

# Town Meeting



***July 1, 2009***

# Town Meeting – Budget Update

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*July 1, 2009*

- ❖ **State Budget & California Community Colleges**
- ❖ **District Budget**
  - ❖ **Guiding Principles**
  - ❖ **2009-10 Tentative Budget**
- ❖ **College Budget**
  - ❖ **Guiding Principles**
  - ❖ **Tentative Action Plan**
- ❖ **Q&A**



# Impact of Budget Cuts – CCCCCO

**Projected lost students: 250,000 <sup>(a)</sup>**

*includes loss of unfunded students, 09-10 growth and apportionment shortfall*

## 2008-09 General Cuts

Unallocated Reduction:	<b>-\$85,000,000</b>
Est. 2008-09 general apportionment shortfall:	<b>-\$41,000,000</b>
Est. 2008-09 property tax shortfall:	<b>-\$42,100,000</b>
<b>Total general cut:</b>	<b>-\$168,100,000</b>

## 2009-10 General Cut

Enrollment growth:	<b>-\$175,213,000</b>
Est. general apportionment shortfall:	<b>-\$41,000,000 <sup>(b)</sup></b>
Unallocated 2009-10 apportionment reduction:	<b>-\$120,000,000 <sup>(c)</sup></b>
Est. 2009-10 enrollment fee shortfall:	<b>-\$21,200,000 <sup>(d)</sup></b>
Est. 2009-10 property tax shortfall:	<b>-\$53,400,000</b>
<b>Subtotal cuts</b>	<b>-\$410,800,000</b>
Est. student enrollment fee revenue (from \$20/unit to \$26/unit):	<b>\$70,000,000 <sup>(d)</sup></b>
<b>Total general cut:</b>	<b>-\$340,800,000</b>

Estimates are taken from Community College League of California website and are based on the most recent data available from the state.



# Impact of Budget Cuts – CCCCCO

2009-10 Categorical Cuts: \$343,000,000

*The budget makes deep cuts to categorical programs, which are expected to be partially backfilled by federal state fiscal stabilization funds.*

Item	Program reduction (ongoing)	Anticipated federal backfill (one-time)
Basic Skills:	-\$10,592,000 (-32%)	5,296,000
Career Technical Education:	-\$20,000,000 (-100%) <sup>(e)</sup>	none
Cooperative Agencies Resources for Education (CARE):	-\$5,110,400 (32%)	2,555,000
Counseling, Placement and Assessment (Matriculation):	-\$64,776,000 (-62%)	31,222,000
Disabled Students Programs and Services:	-\$37,908,000 (-32%)	18,953,800
Economic Development:	-\$28,905,000 (-62%)	13,932,000
Extended Opportunities Programs and Services:	-\$35,197,000 (-32%)	17,598,000
Instructional Equipment & Scheduled Maintenance:	-\$27,345,000 (-100%) <sup>(e)</sup>	None
Nursing:	-\$7,072,000 (-62%)	3,536,000
Part-time Faculty Compensation:	-\$31,400,000 (-62%)	15,135,000
Special Services for CalWORKs Recipients:	-\$13,100,000 (-30%)	6,537,000
Telecommunications and Technology:	-\$9,377,000 (-19%)	4,397,000

Estimates are taken from Community College League of California website and are based on the most recent data available from the state.

# Impact of Budget Cuts – CLPCCD

**Projected lost students: 3,133 (9%) [\(a\)](#)**

*includes loss of unfunded students, 09-10 growth and apportionment shortfall*

**Each mortarboard represents 1,000 students.**



= students at this district



= students projected to be lost at this district



Estimates are taken from Community College League of California website and are based on the most recent data available from the state.



# Impact of Budget Cuts – CLPCCD

## 2009-10 General Apportionment Cuts

*The budget falls short of funding several revenue shortfalls, makes an unallocated reduction to reduce workload (enrollment), and assumes revenue from the planned fee increase from \$20/unit to \$26/unit.*

2009-10 Est. general apportionment shortfall:	-\$620,000 (b)
2009-10 General apportionment reduction:	-\$1,830,000 (c)
2009-10 Est. student fee revenue shortfall:	-\$326,000 (d)
2009-10 Est. property tax shortfall:	-\$810,000
<b>Subtotal reductions</b>	<b>-\$3,580,000</b>
2009-10 Est. student fee revenue (from \$20/unit to \$26/unit):	\$1,070,000 (d)
<b>Net general reduction</b>	<b>\$2,510,000</b>



Estimates are taken from Community College League of California website and are based on the most recent data available from the state.

# Impact of Budget Cuts – CLPCCD

## 2008-09 "Mid-year" Cuts

*There will be a reduction that will cut apportionments and categoricals in the 2008-09 fiscal year of \$85,000,000 statewide. The methodology for the cut has not yet been released.*

2008-09 Est. general apportionment shortfall:	-\$620,000
2008-09 Unallocated reduction	-\$1,300,500
2008-09 Est. property tax shortfall:	-\$648,000
<b>Net reduction</b>	<b>-\$2,568,500</b>



Estimates are taken from Community College League of California website and are based on the most recent data available from the state.



# Impact of Budget Cuts – CLPCCD

## Selected Categorical Cuts: \$2,766,140

*The budget makes deep cuts to categorical programs, which are expected to be partially backfilled by federal state fiscal stabilization funds. Not all categorical cuts can be displayed here; see the [notes](#) for details.*

Item	Program reduction (ongoing)	Anticipated federal backfill (one-time)
Basic Skills:	-\$119,736	\$59,868
Counseling, Assessment, and Placement (Matriculation-Credit):	-\$762,213	\$367,412
Disabled Students Programs and Services:	-\$528,150	\$264,075
Extended Opportunities Programs and Services:	-\$319,466	\$159,733
Cooperative Agencies Resources for Education (CARE):	-\$47,025	\$23,512
Special Services for CalWORKs Recipients:	-\$158,943	\$79,471
Instructional Equipment:	-\$190,028 (e)	none
Part-time Faculty Compensation:	-\$450,533	\$217,172
Scheduled Maintenance:	-\$190,046 (e)	none

Estimates are taken from Community College League of California website and are based on the most recent data available from the state.





# CLPCCD Tentative Budget Presentation

## IMPACT TO THE CALIFORNIA COMMUNITY COLLEGES

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### **Budget Year (2008-09)**

- Defer an additional \$115 in apportionment payments
- \$85 million in across-the-board cuts to certain categorical programs
- Broad flexibility to spend categorical funds
- A \$42.1 million local property tax shortfall with no backfill



# CLPCCD Tentative Budget Presentation

## IMPACT TO THE CALIFORNIA COMMUNITY COLLEGES – *Continued*

### **Budget Year (2009-10)**

- \$344.3 million in across-the-board cuts to categorical programs, a 53% cut
- Categorical flexibility noted in 2008-09
- Eliminate 3% enrollment growth, reduction of \$175.2 million (leaves no growth funding)
- \$120 million cut to lower the funding rate for Physical Education courses
- A \$116.7 million local property tax shortfall with a partial backfill of \$63.3 million

# CLPCCD Tentative Budget Presentation

## IMPACT ON CHABOT-LAS POSITAS CCD USING ALLOCATION MODEL

### Current Year 2008-09 Cuts

		Unrestricted Cuts		One-Time Categorical Cuts	Totals
Chabot College	47.47%	\$596,028	61.20%	\$495,725	\$1,091,753
Las Positas College	30.10%	\$377,949	38.80%	\$314,283	\$692,232
District Services and Maintenance & Operations	22.42%	\$281,483			\$281,483
Totals		\$1,255,460		\$810,009	\$2,065,468

# CLPCCD Tentative Budget Presentation

## IMPACT ON CHABOT-LAS POSITAS CCD USING ALLOCATION MODEL – *Continued*

### Current Year 2009-10 Cuts

*on going cuts in 9/10*

		Unrestricted Cuts		<del>One-Time Categorical Cuts</del>	Totals
Chabot College	47.47%	\$2,008,188	61.20%	\$1,928,893	\$3,937,081
Las Positas College	30.10%	\$1,273,416	38.80%	\$1,222,893	\$2,496,309
District Services and Maintenance & Operations	22.42%	\$948,396			\$948,396
Totals		\$4,230,000		\$3,151,787	\$7,381,786

# CLPCCD Tentative Budget Presentation

## GUIDING PRINCIPLES

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### Students

- ✓ Maintain a schedule to serve 17,719 Full Time Equivalent Students (FTES)

### Personnel

- ✓ Layoffs as last resort
- ✓ Freeze selected vacant funded positions
- ✓ Recruit and fill critical prioritized positions
- ✓ Review non-instructional faculty positions
- ✓ Eliminate or reduce overtime, hourly, temporary position





# CLPCCD Tentative Budget Presentation

## GUIDING PRINCIPLES – *Continued*

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### **Fiscal Responsibility**

- ✓ Maintain Minimum Reserve of 5%
- ✓ Use District Allocation Model to distribute expenditure reductions or delays
- ✓ Fund operational increases (step & column, medical and dental benefits, utilities, insurance, retiree benefits, etc)
- ✓ Leverage assets and pursue other sources of revenue



# CLPCCD Tentative Budget Presentation

## DISTRICT RESPONSE

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- ◆ Proposed cuts in 2008-09 can be addressed by using the District's fund balance (over the 5% minimum reserve) and carryover balances in certain categorical programs
- ◆ Through one-time revenue sources continue funding on-going operational increases in 2009-10
- ◆ Proposed cuts in 2009-10 will be addressed using the guiding principles and allocation model



# CLPCCD Tentative Budget Presentation

## DISTRICT RESPONSE - FUND ON-GOING OPERATIONAL INCREASES IN 2009-10

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### Expenditure Increases

- ↑ Step and Column Increases
- ↑ Retiree Benefits Premiums Increase
- ↑ Medical Premiums Increase (\$934K)
- ↑ Dental (\$47K)/Vision (\$23K) Premiums Increase
- ↑ Workers' Compensation Premiums
- ↑ Property and Liability Insurance Premiums
- ↑ Utilities
- ↑ Student Insurance
- ↑ Staffing due to enrollment growth



# CLPCCD Tentative Budget Presentation

## TENTATIVE BUDGET FOR VARIOUS FUNDS

General Fund- Total		
	2008-09	2009-10
	Estimates	Budget
<b>Total Estimated Revenues, Transfers</b>	\$ 116,449,943	\$ 113,998,352
<b><i>Proposed Cuts - Governor's "May Revise"</i></b>	<b>\$ (2,065,469)</b>	<b>\$ (7,381,787)</b>
<b>Total Adjusted Revenue</b>	\$ 114,384,474	\$ 106,616,565
<b>Total Expenditures &amp; Transfers</b>	\$ 119,460,921	\$ 116,640,508
<b><i>Necessary Reductions - Governor's "May Revise"</i></b>	<b>\$ -</b>	<b>\$ (7,381,787)</b>
<b>Total Adjusted Expenditures</b>	\$ 119,460,921	\$ 109,258,719
<b>Increase/(Decrease) in Fund Balance</b>	\$ (5,076,446)	\$ (2,642,154)
<b>Beginning Balance</b>	\$ 16,620,440	\$ 11,543,993
<b>Ending Balance</b>	\$ 11,543,993	\$ 8,901,840

# CLPCCD Tentative Budget Presentation

## TENTATIVE BUDGET FOR VARIOUS FUNDS - *Continued*

Chabot College - Total			
	2008-09		2009-10
	Estimates		Budget
<b>Total Estimated Revenues, Transfers</b>	\$ 55,462,397		\$ 52,368,111
<b>Proposed Cuts - Governor's "May Revise"</b>	\$ (1,091,753)		\$ (3,937,081)
<b>Total Adjusted Revenue</b>	\$ 54,370,644		\$ 48,431,030
<b>Total Expenditures &amp; Transfers</b>	\$ 54,146,691		\$ 52,844,759
<b>Necessary Reductions - Governor's "May Revise"</b>	\$ -		\$ (3,937,081)
<b>Total Adjusted Expenditures</b>	\$ 54,146,691		\$ 48,907,678
<b>Increase/(Decrease) in Fund Balance</b>	\$ 223,953		\$ (476,648)
<b>Beginning Balance</b>	\$ 541,826		\$ 765,779
<b>Ending Balance</b>	\$ 765,779		\$ 289,130



# CLPCCD Tentative Budget Presentation

## TENTATIVE BUDGET FOR VARIOUS FUNDS - *Continued*

Las Positas College - Total			
		2008-09	2009-10
		Estimates	Budget
<b>Total Estimated Revenues, Transfers</b>		\$ 33,462,555	\$ 32,147,434
<b>Proposed Cuts - Governor's "May Revise"</b>		\$ (692,232)	\$ (2,496,309)
<b>Total Adjusted Revenue</b>		\$ 32,770,322	\$ 29,651,125
<b>Total Expenditures &amp; Transfers</b>		\$ 32,948,576	\$ 32,449,682
<b>Necessary Reductions - Governor's "May Revise"</b>		\$ -	\$ (2,496,309)
<b>Total Adjusted Expenditures</b>		\$ 32,948,576	\$ 29,953,373
<b>Increase/(Decrease) in Fund Balance</b>		\$ (178,254)	\$ (302,248)
<b>Beginning Balance</b>		\$ 42,625	\$ (135,629)
<b>Ending Balance</b>		\$ (135,629)	\$ (437,877)



# CLPCCD Tentative Budget Presentation

## CONCLUSION

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- *The Tentative Budget is a starting point in the development of the final adoption budget*
- *The budget will change as a result of the legislative process as well as the changes in the District's conditions*



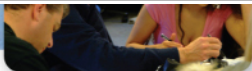
# College Action Plan – Guiding Principles

- Maintain the full-time faculty obligation number (FON) of 104 for Las Positas College
- Preserve direct services to students wherever possible
- Explore budget efficiencies for both short-term impact and long-term implications
- Maintain and model the highest standard of communication with the District and the College through multiple measures
- Align budget with institutional Strategic Goals
- Abandon broad, across-the-board cuts for targeted cuts that may go deeper rather than broader
- Expand resource development through grants, Foundation, and institutional advancement
- Respond to mandated responsibilities by the Systems Office and to expected services by accreditation agency
- Provide for a safe environment for teaching and learning
- Provide for operational efficiencies that may also produce cost-savings



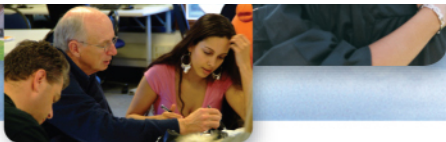
# Impact of Budget Cuts – College Categoricals

Program	Fixed	Academic Salaries	Classified Salaries	Benefits	YTD Total	08-09 Allocation	May % Reduction	09-10 Allocation (Based on May Reduction)	Difference (09-10 May Allocation vs. YTD Total)
DSPS	\$22,400.00	\$176,788.00	\$183,235.00	\$125,000.00	\$507,423.00	\$510,170.00	53.53%	\$237,076.00	(\$270,347.00)
EOPS	\$43,422.00	\$48,228.00	\$68,641.00	\$38,000.00	\$198,291.00	\$275,855.00	53.53%	\$128,190.00	(\$70,101.00)
CARE	\$7,820.00	\$11,352.00	\$6,015.00	\$5,000.00	\$30,187.00	\$54,665.00	53.53%	\$25,402.00	(\$4,785.00)
Matriculation						\$454,508.00	53.53%	\$211,210.00	\$24,716.00
A&R			\$20,593.00	\$6,000.00	\$26,593.00				
Assessment	\$18,200.00		\$15,987.00	\$4,000.00	\$38,187.00				
Counseling	\$1,200.00		\$39,318.00	\$5,000.00	\$45,518.00				
IR		\$51,296.00		\$12,900.00	\$64,196.00				
Coord	\$12,000.00				\$12,000.00				
					\$186,494.00				
CalWORKS	\$40,000.00	\$45,000.00	\$20,000.00	\$14,000.00	\$119,000.00	\$235,195.00	54%	\$108,189.00	(\$10,811.00)
								Total	(\$331,328.00)
Notes									
Mandates include:									
DSPS - Interpreters, notetakers, captioners, test accommodations, etc...									(\$331,328.00)
EOPS - Book vouchers have an MOE									
CARE - childcare									
Assessment - Accuplacer for assessment									
Coord - Software licenses, materials									



# Budget Action Plan – LPC

<b>OPERATIONAL EFFICIENCIES</b>		
	Reduce/standardize hours of operation campus-wide	
	Enforcement of pre-approval for reimbursements	
	Consolidate/leverage tutorial services	
	Reduce Mileage Reimbursements Via Teleconference	
	Systematic review of release time	
	Eliminate all expenses of campus funds for food	
	<b>Operational Efficiencies Subtotal</b>	<b>\$50,000.00</b>
<b>REDUCTIONS</b>		
Salaries	Faculty positions (new hires and re-hires)	<b>\$382,847.00</b>
	Not hire new full-time Biology instructor	
	Not hire full-time replacement for Physical Education (generalist) instructor	
	Savings from replacing full-time English, Photography, ECD, and PE (Aquatics) instructors	
	Consideration for Biology replacement	
	Classified positions (vacancies, resignations, redistributions)	<b>\$211,295.00</b>
	Not hire replacements for 2 Lab Assistants and 1 Instructional Assistant	
	Significantly reduce hourly classified budget	
	Redistribute portion of salaries to revenue from parking fees	
	Release time, re-allocations, and hourly faculty	<b>\$194,887.00</b>
	Reduce expenses tied to completed projects (ex: Accreditation)	
	Re-allocate expenses to other available funding source(s)	
	<b>Salary Reductions Subtotal</b>	<b>\$789,029.00</b>





# Budget Action Plan – LPC

<b>REDUCTIONS (cont'd)</b>		
Operations	Reduced printing/mailing of Catalog and Class Schedule	\$30,000.00
	Commencement expenses	\$5,000.00
	Limiting conference/travel Expenses	\$37,500.00
	Savings in Contracts/Service Agreements	\$80,000.00
	Ricoh Copier Services	\$20,000.00
	Office of the President	\$25,000.00
	Offer fewer cohorts in Sheriff's Academy	\$150,000.00
	<b>Operational Reductions Subtotal</b>	<b>\$347,500.00</b>
<b>REVENUE GENERATION</b>		
	Community Education	
	Grow and expand program and offerings	
	Facilities Rental	
	Increase number of campus rentals; explore increase in rates for facilities rentals	
	<b>Revenue Generation Subtotal</b>	<b>\$65,000.00</b>
<b>STEWARDSHIP/ IN-KIND SAVINGS</b>		
	General Fund reimbursement, possible 2008-09 Ending Balance	\$100,000.00
	Reimbursement for Contractual Release Time	\$97,000.00
	<b>Stewardship/In-Kind Subtotal</b>	<b>\$197,000.00</b>
	<b>ACTION PLAN TOTAL</b>	<b>\$1,448,529.00</b>



**Budget updates can be found on the LPC website at:**

<http://www.laspositascollege.edu/budget/index.php>

**For complete Town Meeting announcement details, please visit the  
Town Meeting page on the Intranet:**

<http://grapevine.laspositascollege.edu/administration/TownMeeting.php>

