Preparing for Tomorrow

Organization Change, Budget Reductions, Office Relocations

Town Hall Meeting
Thursday, November 5, 2009

Room 2131

They told me this job was going to be easy!

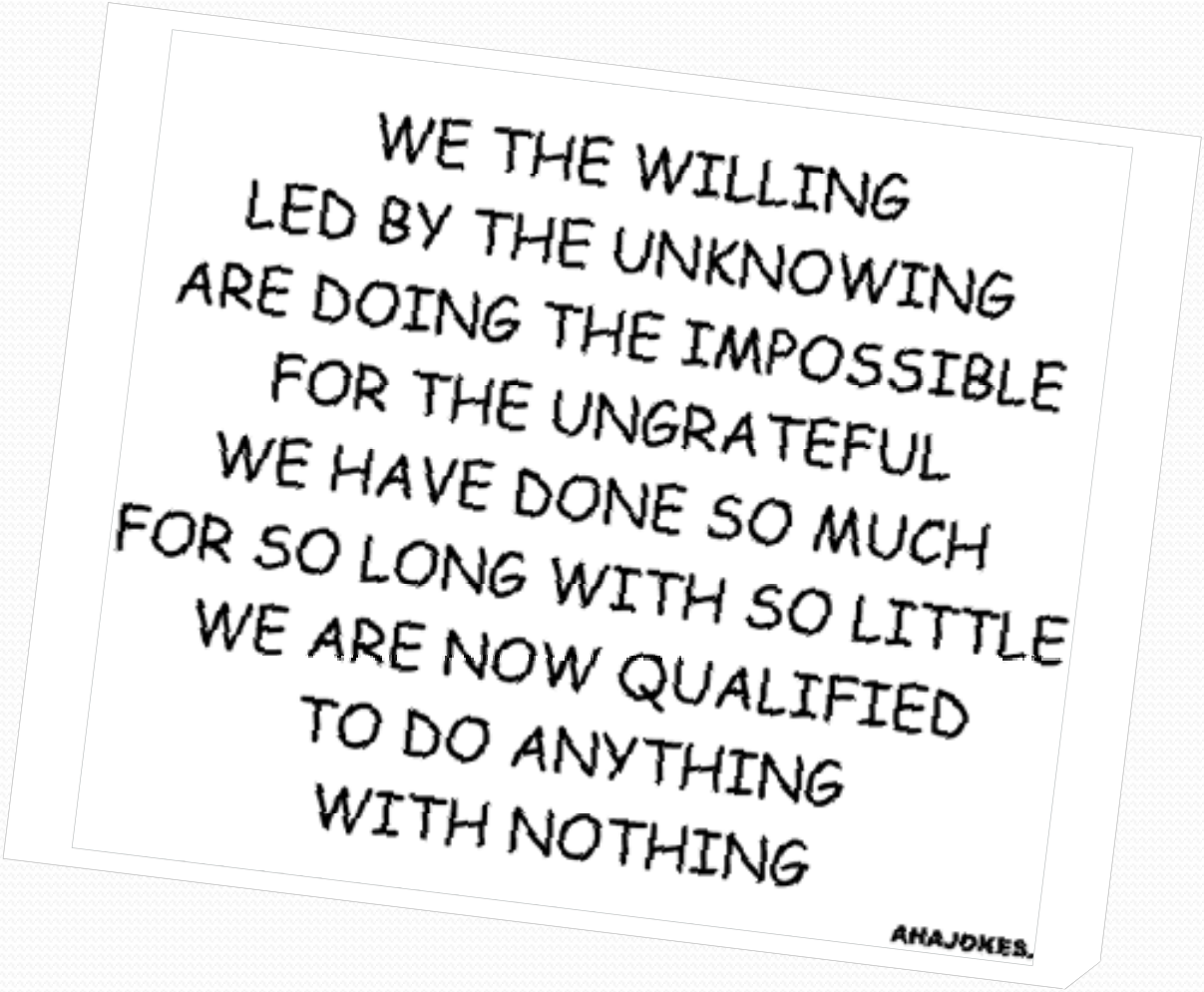
Leading IVC through the recession makes me feel like this "jackass."

Sometimes I feel like a foolish fox

You probably feel like this right now

We don't thank you enough and in difficult times it seems we think very little of each other. No matter what happens you and all the work you do for students at IVC is very much appreciated.

Only if we had unlimited funds!!!



Keep Our Eye on the Prize

Hot Topics…

- Organizational Restructure and Realignment
- Moves into 2700 building and secondary effects Measure L Project
  - Admissions, Financial Aid, and Federal Programs Village
  - Instructional Administration
  - President's Reports
- Budget – Reality and Rumors

Bright Spots: There are some…

- The 2700 Building is soon to be ours and the parking lots are complete
- Chasing Grant Funding has been successful
- Enrollment Growth is at an all time high – FTES Growth of 19% and Headcount Growth 16.5%
- Accreditation Report is complete with a Strategic and Educational Master Plan. The report has been submitted to ACCJC.

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Organization Change

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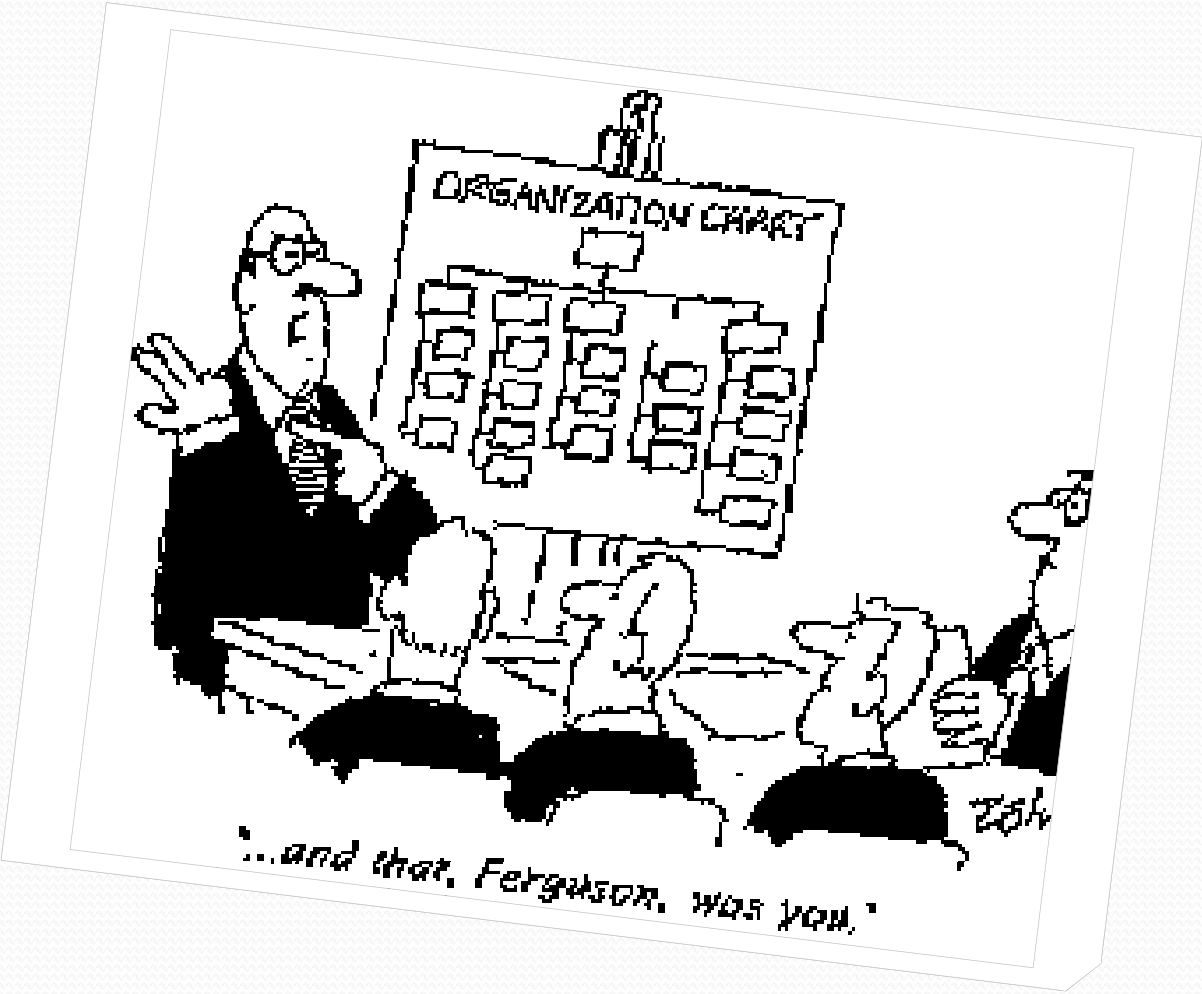
Yes we are reorganizing

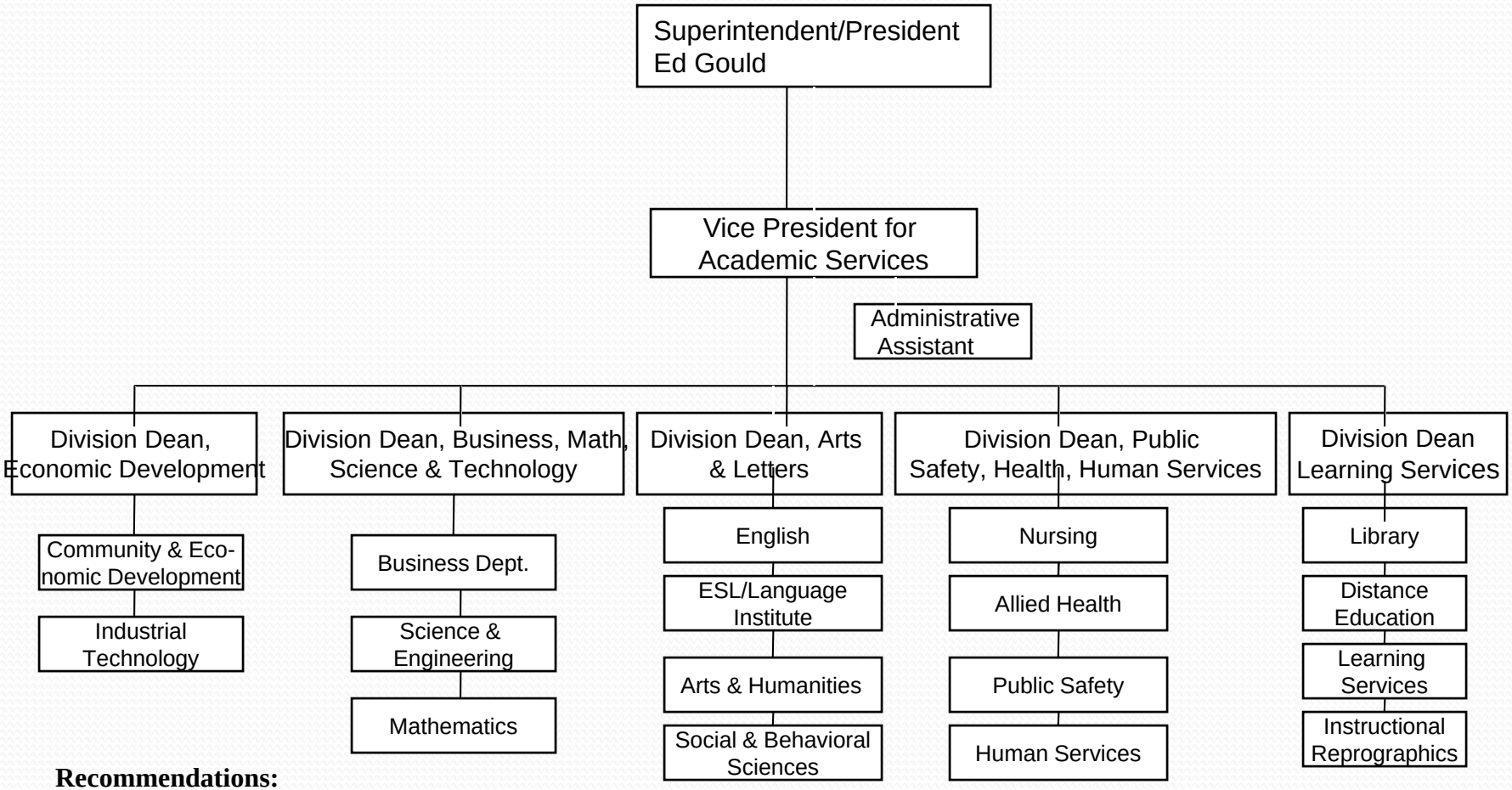
Efficiency in organization is our goal!



Organizational Change

- Why change the organization?
  - The old organization worked well when we were a small college…but that was then and now we're a large middle sized college
  - VP of Academic Services cannot possibly evaluate all full-time and part-time faculty not assigned to an administrative dean
  - Student Services span of control has increased due to size necessitating restructure
  - President's Office responsibilities have added four new departments: IT, Foundation, Communications, and Planning, Research and Grants
  - Alignment is necessary for efficiency
  - Procedures need to be "tidied up"
  - Three Administrative Positions have not been or will not be replaced with same level positions
  - Improved Services to Students, Staff and Faculty
  - Increased Professional Development for Staff

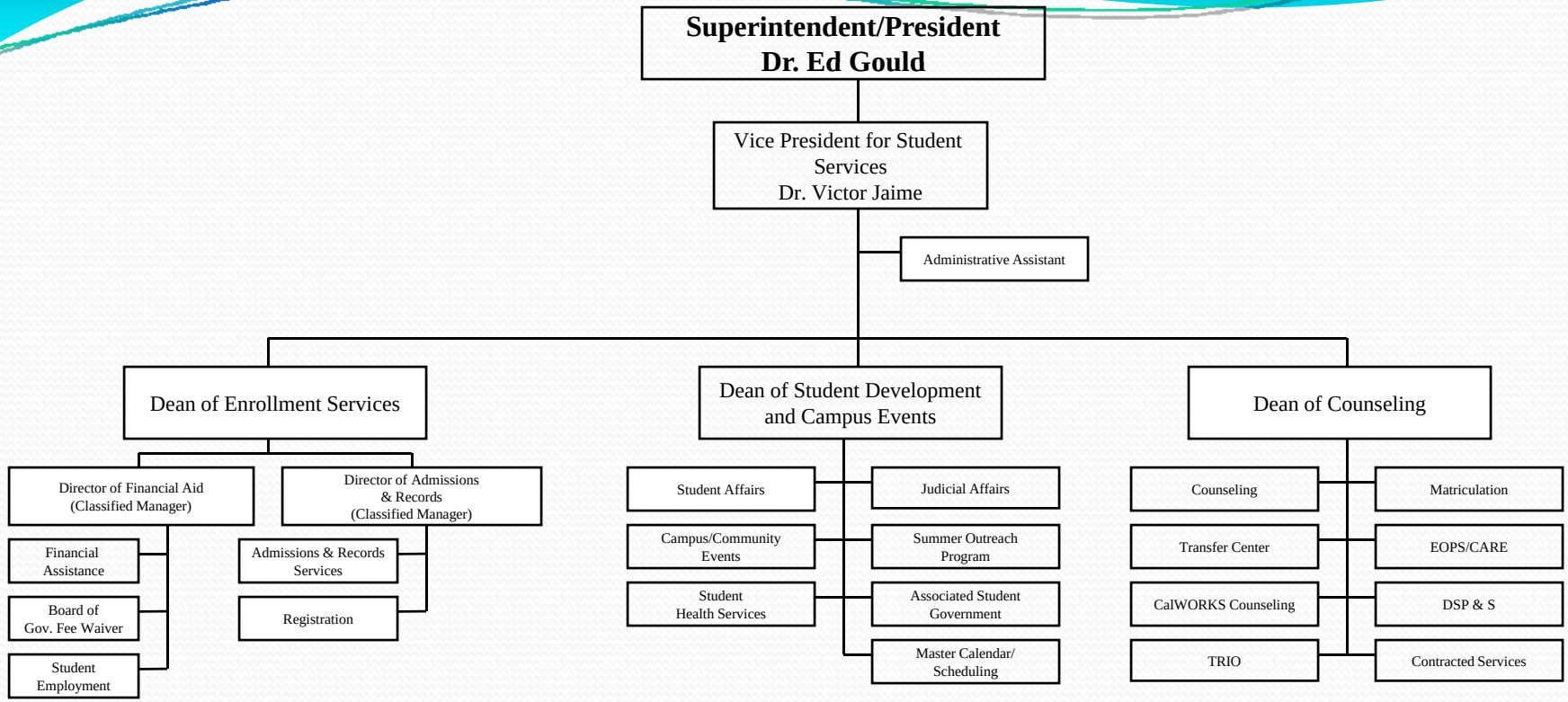
Academic Services



Recommendations:

Academic Services, Off-site and Off Hours Services, Curriculum Compliance, and Accreditation Support will report directly to the VP of Academic Services

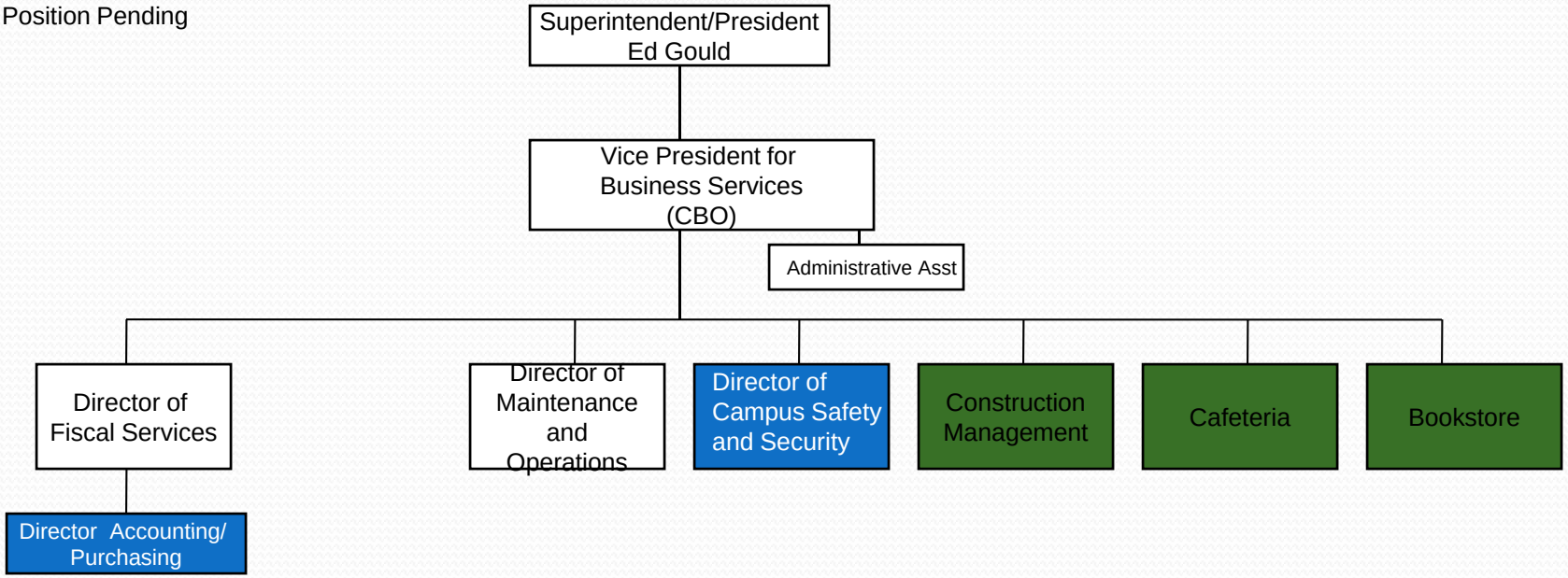
Student Services



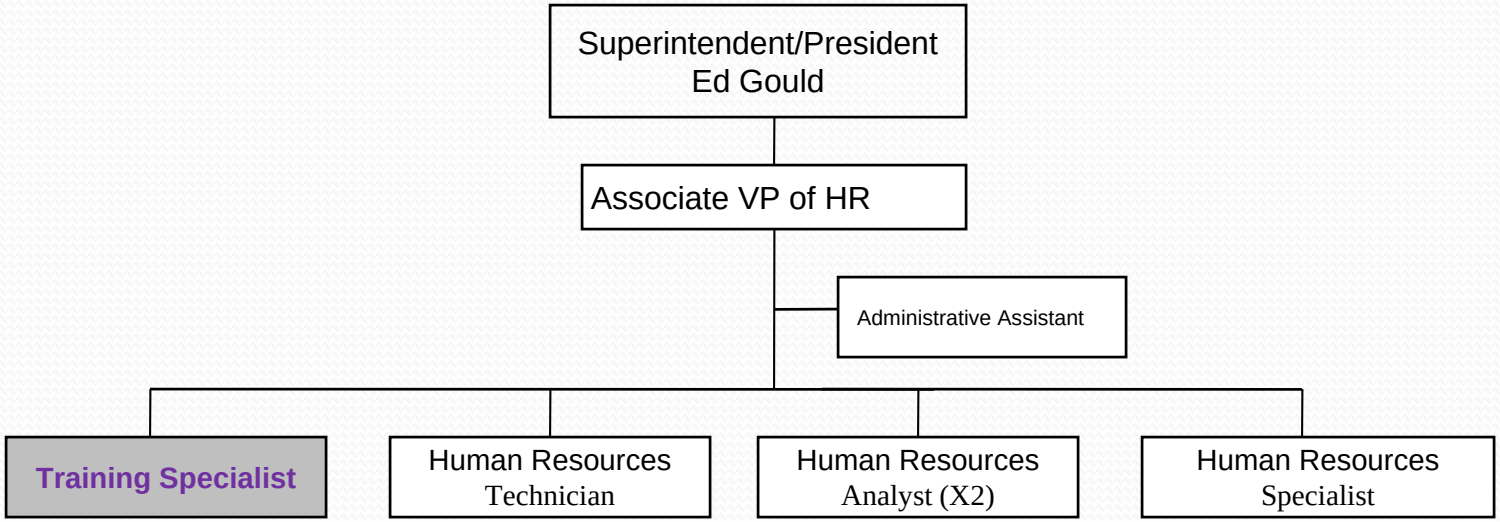
Last Revised: October 9, 2009

Business Services

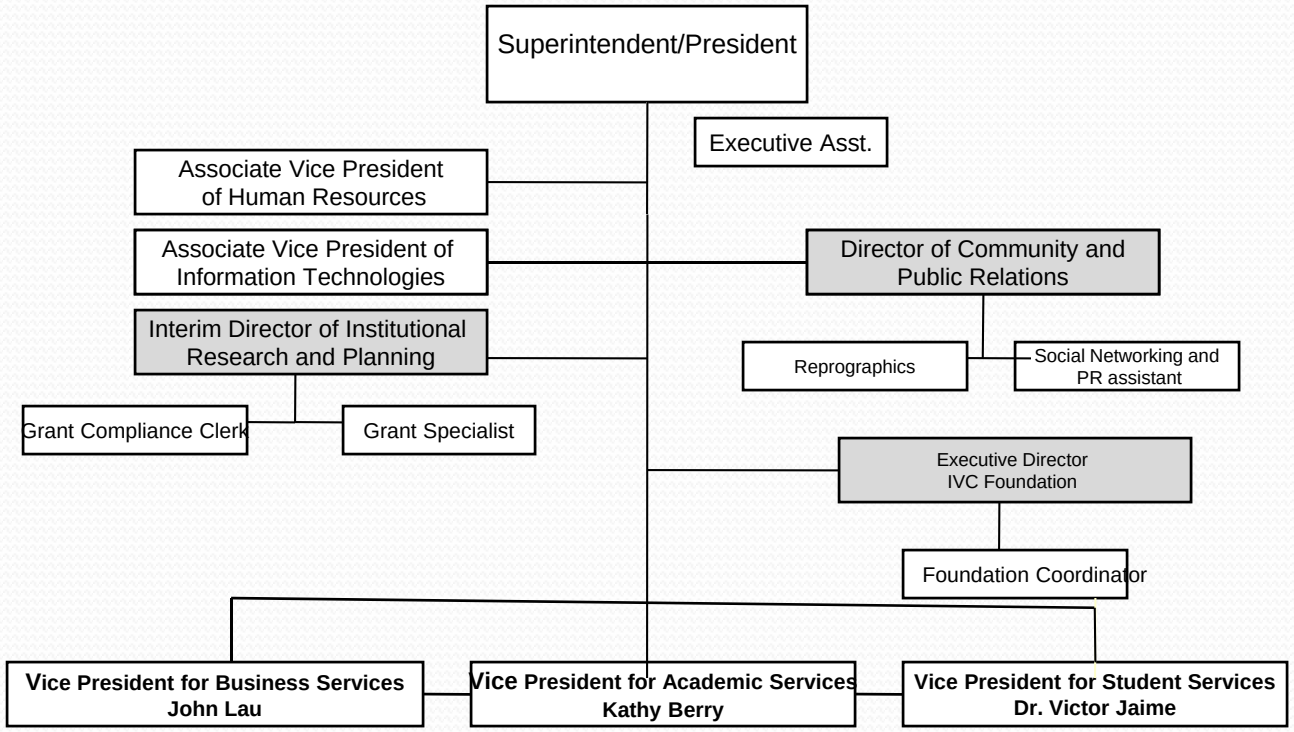
- Revised: May 2009
- Position Pending



Human Resources

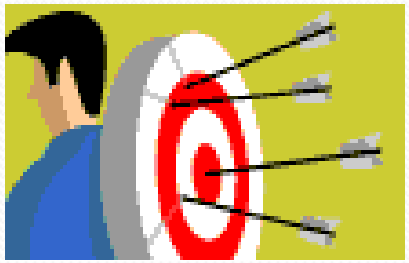


President's Office



Rumor: *Clerical Positions to be eliminated*

- This rumor is not true.
- *What is true is that all instructional and student services clerical support under the Vice Presidents will be assigned to one of the Deans.*
- Each Dean will have an Administrative Secretary
  - **Dean of Economic Development**
  - **Business, Math, Science and Technology**
  - **Arts and Letters**
  - **Public Safety, Health, Human Services**
  - **Learning Services**
  - **Enrollment Services**
  - **Student Development and Campus Events**
  - **Counseling**



Preparing for Tomorrow

Moves into the 2700 Building and Secondary Effects

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Yes we're really moving into the 2700 Building

And some of the rest of you will be moving soon!

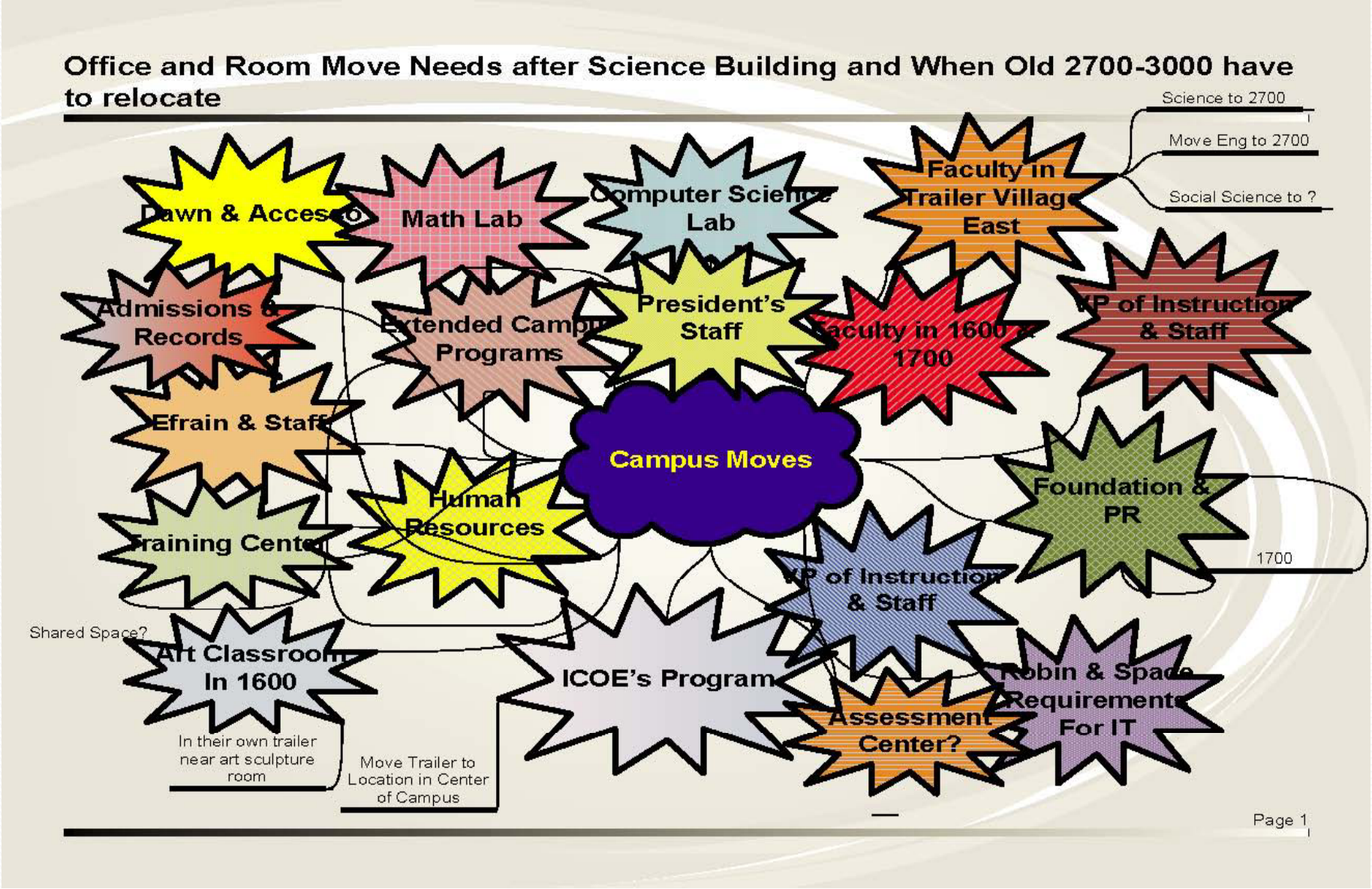
Bright Spots: *We have a new building*

- Science, Math and English will begin moving into the 2700 building December 14th
- Tours will be conducted and a dedication will be held in December or January
- The reorganization creates an opportunity to move services together instead of scattered throughout the campus
- One Stop Shop Concept initiated where possible
  - Student Services Village
  - Computer Laboratory Village
  - Centralized IT services

Bright Spots: *Other Construction*

- Art Gallery should be approved any day now and be functional by summer
- The bus turn around and new car drop-off on the east side are under construction and scheduled for a February Opening
- The Old number 2700 building and other trailers in that area will be removed or relocated

Moves Brainstorm



Moves can be unsettling and disruptive

We plan to make moves where it has the least impact on educational programs and services, but sometimes that isn't possible. We thank all who are enduring the changes brought about by construction.

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Budget

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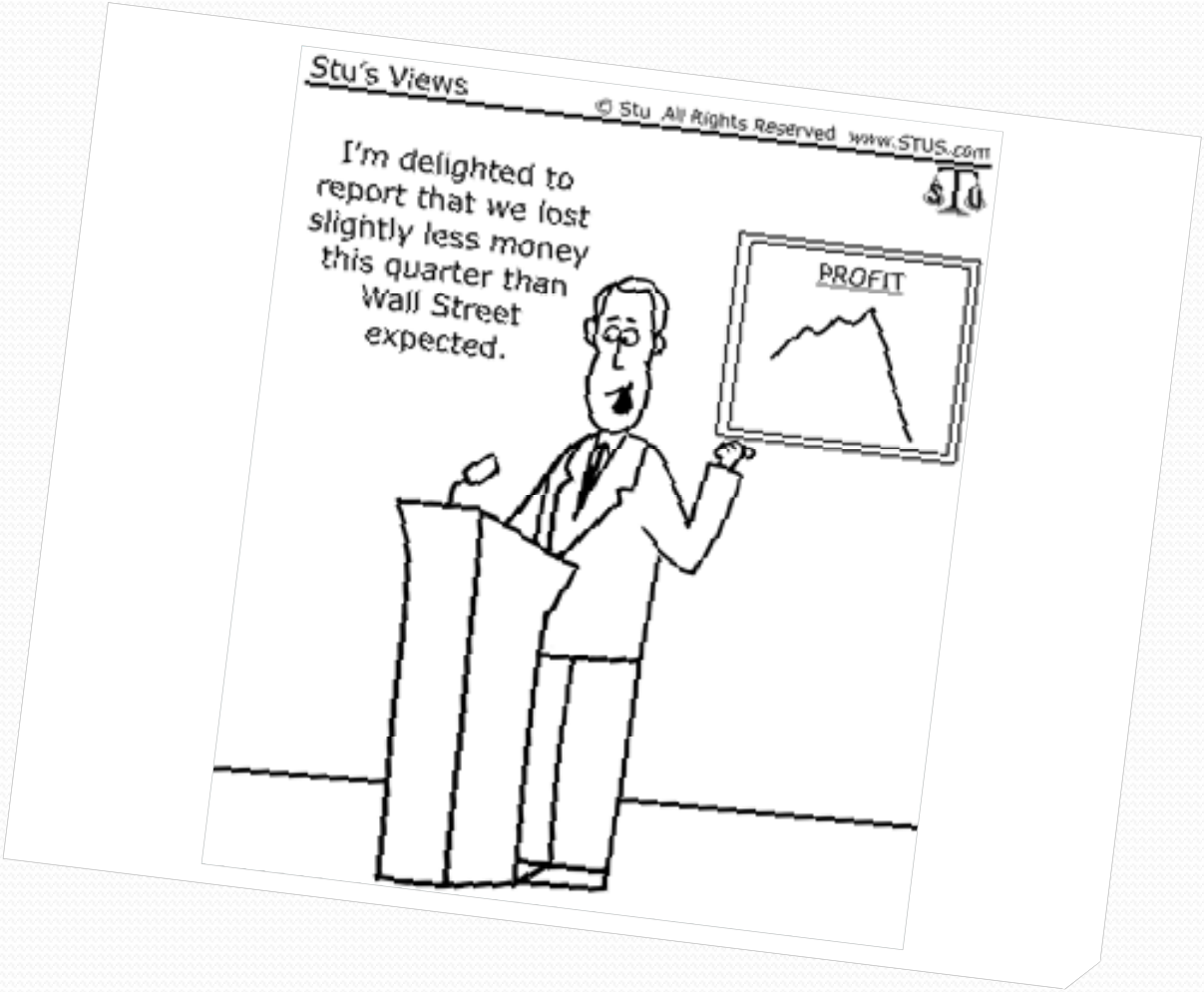
The State of IVC's Budget

We've been spending reserves ! We can't do that anymore.



Our budget situation is bad – hopefully never this bad

The IVC Budget is no Laughing Matter

IVC has a “roller coaster” budget history over the past decade. False enrollment projections followed by severe reductions in force, followed by obscene reserves, followed by actual spending being less than budgeted has led to distrust.

We have improved enrollment management and budget projections and things don’t look good.

Reserves are No Longer Available -

- Budget cutting is like moving a graveyard' – it's very difficult, and you don't get much internal support!
- Budget and Planning recommended, and the Board approved using the last of our reserves above the 6% board minimum. This is $2.5 million in the 2009 – 2010 budget that will not be available in 2010 - 2011

Budget Challenge is Upon Us

- "The history of man is a ***graveyard*** of great cultures that came to catastrophic ends because of their ***incapacity for planned, rational, voluntary reaction to challenge***."
  - Erich Fromm

How did we get to this point?

Prior to 2009 – 2010 Fiscal Year

- 2006 – 2007 resulted in a 27% reserve – obscene and creates distrust
- 2007 – 2008 after committing to a budget that included salaries from reserves the reserve was over 18%, but a reduction of 9% approximately 90% of the budget was for salaries and benefits.
- 2008 – 2009 the ending balance resulted in a 12.76% reserve (2.29% better than budget), a shrinkage of another 5.24% - 91% of the actual budget was for salaries and benefits.
- 2009 – 2010 projected reserve is 6.37% which is a shrinkage of over 6% and more than 92% of the budget is for salaries and benefits and the reserve is exhausted.

How did we get to this point?

2009 – 2010 Budget Trail

- February 2009
  - Governor removed the .68% COLA (given by the Board at President's recommendation)
  - Budget included no COLA but a 3% growth factor was allowed. IVC budgeted 2%.
  - Budget was dependent upon 4 of 6 initiatives on May ballot
- May 2009
  - All ballot initiatives failed
  - Democratic Legislators wanted new revenues – Governor threatened vetoes of any new taxes.

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- June 2009 a balanced budget adopted by BOT Growth eliminated

How did we get to this point?

2009 – 2010 Budget Trail continued

- Tentative June Budget Highlights
  - $4.8 million was reduced from division, departments, etc. from the Program Review and Budgeting process that resulted in the budget prior to the failure of the propositions on the May Ballot.
    - $750,000 came from the net from retirements
    - Winter and Summer were scaled down and faculty agreed to work for the $55 per hour rate
    - Non-credit offerings were eliminated except ESL & Music (they committed to raise their expenses)
  - $1 million in additional cuts were to be identified in the summer of 2009 and taken through the shared governance process in September.
  - NO COLA was included and growth was reduced to 1% at the recommendation of the Chancellor's Office
  - Reduction of Service Hours Occurred in the Library and elsewhere
  - Brawley Extended Campus was closed

How did we get to this point?

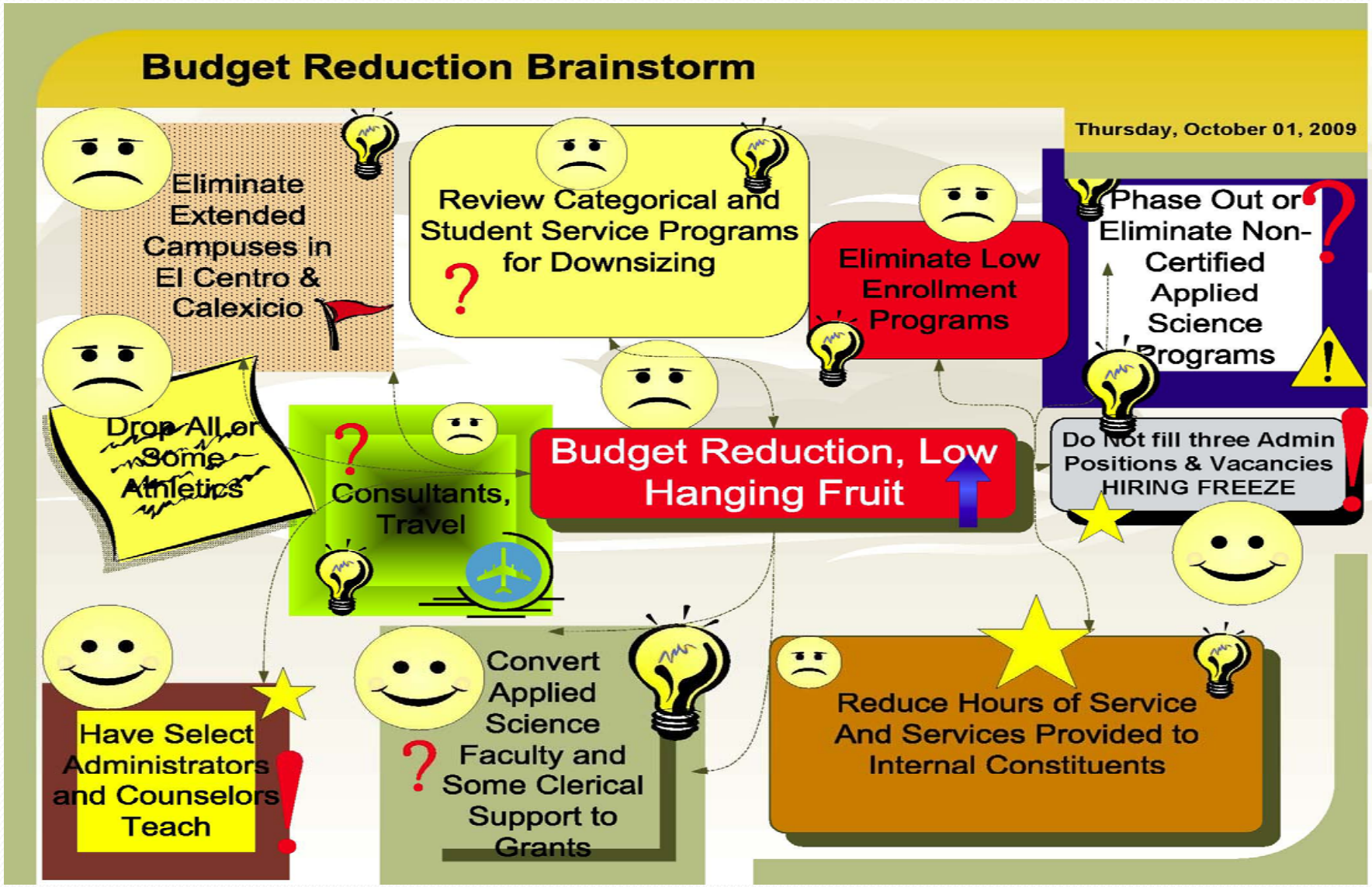
2009 – 2010 Budget Trail continued

- July 2009
  - IVC honored contractual commitments for step increases
  - President received a 3% raise (1st since his employment in April 2008)
- August 2009
  - Community Colleges receive another $870 million in cuts from the legislature and Governor and categorical programs become dependent on a $135 million bailout from ARRA funds. Only $35 million ultimately materialized.
  - For the first time, a workload reduction was given cutting IVC's FTES cap from 7,200 to 6,900 thus significantly reducing the budget.
  - Since the Program Review generated budget was developed, $8.1 million dollars had to be cut from the $35 million budget. This is a reduction of approximately 23%.
- September 2009 – Budget committee recommends final budget that includes using $2.5 million in reserves and lowering the reserves to 6.7% at year's end. President and Board Concur.

What about the future?

- 2009 – 2010 may get a mid-year reduction in the budget according to California Community College Chancellor.
- **The 2010 – 2011 State budget is expected to be no better than status quo and may be worse**
- **What this means to IVC**
  - ***In order to balance the budget in 2009 – 2010, IVC budget expenditures must be reduced $2.5 million at minimum.***
  - ***Unless new revenues are realized, or more cuts made, the likelihood of money available for increase in the salary and benefits area of the budget is, at best , $0.***

Budget Reduction Ideas



What have we done to Improve the Budget Situation?

- Aggressively sought federal and Workforce Development Grants
  - Over $2.2 million received already and at least four salaries to date will be moved to those grants, more are expected.
- We have recommended the closure of Extended Campus Sites in El Centro and Calexico saving $272,000 in leases – El Centro to be closed by 1/10 and Calexico by 7/10
- Lay-off notices will be given to Extended Campus staff members after an assessment of what staff is needed to assist in off-campus locations such as high schools, SDSU, etc.
- 13 classified positions and 3 faculty positions have been left unfilled.
- 3 Administrative positions have been either eliminated or reduced to classified manager positions.
- Faculty has agreed to the $55 per hour rate for summer school 2009
- Classified has agreed to freezing positions

Are the cuts enough for 2010?

- **The short answer is no!**
- **Savings to date to the budget may result in approximately $900,000 - $1.2 million in savings**
- **The District will need to find, at minimum, another $1.3 to $1.6 million assuming a status quo budget for 2010 – 2011.**
- **The District is looking at the elimination of Winter and Summer Sessions**
- **Obviously there will be more information and negotiations may be difficult.**

Threats Still Loom on the Horizon

- **The Chancellor is recommending a 3 mission future**
  - **Transfer with a focus on lower-division major transferable classes**
  - **Career and Occupational Programs**
  - **Basic Skills - one or no more than two steps below college level**
- **Non-credit programs may be reduced or eliminated**
- **Courses that transfer as electives may be threatened**

Questions?