



DISTRICT-WIDE BUDGET REVIEW COMMITTEE Report to the Chancellor

District-wide Budget Review Committee Charter

- Recommend to the Chancellor potential district-wide budget reduction strategies for 2009-2011
- Identify ways the Seattle Community Colleges could be more efficient and streamlined
- Identify ways to improve district-wide processes

Ground Rules

- Put students' needs above everything else
- Be open to a new way of viewing things
- Express opinions in ways that preserve integrity, develop mutual understanding, and promote collaboration
- Listen to all the facts and available information from different sources before making judgment and decisions
- Be sure all voices are heard
- Use time efficiently and stay on task
- Take advantage of the opportunity to communicate, to learn from each other and to collaborate

OVERVIEW

In January 2009, Seattle Community Colleges Chancellor Jill Wakefield established a District-wide Budget Review Committee to recommend potential district-wide budget reduction strategies. Dr. Wakefield appointed Vice Chancellor Carin Weiss to facilitate the process and meetings. The Committee consists of 24 members representing the colleges, SVI and the District Office (Attachment A). Faculty and classified members were chosen by their respective unions and college presidents appointed the administrators. The Committee's ground rules and guiding principles for the committee's budget reduction process were developed at the first meeting.

GUIDING PRINCIPLES

for committee's budget reduction process

- Use our mission to guide us: The Seattle Community Colleges will provide excellent, accessible educational opportunities to prepare our students for a challenging future
- Balance short-term budget decisions with long-range impacts to the colleges
- Maintain open door access for students and serve as many students as possible
- Preserve as many jobs as possible – whenever possible, hire from within for existing vacancies that must be filled
- Maintain essential services in support of college priorities
- Strengthen the district by streamlining operations and becoming more efficient
- Look at all options, e.g., restructuring, alternative funding, operating hours, etc.
- Honor all contracts and agreements in the budget reduction process
- Encourage discussion and idea sharing and communicate decisions to the college community
- Use data to develop our strategies and recommendations based on evidence

The Committee met from February through May, 2009. Chief Financial Officer Kurt Buttlerman provided several briefings on the budget situation and shared the redesigned financial report. The Committee reviewed an environmental scan to answer the question: "What is on the horizon that will impact the colleges?" Data presented and discussed covered economic changes, student demand and retention, and state, federal, and local requirements.

Presentations were given by representatives from IT services, marketing and public information, and SCCtv. After much discussion and deliberation, the Committee developed recommendations for short-term budget reduction strategies, revenue generation strategies, and long-term strategies. The recommendations are summarized below along with issues that were discussed but did not receive support from the full committee.

The Committee will reconvene in fall 2009 to continue their work and to look specifically at long-term strategies including restructuring and efficiencies.

RECOMMENDATIONS TO THE CHANCELLOR

Short-Term Budget Reduction Strategies

Overall: Pursue cost-reduction strategies other than mandatory furloughs or layoffs if at all possible. The Committee favors strategies that reduce costs but do not result in people losing jobs. The strategies are listed in order of recommended implementation. The Committee recognizes that some of the lowest-ranked strategies have the potential to yield the largest budget savings. The Committee also recognizes that some of these strategies require bargaining.

Strategies Discussed – RECOMMEND

1. Efficiencies through consolidation of resources across the district

The Committee recommends that efforts be made to maximize the use of in-house resources such as graphic design, web development, public information/marketing, human resources, and information technology staff and resources to increase service levels throughout the district.

The Committee further recommends setting program viability guidelines for non-instructional programs and considering consolidation and cooperation of programs across the district. Applying best practices from individual campuses on a larger scale throughout the district was also suggested. In addition, the Committee recommends adopting a common graphics look across the district and exploring ways to reduce the costs of class schedules such as online only or a combined summer schedule. The Committee acknowledges the uniqueness and value of similar positions at all of the colleges and at the district office.

2. Use reserves and other non-state revenue

The Committee recommends using reserves and reallocating those and other non-state funds to delay budget cuts, while recognizing the importance of financial reserves to meeting future unexpected financial obligations.

3. Continue to freeze vacancies (excluding direct instruction)

The Committee recommends that non-instructional positions continue to be held vacant while acknowledging the impact of vacancies on the workload of the remaining staff and services to students. If positions must be filled, the Committee recognizes that other reductions would have to be made or outside funding sources would need to be accessed.

4. Examine low enrolled programs and program efficiencies

The Committee recommends setting guidelines for program viability review and considering consolidation and cooperation of programs across the district.

5. Increase class size to class caps

The Committee recommends that class size be increased to the class cap as needed while recognizing that there may be valid reasons that the number of students permitted to enroll in a class may be less than the class cap.

6. Energy efficiencies

The Committee discussed becoming a leader in green technology and supported initiatives to save energy such as turning off the lights, examining class scheduling to reduce commutes, increasing e-Learning, and convening a group to review energy use and other energy-efficient practices.

7. Communication with employees

The Committee recommends coordinating budget messages from the Chancellor and Presidents (content and timing) to prevent confusion. The Committee further recommends that the Committee's Intranet site be continued and that all budget information be published on the Intranet.

Strategies Discussed – MIXED SUPPORT/NO RECOMMENDATION

1. Reduce enrollment in non-tuition paying programs

The Committee discussed enrollment in non-tuition paying programs and their related cost and revenues. Providing adult basic education is part of the Seattle Community Colleges mission and, therefore, the Committee was reluctant to make a recommendation to reduce enrollment in these programs.

2. Furloughs

Some Committee members believe that furloughs are preferable to layoffs if forced to make a choice. The Committee was not willing to endorse any furlough proposal for faculty or classified employees that has not been bargained. In terms of *voluntary* furloughs, the Committee recommends that employees be reassured that expression of interest in a voluntary reduction will not result in being targeted for layoffs or an additional mandatory reduction. With regard to *mandatory* furloughs, some Committee members recommend that mandatory furlough proposals be equitable and avoid impacting employees at the lowest salary levels.

3. Layoffs

The Committee regards layoffs as the least desirable short-term cost reduction strategy. The Committee recommends seeking alternatives to layoffs. Some suggestions include closing during holiday breaks, taking leave without pay on holidays, decreasing the number of instructional days, or taking one day off a quarter.

4. Examine paid professional leave

The Committee supports examining paid professional leave programs for faculty and exempt employees in the upcoming biennium budget, while recognizing the importance of sabbaticals to professional development. This matter is subject to bargaining for faculty.

Strategies Discussed – DO NOT RECOMMEND

1. Contract out selected support services

The Committee does not support contracting out services as a budget reduction strategy; although it can save money in the short run, it is not believed to save money in the long run.

2. Work Study as cost-savings strategy

The Committee does not support an increased use of work study students as a budget reduction strategy although greater use of work study students may help with student retention.

3. Summer Quarter 2009 as self-support

The Committee does not support offering courses in Summer Quarter 2009 as self-support because FTES cannot be counted as state FTES towards enrollment goals when instructors are paid with non-state funds.

4. Facilities

The Committee discussed facilities strategies such as operating four days a week. Building closures without personnel reductions will not result in significant cost savings.

Revenue Generation Strategies

Overall: The Committee endorses the pursuit of revenue generation strategies and will convene in fall 2009 for further discussions. The strategies are listed in order of recommended implementation.

1. Grants Office

The Committee supports, with caveats, establishing a district grants office using existing staff resources to increase grant funding that supports and fits the mission. Proposed roles for a district grants office include coordination with the colleges on funding opportunities, leading the development of district-wide grants, and providing grant writing assistance on specific proposals and through workshops. A “clearinghouse” was suggested that would eliminate duplication, serve as a collective resource and be a reference to match prospective applications.

The Committee expressed concerns that a district grants office might impact efforts already under way at the colleges and that the colleges might not be able to sustain the grant-funded initiatives. The Committee recognizes that there could be some conflicts with current grant funding efforts.

2. Leverage assets and equipment

The Committee supports efforts to leverage assets and equipment into revenue by actions such as selling real property, leasing space, renting equipment, and leasing advertising space. In addition, the Committee discussed efforts to raise funds by seeking contracts to provide services to other organizations and increasing fees.

3. Seek federal economic stimulus package funds

The Committee supports efforts to receive federal economic stimulus funds with the caveat that they would like to see funds used to both fund specific projects and to support the reallocation of non-grant funds to benefit programs that are not eligible for the federal economic stimulus dollars.

4. Increase private fundraising

The Committee supports raising more funds from private donors to benefit students, faculty, and instructional programs.

Long-Term Strategies

Overall: The Committee endorses the pursuit of long-term strategies and will convene in fall 2009 for further discussions. The strategies are listed in order of recommended implementation.

1. Efficiencies through centralizing administrative and other support services

The Committee supports the efforts by the Information Technology directors to explore ways to provide services more efficiently that will also facilitate the automation of more district administrative processes. They recommend looking for efficiencies in areas such as research support for accreditation.

2. Restructuring alternatives

The Committee supports investigating other multi-college district models in Washington state and nationally with currently available resources or grant funding. This would include looking at a one-college model, looking at colleges as separate districts, and centralizing more of the functions.

ATTACHMENT A

District-wide Budget Review Committee

Seattle Community Colleges

COMMITTEE MEMBERS

Committee Chair: **CARIN WEISS**, Vice Chancellor, Education, Planning & e-Learning

Administrators

SEATTLE CENTRAL/SVI	AUDREY WRIGHT , Dean, Humanities & Social Sciences ALISON STEVENS , Dean, Basic Studies NANCY VERHEYDEN , Dean, Instruction (SVI)
NORTH SEATTLE	LORI CASILE , Director, Information Technology Services BOB FINEMAN , Dean, Health & Human Services
SOUTH SEATTLE	IRINA MINASOVA , Director, Business Services KATHY VEDVICK , Director, Human Resources Representative / Program Services
DISTRICT OFFICE	MIKE LOCK , Director, Information Technology

Faculty

SEATTLE CENTRAL	MICHAEL TAYLOR , Faculty, Business Information Technology & Creative Arts DANIEL NORTON , Faculty, Humanities & Social Sciences
NORTH SEATTLE	RONALD WOODS , Faculty, Business, Engineering & Info Technologies CAROL HAMILTON , Faculty, Arts, Humanities & Adult Basic Education
SOUTH SEATTLE	SHIREEN DEBOO , Librarian MIKE HICKEY , Faculty, Academic Programs
DISTRICT OFFICE	LYNNE DODSON , President, AFT PATTI CONLEY , Coordinator, District Faculty Development / SVI

Classified Staff

SEATTLE CENTRAL/SVI	ORELIA HINES , Bookstore Buyer MILTON SMITH , Program Coordinator, Auxiliary Services JANICE MELROSE , Fiscal Technician I / Cashier, Office of Administration (SVI)
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COMMITTEE RESOURCES

Kurt Buttleman, Chief Financial Officer, Business Office
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