



CSIS California School Information Services

August 23, 2012

Victor M. Jaime, Ed.D.
Superintendent/President
Imperial Valley College
380 East Aten Road
Post Office Box 158
Imperial, CA 92251-0158

Dear Superintendent/President Jaime:

The purpose of this letter is to confirm that the Fiscal Crisis and Management Assistance Team (FCMAT) concluded fieldwork at Imperial Valley College on August 17, 2012, where the team conducted several status meetings as part of the college's orientation day with a variety of audiences.

In March 2012, the college entered into a study agreement with FCMAT to perform the following:

The FCMAT Team will assist the college in developing a district-wide strategic vision regarding programs and services that should be offered, re-designed, added or deleted to sustain the college's financial solvency. The team will review and evaluate the college's management, faculty and classified staffing assignments to align with commensurate program offerings and position control. Through collaborative organizational planning and prioritization, the team will assist the college in aligning staffing ratios and positions with recommendations for programmatic additions or deletions. This component will also help the college with the budget development process to align programs and staffing to a financial plan that will assist the college in sustaining its recommended reserve levels and financial stability for the benefit of students, the community and college staff.

The objective of the report will be to create a data-driven, collaborative analysis that will serve as a foundation and impetus for the college community to accept and promote the necessary changes. The following framework is provided:

A. Organizational Planning

1. Establish a broad-based oversight group, as the College deems appropriate, to assist in guiding the project and to ensure college wide participation
2. Develop a step-by-step process and timeline with campus input
3. Solicit and establish internal and external stakeholder collaboration and needs development/identification
4. Conduct an organizational structure review and comparison
5. Conduct a review of employee bargaining unit contracts

FCMAT

Joel D. Montero, Chief Executive Officer

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6. Review and prioritize the need of all curricular, co-curricular, and non-curricular programs
7. Facilitate creation of a vision that results in program prioritization based upon available funding
8. In terms of strategic vision relative to program reduction, review existing plans to determine relevancy for these efforts and provide coordination of existing plans with this project
9. Assist the College in preparing a comprehensive FTES plan for the next three years
10. Assist the College in reconciling program reduction/expansion/redesign decisions to the MYFP
11. Assist the College in establishing principles and recommendations for program reductions

B. Fiscal Management

Develop a multi-year financial projection for the current and two subsequent years without any demonstrated adjustments based on today's economic forecast to determine the level of commitment that will be needed to sustain the College's financial solvency, recognizing that this will be a snapshot in time regarding the current financial situation and used as the baseline for determining the level of reductions.

Scope of work:

1. Determine up to four California community colleges to be used for benchmark comparisons
2. Provide findings and conduct a multi-year financial projection and recommendations for meeting the district's goals
3. Based on benchmark colleges and Imperial Community College's program priorities, review critical cost variances, including:
 - a) Review the average class size, as determined by WSCH/FTE faculty
 - b) Evaluate the class schedule based on student demand
 - c) Review the faculty obligation and the amount of reassigned time appropriate for the enrollment, structure, and budget of the College
 - d) Compare managerial positions as reported to IPEDS, and determine whether administration is organized effectively and are the staffing levels appropriate.
 - e) Evaluate classified hourly expenses as compared to those of other colleges
 - f) Determine the costs and program impacts of off-site centers and sites
 - g) Review the costs of health benefits for active employees compared to those of other colleges
 - h) Evaluate Imperial Community College for comparative analysis in terms of 50% law margins
 - i) Review the unrestricted general fund match for categorical programs and levels of encroachment, if any

- j) Review FTES and determine if assignments are managed effectively and is the college maximizing its opportunities to generate additional funding

The second component of the fiscal review will be to align the recommendations, specific cost proposals to reduce staffing, programs, etc; and develop a multi-year financial projection that enables the College to sustain its financial solvency and maintain recommended reserve levels. The objective of this component will be to prepare and present a comprehensive report and recommendations covering the following issues:

1. A financial model will be prepared to illustrate options that Imperial Community College could implement to reduce various expenses and/or increase revenue in order to balance the budget and sustain their financial solvency
2. Identify Institutional restriction such as past practices or services that have been identified as the “Imperial Community College culture” of the College including but not limited to collective bargaining contracts, legal constraints including the 50% law and the Full Time Faculty Obligation (FON)
3. Develop an implementation plan, including a proposed timeline
4. On the revenue side, the report will review:
 - a) Enrollment opportunities
 - b) College foundation
 - c) Grants and development

FCMAT visited the college on May 21, June 11 and 12, June 20, and July 16 through 18, as well as August 17, 2012 to collect data and conduct interviews. During this time FCMAT had discussions with board members, administrators, faculty, and classified staff, as individuals and within groups, including the board of trustees, college council and instructional council. On August 17, FCMAT made a brief presentation to the entire college and held two breakout sessions to answer questions.

To understand the district’s fiscal circumstance, FCMAT discussed a number of topics with the staff, including the following:

- Off-site instructional operations.
- Actions other than layoffs that would yield savings such as furlough days, retirement incentives, freezing step movement and a shorter work year for some categories of employees.
- California School Employee Association (CSEA) and California Teachers Association (CTA) contracts, identifying items that committed the district to added costs and limited the district’s decision-making ability.
- The district’s faculty obligation number (FON).
- The 50% law calculation and the related components.
- Class sizes, classroom productivity, class-schedule building, and full time equivalent students (FTES) strategies as a component of enrollment management.
- Evaluations of both instructional and noninstructional programs.

- Unrestricted general fund support for categorical programs and auxiliary operations such as bookstore and food services.
- Grants that anticipated district continuance after the grant expired.
- Bond program costs that might be masking future general fund obligations.
- Faculty release time both in terms of cost and function.
- Retiree health benefits program were posed.
- 2012-13 budget assumptions.
- Hourly classified costs.

The four peer districts/colleges chosen to compare the college against are College of the Desert, Hartnell College, Monterey Peninsula College, and Shasta College.

FCMAT study team members will continue to review documents and develop findings and recommendations that will be included in the full report.

FCMAT extends its thanks to the staff and administration Imperial Valley College for their cooperation and assistance during this review. A draft of the full report will be sent to you for review approximately October 29, 2012. If you have questions or require additional information prior to receiving the draft report, please contact me mplumbtree@fcmat.org or 707-775-2853.

Sincerely,



Michelle Plumbtree

Chief Management Analyst