremental increases over time are fairer to the students than larger increases at less frequent intervals.

Dr. Griffin said the money from grants does not come to us completely without cost and we are trying to make such funding more useful to us. We are trying to be more realistic about costs and benefits at a time when we are not seeking to build our enrollment because of the state budget crisis. The chancellor has told the Office of Grants to move 30 or more people from the general fund to grants during 2010-2011. We need to raise the "indirect" that is typically charged on grants to a more consistent 16%.

Kathleen White, Chair of Child Development, wanted to know where her department stands in the current budget. The chancellor told her that the goal of the budget was to reduce the amount of money being transferred into Child Development and, similarly, to the CAHS Department from the General Unrestricted Fund. Department chairs can get help on their budgets by working with their school dean, the vice chancellor and the Chancellor's Office. The budget analyses of the various departments use many criteria. The chancellor described some of those as WSCH, FTES, expenditures, trend lines in those over time, the importance of programs relative to College values, and each department's contribution to a broad program at the College. Dr. Griffin said that he and White had spoken previously and that he would continue to work with her.

V. Budget Update

Dr. Griffin predicted we would see improvements to the economy within 18 to 24 months. As of now, the general consensus in Sacramento predicts less than a 50% chance of mid-term (January) cuts. CCSF may get a higher base of 30,000-40,000 more FTES than the original workload reduction that we were previously assigned.

The College is closely tracking current expenditures vis a vis budgeted amounts. Expenditures in categoricals are coming out about \$584,000 higher than our initial estimate, so we need to look at the percentages of operating expenses (coded as 4000 and 5000) that occur within the categoricals. We can't sustain that type of overage, so we need to consider that half million dollars as an early warning sign. Regarding overall expenditures on faculty, the savings rate is generally on target. CCSF had its regular financial audit recently.

The bumping of classified will have some budgetary consequences. We may have to pay a higher salary step for the person who is coming in, in some of the bumping instances. We don't know how much that will be, but we will know by the end of the month. We must pay the health benefits of both the person being bumped and the person who is bumping. We will need to pay vested time cash out when that is requested relating to accumulated leaves--- \$138,000 would be the worst case scenario. If bumped classified employees are going to work for the City, it was explained that they will need to cash out the amount of vacation days that the City would not provide.

Peter Goldstein disseminated the results of a survey done by the College of the Sequoias. General strategies being used by most other responding colleges across the state included cutting expenses, using reserves, eliminating new technology, and shifting expenses to grants. The most used enrollment strategies to cut costs were increasing class size, and reducing fall, spring and summer offerings. The most used staffing strategies were reducing adjunct and part time employees, hiring "frosts" (less than total freezes), and reducing student employees. Cuts in categoricals were most often managed through reducing personnel and non-personnel expenditures, reducing services to students, and providing partial backfill from the general fund.

VI. Other Business

There was a brief discussion of the postponed Registered Nursing position. The Registered Nursing Department appealed the PBC decision to delay their position. Alice Murillo conveyed the rationale that the department gave relating to the difficulty of having any other faculty teaching those particular courses, and the possible effect on external accreditation. She reported there has been an easing of nationwide shortage of nurses, but there still is a shortage. In response, it was noted by others that for any position where accreditation is given as a reason, there should be adequate documentation provided to support that. The chancellor cautioned that we need to hold the line on full time positions for 2010-2011 because if we hire more than we need for the near term, that could lead to layoffs of faculty. Therefore, the delay on that position should continue.

PBC meetings will soon be recorded electronically in addition to via the minutes. There was also discussion about posting PBC documents on the PBC website. Upcoming meetings: 11/16 (at Mission Campus) and 12/1.

Respectfully submitted,

Susan Lopez