

SANTA BARBARA CITY COLLEGE

COLLEGE PLANNING COMMITTEE

DIVISION CHAIR COUNCIL

June 5, 1984

M I N U T E S

Present: P. MacDougall/P. Huglin, Co-Chairs; M. Bobgan, A. Bailon, N. Cretser, A. Flinck, P. Freeman, G. Gaston, C. Hanson, E. Jardine, J. Kay, M. Mallen, D. Oroz; Resource: J. Romo, R. Sanchez

Absent: L. Fairly

Guests: H. Bagish, B. Brennan, E. Cohen, B. Crawford, R. Cummings, G. Floyd, E. Hodes, J. Korfas, C. Kuster, J. Matsui, D. Morrison, R. O'Connor, J. O'Dea, M. Rice, R. Robertson, J. Sanford, S. Sofas, M. Taylor, J. Ullom, K. Wills

STATE OF THE BUDGET

Dr. MacDougall was present at the combined meeting of the College Planning Committee and Division Chair Council to speak on the state of the budget.

Community College Funding for 1981-82 - 1983-84

Dr. MacDougall reviewed the past three years highlighting the financial difficulties faced by community colleges. In 1981-82 the State discontinued open-ended funding for the non-credit program resulting in a reduction in a.d.a. and a loss of approximately \$300,000 to the College. This was the last year the College was able to offer an increase in salaries (5 percent + a benefits adjustment). In 1982-83 the State experienced a substantial deficit in the budget and consequently reduced funding to community colleges by \$30 million (about 2 percent). SBCC was able to insure funding of credit courses because of its strict adherence to criteria establishing academic rigor. In 1983-84 the issue of fees delayed the adoption of a State budget, and SBCC started the fall semester with a \$1.2 million shortfall. It wasn't until January, 1984, that community colleges were informed that their budget would be at the same level as 1982-83, and they could plan with any certainty. For 1982-83 and 1983-84 faculty received a one-time-only 2 percent salary increase and \$100 toward benefits.

Budget Planning for 1984-85

Dr. MacDougall restated the position of the Board of Trustees that in planning the 1984-85 budget, the number one priority for the District is salaries/benefits increases for faculty and staff, and a proposal has been given to the Instructors' Association consistent with that assertion. A net 4 percent increase in SBCC's budget is anticipated, and the entire amount will go to salaries/benefits. In addition to the 4 percent commitment by the Board, an additional 2 percent may be available--approximately 6 percent total as reflected on the combined salary/benefits schedules.

### Status Report of the Funding Situation in Sacramento

Dr. MacDougall looks more optimistically at 1984-85. Legislative leaders in both the Senate and Assembly are working on identical language bills for \$106.5 million that will fully fund SB 851 but exclude "growth" funding. Because of a healthier economy in the State, the bill stands a good chance of passing and will contain a "hold harmless" clause preventing the loss of revenue to community colleges until 1985-86. Also to be considered as an indicator is the projected increase of 5.3 percent from student fees. (The figure is estimated to be closer to 3-4 percent net, since permissive fees have been folded into the general fee.) Community colleges are anticipating a 3-4 percent increase in funding, possibly as much as 6 percent beyond the Governor's proposal depending on the surplus. The surplus is projected at \$482 million by the Department of Finance, \$700 million by the Legislative Analyst, and \$1.25 billion by an independent Finance Commission. A surplus accepted at the \$700 million amount or greater could provide full funding for SB 851.

### What's Being Done to Influence A Positive Outcome for SB 851

Dr. MacDougall emphasized the need for representatives from community colleges to write the Governor and legislative leaders in an effort to effect a positive outcome for the funding bill. He added that he has formed an ad hoc committee to contact representatives of industry and campaign contributors, two groups reportedly influential with the Governor, and urge full funding for the community colleges. Dr. MacDougall has also spoken to Bill Cunningham, Education Advisor to the Governor, pointing out the discrepancies in funding between community colleges and other areas of education--a situation that is detrimental to community colleges.

### General Comments about the Fiscal Status of SBCC

Dr. MacDougall expressed feeling a tremendous sense of cooperativeness from faculty and staff in getting through a very difficult financial situation during the past two years. SBCC was able to continue without having to reduce staff or programs. He believes community colleges are on the horizon of a very good situation in the way of financial improvement and asked faculty to continue with that same degree of cooperation. In return he stated that the College will do everything possible to work out an acceptable salaries/benefits package.

A question/answer period followed Dr. MacDougall's presentation.

Q: When do you anticipate we will have an idea from Sacramento regarding budget?

A: By July 1.

Q: Districts basically receive the same amount of money from the State; why do we receive so much less in comparison with other districts?

A: Other districts have made decisions differently than ours; SBCC placed people and positions as the top priority and made every effort to maintain programs. Other districts cut staff, encouraged staff to retire without replacement, and cut programs. Another reason is the tremendous gap in State funding for district a.d.a.: \$4,000/a.d.a.- small college, \$2,400-

2,500/a.d.a. (approximately) - Los Angeles area, \$2,000/a.d.a. - Santa Barbara. SBCC is a low revenue district because the College was frozen at the rate being used at the time Proposition #13 was implemented. Legislation already passed, SB 851, will affect the College positively because it has an equity factor. Whatever funding is allocated will include a certain amount for the equity factor designed to bring districts within a 5 percent variation of the State average.

Q: The community will think I am getting a 6 percent increase when actually I am being offered a 4 percent in addition to a 2 percent one-time-only increase. Shouldn't this be stated more accurately?

A: Dr. Bobgan responded that the Superintendent/President has consistently pointed out to the community that faculty has not had a salary increase in two years. He suggested that it might be better to say that faculty will receive a 4 percent increase in salary with additional fringe benefits.

Q: Why is it necessary to have a reserve of 7.2 percent of the budget rather than the legal reserves of 5 percent minimum?

A: The district is maintaining \$1.2 million (almost 7 percent) in reserves because: 1) If the Santa Barbara Street property isn't sold this year, \$235,000 will be taken from reserves to make the Wake Center payment; and 2) There is a question regarding fees and the effect they will have on enrollment. A.d.a. is down 9 percent statewide, and the District wants to make sure there are adequate reserves to cover any significant loss in a.d.a. at SBCC and other contingencies.

Q: Certain monies not expended in the budget (Dental Assisting Program, Board of Trustees election, and positions not filled) have become available on a one-time-only basis. Why has that money not been made available for salary increase?

A: According to the interpretation received from County Counsel, when a salary agreement has been reached, that agreement may not be changed during the year after that year begins unless conditions change dramatically.

Q: Can the money be used for salaries next year?

A: Yes, it could; however, dollars available on a one-time-only basis shouldn't be placed in the budget for an ongoing expenditure item, because the resources are not there to provide funding on an ongoing basis.

Q: Why can't it be put back into the general fund?

A: It could be--and paid out on a one-time-only basis, but my position is to get a commitment of funding salaries and benefits on an ongoing basis. I also believe that since cuts have been made in the budget for programs, one-time-only monies should be used to reinstate the items cut.

Q: Why is the ending balance of the budget bigger than the beginning balance?

A: The budget balance at the beginning of the year was \$1,237,000 and at the end of the year \$1,790,000 yielding an overage of approximately \$553,000.

This amount represents the money committed to salaries and benefits (approximately 4 percent). The annual payment for the Wake Center, \$235,000, represents an additional 2 percent for a total of 6 percent.

Q: The agreement in effect for the 1982-83 year called for a 2 percent one-time-only salary adjustment. If state funding became available, faculty would get a proportion of that amount. Faculty are getting less at this point even though the College has received additional federal and local funds of \$825,000.

A: Dr. Hanson responded stating that federal funds are usually tagged for required expenses. If local revenue increases, State allocations are decreased, so that the amount of money stays the same.

Q: The top faculty salary for College of the Sequoias is \$42,000 compared to \$32,000 for Santa Barbara. Why doesn't the College make a bigger commitment to bring salary to parity with other community colleges?

A: My understanding is that the College of the Sequoias faculty have agreed to a 5 percent salary cut, no step increases and a cut in benefits for 1984-85. We have made a salary and benefit commitment that we felt we could keep without laying off staff or cutting programs. I do feel that our salary and benefit increase for 1984-85 will be among the best in the State. SBCC doesn't have a lot of latitude; 80 percent of the budget is spent for salaries. Next year no new monies are budgeted for supplies and equipment. Community colleges must work with Sacramento for increased funding in order to provide the salary and benefit adjustments that are deserved.

Q: Early retirement incentives are cost effective. Why are you opposed to the idea?

A: I am not opposed to retirement incentives. I am not a supporter of bonuses, but I am willing to support \$1,600 toward medical expenses till age 65. I am opposed to increasing the ratio of part-time faculty to full-time faculty in an effort to save a few dollars and negatively affect the general educational environment you have helped to create.

#### REPLACEMENTS FOR ENGLISH DIVISION PERSONNEL

The Chair reported receiving a request from the ESL Department for one full-time tenure track replacement (Medina-Nguyen, who is resigning) and one temporary replacement (Carol Price, on leave). Because of the lateness of the request, the Instruction Office is recommending that both positions be filled on a temporary basis.

Ms. Jardine expressed the concern of the English Department that the department has lost a number of full-time people and that they do not want to negotiate every year for temporary replacements.

The Chair agreed to fill one position on a temporary basis and to hire a temporary replacement for the other position for Fall, 1984, with the possibility of a full-time tenure track replacement effective Spring, 1985. The Chair also noted that the Harkins position was still clouded by a litigation problem.

MICROCOMPUTER LABS: ACCOUNTING, ENGLISH

The Chair reported that Dr. MacDougall would like to have a list of pros and cons for the Accounting and English microcomputer labs.

Pros:

1. The microcomputer labs were approved by Division Chair Council  
Ayes: 5    Noes: 1    Abstentions: 3
2. The two labs were recommended by the administration, particularly the Instruction Office after reviewing the 5-year plans developed by the faculty.
3. The labs are cost effective. Recurring costs of the LTA's will be covered by monies saved in not hiring two tenure track faculty for these two departments.
4. The programs are educationally sound, and local high schools are using computer labs in these areas.
5. In the world of accounting, state-of-the-art is the use of computers.
6. Monetary: Additional a.d.a. will be realized from  
Accounting: 14 = \$ 30,000  
English: 52 = \$104,000

Dr. Bobgan stated that if he had been present, he would have voted in favor of the motion. He considers the proposals to be sound with the total educational program of the College in mind.

Cons:

1. Programs are being considered over staff.
2. There has not been enough time to review requests from other departments.
3. One-time-only funds could be used for one-time-only salary increases.

Dr. Kay stated that his division met to discuss this issue and voted no to emphasize their concern that people be considered over programs. He added that one-time-only monies should be used for a one-time-only salary increase.

Mr. Mallen is not opposed to the programs but the process. Priorities should be set in advance by Division Chair Council with the cooperation of the Instruction Office in a less hurried atmosphere. Had there been more time to consider all requests, the money may have been allocated for other items. Mr. Mallen would like a commitment from the Instruction Office and Division Chair Council to start prioritization early in the year, even if no money exists, to avoid making decisions in haste. Mr. Mallen also wanted to go on record as supporting Dr. Kay's view.

PH:ba

cc: Asst Deans / Dept Chairs / Rep. Council