



The mission of El Camino College is to meet the educational needs of our diverse community and ensure student success by offering quality, comprehensive educational opportunities.

Proposed El Camino College 2011-12 Budget Planning Proposal

The 2011-12 California State Budget proposal by Governor Brown includes significant reductions for the California community colleges. Depending upon the scenario, budget cuts for the community colleges are anticipated to range from \$400 million to \$1.085 billion. The \$400 million cut is based upon the State Legislature voting to put a tax extension package on the ballot, and the voters subsequently approving the tax package.

At this time there are numerous uncertainties associated with our budget development process for 2011-12 as we wait to see what happens in Sacramento. The wide range of potential budget cuts makes budget planning for 2011-12 very challenging for the El Camino Community College District. Cabinet has developed three planning options for our unrestricted general fund (Fund 11):

- Option 1: proposes a \$7 million reduction to the budget; this option assumes the tax extension package makes it on the ballot, and that voters approve the tax package.
- Option 2: proposes a \$10.9 million reduction to the budget; this option assumes there is no tax extension package approved by voters, and Proposition 98 is funded.
- Option 3: proposes a \$17.5 million reduction to the budget; this option assumes there is no tax extension package approved by voters, and Proposition 98 is suspended by the Legislature.

The "ECC 2011-12 Budget Planning Proposal" illustrates the three budget options and identifies each budget line item and the amount of savings from the categories. The individual line items are summarized below.

Section reductions

In developing the section reduction proposal, the vice president of Academic Affairs and deans identified the need to maintain courses that form the core of the California Community College mission. The priority is to offer strong transfer, career and technical, and basic skills courses. The deans also recognize the need to serve continuing students, to offer courses that support student transfer to CSU and UC, as well as courses that meet degree and certificate requirements, especially those in career and technical education. They also recognize the value in continuing to offer basic skills courses, specifically those that provide the foundation skills needed in reading, writing, mathematics, study skills and ESL.

Courses/sections recommended for cancellation include those offered at high schools, study abroad, stand alone (not applicable to degrees, certificates, or transfer) and the lowest level of basic skills. Additionally, courses that have been historically low-enrolled, as well as non-credit courses and avocational courses are recommended for cancellation. Long- term curriculum revisions are recommended for repeatable courses to allow fewer repeat enrollments. Potential changes are necessary in high-unit courses in certain career and technical areas of the curriculum.

The vice presidents will continue to consult with the Academic Senate regarding program cancellations as the budget planning proposal develops.

The 2011-12 budget proposal presents three FTES/enrollment options. In each of the three options course sections will be reduced from the class schedule.

In Option 1, the target FTES goal is 18,005; 195 sections will be cut from the schedule. In this option the following course section reductions will be applied:

1. summer 2011	- 36 sections
2. fall 2011	- 0 sections
3. winter 2012	- 45 sections
4. spring 2012	- 114 sections
total	- 195

In Option 2, the target FTES goal is 17,285; 370 sections will be cut from the schedule. In this option the following course section reductions will be applied:

1. summer 2011	- 98 sections
2. fall 2011	- 0 sections
2. winter 2012	- 158 sections (cancel all of the winter schedule)
3. spring 2012	- 114 sections
total	- 370

In Option 3, the target FTES goal is 16,005; 680 sections will be cut from the schedule. In this option the following course section reductions will be applied:

1. summer 2011	- 241 sections
2. fall 2011	- 72 sections
2. winter 2012	- 158 sections (cancel all of the winter schedule)
3. spring 2012	- 209 sections
total	- 680

The course section reduction calculations are based upon the decrease in state funded FTES. The actual reductions by division continue to be a work in progress that will require ongoing planning in order to maintain the core mission of El Camino College.

The budget planning document reflects a cost reduction of \$5,000 per section eliminated.

No full-time faculty layoffs will result from the course section reductions. These reductions will materialize from part-time faculty not being hired and overload assignments of our full-time faculty being reduced.

Contribution to General Fund from Fund 15

This line illustrates a reduced level of funding for categorical program backfills, student retention programs, elimination of unit plan funding, reduction of library book funds, and equipment and supplies. These reductions and eliminations will make approximately \$800,000 available for Fund 11 use.

Freeze management, classified and faculty positions

These are all personnel-related items. Five management positions, including the associate dean positions, will not be filled; this savings is estimated at \$650,000 in all three options. At this time we anticipate ending the current academic year with 20 to 24 faculty vacancies. Not filling vacancies is estimated to save \$50,000 per vacancy (\$90,000 less the part-time backfill cost of \$40,000). In Option 1, ten new full-time faculty would be hired; Option 2, five; and Option 3 no full-time faculty will be hired. Each classified vacancy is estimated to save \$70,000 (including benefits). Option 1 projects 6 vacancies going unfilled; Option 2 projects 9 unfilled vacancies; and Option 3 projects 17 vacancies remaining open.

Reduce Part-time parity to state contribution

The \$441,000 reduction in all three options represents the State's reduction to-date, of the categorical contribution to part-time faculty parity (reduction from FY 2003-04 to FY 2009-10). If the State's categorical contribution changes again in FY 2011-12, this number will be adjusted as well.

Reduce hourly class/casual/student worker

Reductions in hourly classified, casual, student workers and overtime correspond to cuts of 6%, 14% and 23% respectively in Options 1, 2 and 3. The reduction in non-teaching hourly (which include librarians and counselors) is 10% for Option 1 and 2; and 17% in Option 3.

Vacancy savings

Vacancy savings (\$100,000) and health insurance savings (\$110,000) represent funds that will

ECC 2011-12 Budget Planning Proposal

Budget Reductions (Fund 11)	\$7 million Option #1 18,005 FTES	\$10.9 million Option #2 17,285 FTES	\$17.5 million Option 3 16,005 FTES
Section Reductions (@ 4.11 FTES per)	195	370	681
Section Reductions @ \$5,000 each	0.975	1.850	3.405
Contribution to General Fund from Fund 15	0.800	0.800	0.800
Freeze 5 Management (incl. Assoc. Deans)	0.650	0.650	0.650
Freeze Faculty Positions @\$50,000 (net)	0.500	0.750	1.200
Reduce Pt-Time Parity to State Contrib.	0.441	0.441	0.441
Freeze Classified Positions	0.420	0.630	1.190
Reduce Hourly Class/Casual/Student Worker	0.140	0.320	0.520
Reduce Non-Teaching Hourly	0.060	0.060	0.100
Vacancy Savings (timing)	0.100	0.100	0.100
Health Insurance (timing)	0.110	0.110	0.110
Inglewood Center	0.100	0.100	0.100
Utilities	0.080	0.080	0.080
Eliminate Printed Schedules	0.143	0.143	0.143
Eliminate Capital Expenditures	0.580	0.580	0.580
Reduce Travel/Conferences	0.121	0.166	0.221
Reduce Advertising	0.040	0.050	0.060
SUB-TOTAL	5.260	6.830	9.700
NEGOTIATION RELATED:			
*Reduce Winter Session Ancillary Costs	X	X	X
*Eliminate Sabbaticals (net)	X	X	X
*Employee Share Health Care	X	X	X
*Freeze Step & Column	--	X	X
*Furloughs for All (@\$292,000 per day)	--	X	X
SUB-TOTAL	0.740	2.200	3.500
General Fund Reserve Reduction	1.000	1.870	4.300
SUB-TOTAL	1.000	1.870	4.300
TOTAL	7.000	10.900	17.500

Note: *Items requiring negotiations

Notes: to PBC March 3; to College Council March 7; to IBC March 8; to Management Group March 17; to Board March 21

THESE ESTIMATES WILL CHANGE

naturally occur as hiring is slowed and beginning employment dates are aligned with the first of each month. Additional health insurance savings will accrue with tighter management of the timely removal of benefits once employees leave service with the College.

Inglewood Center and utility expenditures

Savings of \$100,000 is estimated from not renewing the lease for the Inglewood Center. Utility savings of \$80,000 is reflective of the completion of the central plant and the on-going efforts of connecting individual buildings to the new infrastructure backbone.

Eliminate printed schedules and capital expenditures

The elimination of printed schedules translates to a savings of \$143,000. Elimination of capital expenditures will provide an annual savings of \$580,000.

Reduce travel/conferences and advertising

Reductions in travel amount to 31%, 43% and 57% respectively in options 1, 2 and 3. Advertising reductions are 13% in Option 1; 16% in Option 2; and 19% in Option 3.

Negotiated:

Reduce Winter Session Ancillary Costs (in all options); Eliminate Sabbaticals (in all options);

Employee Share Health Care (in all options); Freeze Step & Column (options 2 and 3 only); Furloughs for All (options 2 and 3 only).

All items listed under “negotiated” will be considered at the negotiating table, thus individual line item amounts have not been provided. However, Option 1 presents a proposed savings amount of \$740,000; Option 2, \$2,200,000; and Option 3, \$3,500,000.

The last line of the Planning Proposal illustrates the amount needed from the General Fund Reserve given the preceding assumptions. Option 1 proposes \$1,000,000 from the reserve; Option 2, \$1,870,000; and Option 3, \$4,300,000

The Budget Planning Proposal includes the statement – THESE ESTIMATES WILL CHANGE - as the funding and cuts to local districts will change as the budget is revised in Sacramento.

The ECC 2011-12 Budget Planning Proposal document has been presented to the Planning and Budget Committee, College Council, the Insurance Benefits Committee, the Management Group and was presented to the Board on March 21.

The next presentation of the Planning Proposal will take place at a Campus Forum to be held on April 7 in the Campus Theater.

Guiding Principles For Planning & Budgeting – Spring 2011

The aforementioned Planning Proposal was developed utilizing the following Guiding Principles, adopted by the vice presidents, recommended by PBC, and reviewed by the Academic Senate and College Council during this spring semester.

In light of the current budget uncertainties, the College cannot continue to operate with the same number of class sections, programs and services that currently exist. The recommendations/decisions we make will be difficult and will challenge our core beliefs as educators. The following principles will guide the El Camino Community College District to maintain student access and a fiscally responsible long-term vision.

1. All programs and services will be assessed for their viability, relevance, cost effectiveness and community need so that remaining programs and support services will be of high quality and appropriately supported.
2. Planning, evaluation and assessment processes will be utilized to review programs and services and to align budget priorities with institutional Strategic Initiatives.
3. Maximum efforts will be made to retain permanent, regular employees.
4. An adequate reserve will be maintained to meet district obligations and cash flow throughout a 4-year period of fiscal challenges is critical.
5. Opportunities to shift enrichment programs to a fee-based model will be explored.
6. Efforts will be made to create revenue generating opportunities that support the College’s operating fund.