

**Orange Coast College Budget Report for 8-17-09 Board of Trustees Study Session as  
Prepared and Presented by Interim President, Denise Whittaker**

**I. DESCRIPTION OF THE OCC PROCESS USED TO IDENTIFY BUDGET CUTS**

Under the leadership of President Dees (prior to July 1, 2009) and Interim President Denise Whittaker (after July 1, 2009), over forty (40) representatives (faculty, staff, managers, and students) from constituent groups participated on the Planning and Budget Committee in a rigorous process last spring and throughout the summer to identify \$1.8 million needed in Orange Coast College budget reductions. Three sub-committees (Operations, Categoricals, and Dedicated Revenue) were created to make budget reduction recommendations to the Planning and Budget Committee. Over the last two months, a weekly budget update was disseminated campus-wide to communicate budget decisions and to maintain budget communication with the campus.

A final list of **Personnel** and **Operational reductions** totaling **\$1.8 million** was accepted by the Planning and Budget Committee on July 30, 2009, with the understanding that the funding for such positions/items would be permanently removed from the OCC budget.

**II. SPECIFIC DESCRIPTION OF THE \$1.8 MILLION OCC BUDGET REDUCTIONS**

**A. REDUCTIONS IN PERSONNEL = \$925,000.00**

The Planning and Budget Committee and the campus community understand that the funds are **permanently removed** from the OCC budget. OCC will maintain a prioritized vacant list for future consideration when funds are available for backfill. The Interim President and Vice Presidents will work with constituent groups to create a prioritized backfill list should funds become available and to address in an orderly manner, emergency needs.

- 1. Faculty Vacancies:** There are currently fourteen (14) vacant, unfilled full time faculty positions at OCC. Over \$600,000 has been budgeted to backfill with part-time and/or overload assignments wherever possible to preserve the instructional offerings.

**Vacant Full-Time Faculty Positions (14)**

- |                       |   |
|-----------------------|---|
| ✧ Business            | ✧ Math/Science (2)                            |
| ✧ Counseling          | ✧ Philosophy                                  |
| ✧ Crew Coach          | ✧ Social Science (3)                          |
| ✧ Digital Fabrication | ✧ Technology                                  |
| ✧ Mass Communication  | ✧ Visual/Performing Arts (2 – Art; Sculpting) |

**New Full-Time Faculty Hires for 2009-2010**

- ✧ Instructor, Accounting
- ✧ Instructor, Choral Music
- ✧ Instructor, Dietetic Technician (Temporary, 1 year contract only)
- ✧ Instructor, Geography (Temporary, 1 year contract only)

- 2. Classified Vacancies:** Although this number changes weekly, there are currently twelve (12) vacant, unfilled classified positions at OCC. To continue to provide some services, even if at a reduced level, over \$300,000 has been budgeted to provide additional support to the area where

the vacancy occurred. When a need to backfill is justified and approved, all attempts will be made to backfill through an internal competitive process, ultimately resulting in an unfilled position.

**Vacant Full-Time Classified Positions (12)**

- ✧ Accounting/Fiscal Spec.(Career Services)
- ✧ Admission/Records Technician 2
- ✧ Athletic Equipment Manager
- ✧ Groundskeeper 2
- ✧ Human Resources Specialist
- ✧ Information Systems Technician I (50%)
- ✧ Instructional Food Services Worker I (1.5)
- ✧ Instructional Associate (Fitness/Exercise)
- ✧ Lab Instructional Assistant (Technology)
- ✧ Research Analyst, Senior
- ✧ Staff Aide (Career Services)
- ✧ Typist Clerk, Senior (Lit/Lang)

**New Full-Time Classified Hires for 2009-2010**

- ✧ Food Service Worker III (funds generated through Food Service Operations)
- ✧ Instructional Associate – Success Center (Title III Grant Funds)
- ✧ Registered Nurse, Lead (Health Center Funds)

**3. Management Vacancies:** Since the reduction in management may involve the current organizational structure, particularly as it applies to instructional divisions, it is important to involve faculty in these discussions before final decisions are made. At this time, no identified reductions in management have been determined, as vacancies occur and reorganizational options develop, OCC is committed to reviewing and evaluating options for the possible reduction in management ranks.

**Vacant Full-Time Management Positions (3)**

- ✧ Vice President of Student Services (pending retirement)
- ✧ Dean, Math and Science (currently filled with an Interim)
- ✧ Dean, Business and Computing (currently filled with an Interim)
- ✧ Director, Computing Services (currently filled as an out-of-class assignment)

**4. Categorical Funds:** Although categorical funds were cut 32% from the State, the District and the College each provided 16% in budget reductions. We are planning ahead for anticipated reductions in 2010-2011. Categorical areas include: Basic Skills, CalWorks, DSPS (Disabled Students Programs and Services), Economic Development, EOP&S (Extended Opportunity Programs and Services), CARE, Matriculation, Transfer and Articulation.

**B. REDUCTIONS IN OPERATIONS = \$925,000.00**

1. Non-instructional hourly was cut 50% in Administrative Services, Instruction, and in the President’s Office.
2. Non-Instructional hourly was cut 34% in Student Services (a total of 50% when added to the 16% cut in categorically-funded areas)
3. Other reductions were made in Operations as recommended by the Operations Sub-Committee and the Campus Planning and Budget Committee

**Summary of Operational Reductions:**

- |                                 |           |
|---------------------------------|-----------|
| 1. Non-Instructional Hourly     | \$300,000 |
| 2. Energy Reductions            | \$150,000 |
| 3. Non-Instructional Supplies   | \$300,000 |
| 4. Service Contracts            | \$100,000 |
| 5. Printing/Paper/Reprographics | \$80,000  |

6. Postage for Schedule & Catalog	\$175,000
7. Postage for Enrollment Services	\$20,000
8. Presidium Contract (IT)	\$75,000

### III. IMPACT OF BUDGET REDUCTIONS

The impact of the budget reductions will be felt in all areas of the campus organization (Administrative Services, Instruction, Student Services, and President's Office) as summarized below and on the following page:

#### IMPACT OF BUDGET CUTS ON ORANGE COAST COLLEGE

Permanently reducing our budget by \$1.8 million will result in reduced services as exemplified below. Although we are trying to continue to provide support to students in and out of the classroom, some reductions are going to be more obvious than others. In addition to the \$1.8 million, the State cut the Categorical programs by 32% (of which the campus and the District each bore 16% of the cuts), severely jeopardizing these programs and services. Here's a *sample* of what we already know:

- Library will reduce evening and weekend hours of service
- 14 full time faculty positions not filled
- 12 classified positions not filled
- 50% cuts in non-instructional hourly will result in significant service reductions throughout campus
- Reductions or elimination of service contracts results in not having equipment covered under such contracts with potential service being more expensive than the contracts
- Instructional Associates for Large Group support has been significantly cut, reducing support for this element of instruction
- Reduced institutional research capabilities with reduction in funds and support staff
- Reduced publications, promotion, ads, brochures, DVDs, and other marketing support
- Reduced mailings and outreach
- Skilled maintenance has been assigned to mowing lawns to offset personnel deficits
- Slower response time to work orders with Health & Safety items being handled first
- M&O will ask that consideration be made in reducing the number of set-ups for events as staff will simply not be available without eliminating work elsewhere on campus
- Buildings will not receive daily custodial service / trash pick-up except for bathroom maintenance
- Energy savings resulting from room temperature increases from 68°– 71° to 71°-74°
- Delamping (reducing the number of light bulbs) is occurring throughout the campus
- Facility rental fees may need to be increased to cover custodial and upkeep cost increases
- Bursar's Office must close for service 4 hours/week to manage workload
- Cutting IT hourly by 50% and full time non-replacements results in reductions in the following areas:
  - Coverage and support in computer labs
  - Delays in completing critical Banner programming
  - Deficits in inventory backup
  - Overall IT effectiveness deficiencies
- In Matriculation, EOP&S, Program CARE, and CalWorks, fewer students will be served, it will take longer to process forms and applications (with fewer staff), and it is likely that hours of open service will be reduced
- In the Children's Center, with the reductions in other areas, it is anticipated there will be 45% fewer students served

- In Student Services, the non-replacement of vacant positions and reductions in the non-instructional hourly budgets, we anticipate reductions in being able to serve students in a timely manner in the following areas: Registration - In-person wait time, Clearing pre-requisites for registration, General education certifications, Graduation evaluations, Admissions applications, Assessment, Out-going transcripts, Evaluations of in-coming transcripts, Student ID cards, Call Center , Veterans Services, Student Scholarship, Veterans Services Certification for benefits, Student Scholarship – Check processing delays, Eliminate prospective Student tours, Prospective Student Services / Outreach

We have identified funds to provide for emergency situations because we understand that some of the cuts will have devastating program impact and some relief will be necessary.

#### IV. FTES PROJECTIONS [30 CREDITS = 1 FTES & 1 FTES = \$4,547.26]

As of the most recent directive from the State, OCC's original target of 18,431 resident FTES for 2009-2010 has been reduced by 3.59%, resulting in a new resident FTES target of 17,768. Our planning is based on a fill rate of 100%.

	2009-2010 - Based on Current (8/10/09) FTES Targets					# Section Comparisons		
	Summer	Fall	Winter	Spring	Total	2009-10	2008-09	2007-08
Active Sections - Unduplicated	239	2,041	TBD	1,956	4,236	4,260	4,559	4,383
Census Enrollment (Seat Count)	9,447	83,191	TBD	79,726	172,364	Decrease of 6.6%	Increase of 4%	
FTES - Resident	981	8,572	TBD	8,215	<b>17,768</b>	17,769	19,587	19,028
FTES - Nonresident	74	560	TBD	539	1,173	Decrease of 9.3%	Increase of 2.9%	
FTES - Total	1,056	9,132	TBD	8,754	18,942			

#### How do we do projections?

- We look at prior year's enrollment, seat count, FTES, sections and productivity measures (fill rate) and create formula's based on the data to project FTES.
- We look at prior year's dollars spent (the amount of FT and PT dollars) compared to the amount of FTES generated to project budgets necessary to reach FTES targets.

#### V. REVENUE GENERATION PLANNING

The list below represents some of the revenue generation recommendations made by the Planning and Budget Committee to help offset budget reductions:

- Increase non-resident student enrollment
- Increase Swap Meet contribution
- Increase transcript fee (from \$3 to \$5) (*requires going through governance process to include students*)
- Increase collection fee (from \$15 to \$25)
- Adjust Parking fines to address new state law so the institution does not go deficit in paying the higher fine rate now in place locally (from 17 to \$27)
- Implement Parking Pass for faculty/staff/management (*would have to be negotiated*)
- Surplus property sale increases
- Ancillary fund support
- Increased Foundation support
- Formalize grant writing efforts