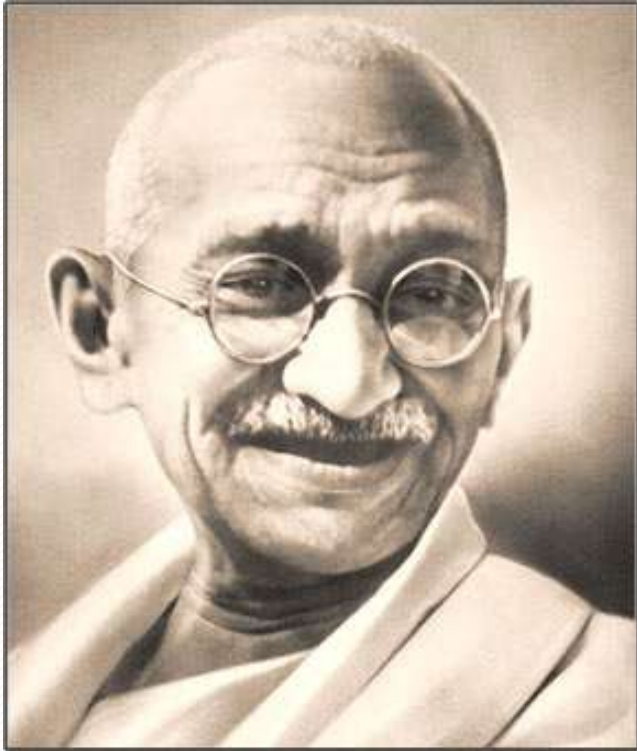


# ACBO Presentation October 2010

- CM Brahmhatt
- Retired, Coast CCD
  
- Mike Brandy
- Retired, Foothill De Anza CCD



BE THE CHANGE YOU WANT  
TO SEE IN THE WORLD.  
MAHATMA GANDHI

# Proposed Legislation

## CM Brahmabhattach



## Challenge

*Lack of a timely state budget requires colleges to use cash reserves causing costly cash flow issues and decreased revenue in addition to reduced budgets.*

## Proposal

- We propose legislation which requires the state to automatically allocate a minimum of 80% of the previous year's funding to the K-16 , UC and CSU's so classes and school operations can continue without interruption.

## Cash Flow Related to Apportionment Based on Prior Year

	<u>Coast CCD</u>	<u>Systemwide</u>	<u>Coast %</u>
July	\$ 2,587,953	\$ 115,818,332	2.23%
August	\$ 5,685,516	\$ 276,818,547	2.05%
Sept.	\$ 9,186,891	\$ 446,493,711	2.06%
Oct.	\$ 11,746,482	\$ 574,525,578	2.04%
Total	\$ 29,206,842	\$ 1,413,656,168	2.07%
Average	\$ 7,301,711	\$ 353,414,042	2.07%

- Lack of timely approval of state budget creates tremendous amount of hardship for colleges to mitigate the cash flow needed.
- Colleges have to borrow to make payments to vendors and pay salaries, and it is expensive.
- Colleges depend on available cash to invest, and the earnings help balance operational budget.

## Challenge

*Property tax incomes often fluctuate from projections in the state budget but are not adjusted in the allocations*

## Proposal

- We propose legislation which guarantees 100% of apportionment. Any shortfall in property tax to be mitigated by additional apportionment funds.

## Funding Deficit due to Property Tax Shortfall

	<u>Coast CCD</u>	<u>Statewide</u>	<u>Coast %</u>
2009/2010	\$ 188,857	\$ 6,215,341	3.04%
2008/2009	\$ 2,053,443	\$ 67,521,504	3.04%
2007/2008	\$ 557,223	\$ 18,097,437	3.08%
<b>Total</b>	<b>\$ 2,799,523</b>	<b>\$ 91,834,282</b>	<b>3.05%</b>
<b>Average</b>	<b>\$ 933,174</b>	<b>\$ 30,611,427</b>	<b>3.05%</b>

- Funding provided in budget is low to start the year.
- Funding shortfall always comes at the end of the year and has no time to react but to put big dent in ending balance.
- Guaranteed funding is extremely essential to provide equity and access to students in community colleges.



## Challenge

*Colleges spend a significant amount of money to serve more students than their base funding covers while the students' fees are kept in Sacramento.*

## Proposal

- We propose legislation which allows colleges to keep fees for all students enrolled over the funded base.



## Unfunded FTES and Its Impact

<u>2009/2010</u>	<u>Coast</u>	<u>Statewide</u>
FTES	1,327	92,681
Seat count	13,270	926,810
Average unit	3 units	3 units
Total units	39,810	2,780,430
Per unit cost	\$26	\$26
Fees collected	\$1,035,060	\$72,291,180
Per section FTES	4	4
# of sections offered	332	23,170
Cost per section	\$4,200	\$4,200
<b>Total Cost</b>	<b>\$1,394,400</b>	<b>\$97,314,000</b>

- Colleges spent a significant amount of money to serve students over and above their base FTES. During 2009-10, colleges spent \$97.3 million to serve 92,601 FTES system wide.
- The State collects \$72.2 million on unfunded FTES student fees and kept all the funds to offset State apportionment.
- Colleges must provide incentive to keep all enrollment fees at local level for all unfunded FTES to mitigate partial cost of those FTES.
- This change will encourage colleges to open more doors for additional students in this fragile economy.
- This change will help to better prepare colleges and legislature will have ample time to do a better job of approving a more realistic budget.

## Challenge

*Colleges spend a significant amount of money to process student applications while only a small percentage of applicants actually enroll and attend the college.*

## Proposal

- We propose legislation which allows colleges to charge a \$50 application fee to students which will be credited to them upon enrollment at census.

<i>Fall 2010</i>	Coastline	Golden West	Orange Coast	District	<b>\$50 Proposed Application Fee</b>
<b>Total Applications</b>	11,421	10,624	10,698	32,743	\$ 1,637,150
<b>Accepted &amp; Enrolled</b>	5,811	3,594	2,508	11,913	
<b>Accepted &amp; Enrolled %</b>	<b>50.9%</b>	<b>33.8%</b>	<b>23.4%</b>	<b>36.4%</b>	
<b>Applications Processed with No Enrollment</b>	5,610	7,030	8,190	<b>20,830</b>	\$ 1,041,500

# Laws I wish I could have changed

Mike Brandy

- **55% PARCEL TAX VOTE**
  - It is not a policy, but has more potential for positive impact on district services to students than any other policy change.
  - Change through the proposition or legislative process. Parallel the bond approval law.

# ONE TIME FUNDING

- Keep one time money directed to one time purposes, capital, books, supplies etc, not people.
- We know from research that single year infusions of one time money to deliver student services is not effective, and it creates havoc on staffing decisions

# Budget structure policies

- **The Full Time Faculty Obligation**

- It is not going to go away, but it needs to be simplified so it can be used as a more effective planning tool. I have never met an administrator who does not believe in hiring more full time faculty, but the funding model and funding level for CC's always works against this goal.

- **50% law**

- the law that we all love to hate, but it will probably be with us, it is antiquated when you consider how instructional support services are delivered to meet the needs of our current student population

Question: What is your perspective on the best ways for CBO's of the future to survive and succeed!

Answer: The "T" party





# “T” party platforms

- *TRUST BUCKET*
- *TEACH*
- *TRANSPARANCY*
- *TENACITY*
- *TEAMWORK*
- *Technology*
- *TIME*



# *Trust bucket*



- It takes a long time to fill, but only a few moments to empty
- You cannot control how this is filled by others but you can control how they view you by acting “trustworthy” in all your interactions

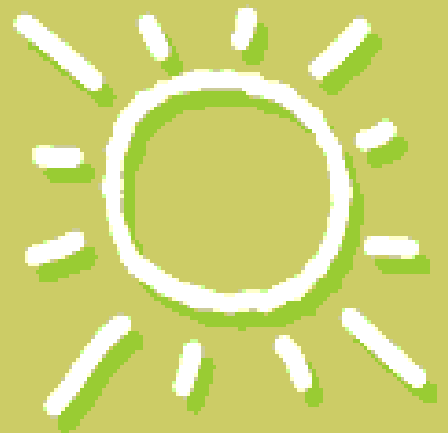
# Teach



- You are teachers!!!!
  - Your subject matter expertise is the budget, fiscal issues, modeling the effects of decisions, accurately interpreting state laws and regulations etc etc
  - Learn teaching methodologies from your academic colleagues
  - Who is your class: Board, faculty, classified, managers, community ...they are not all the same...what instructional methodologies would reach them
  - What are your Student Learning Outcomes (SLO's) at the next presentation you are making? How are you assessing the effectiveness of your presentation?

# *Transparency*

- **You** are in charge of transparency for the district
  - You have a commitment and obligation to the students, employees, Board, and community to make decisions and data transparent



# Tenacity

- *Definition: “Tenacity: persistence of purpose”*
- Know that the students are the reason you are there, make every decision student centered
- Don't be a “bean counter”, be a student leader !
- Center fiscal deliberations and decisions on student learning and achievement

# Teamwork

- Build your team
  - Direct reports
  - Managerial colleagues
  - Board
  - Executive staff
  - Community
  - The State Chancellors Office Staff



You will not be able to pick your “dream team”....*let it go, work with the people you have with all of their strengths and weaknesses*

# *Technology.....*

- .....embrace it... We did!

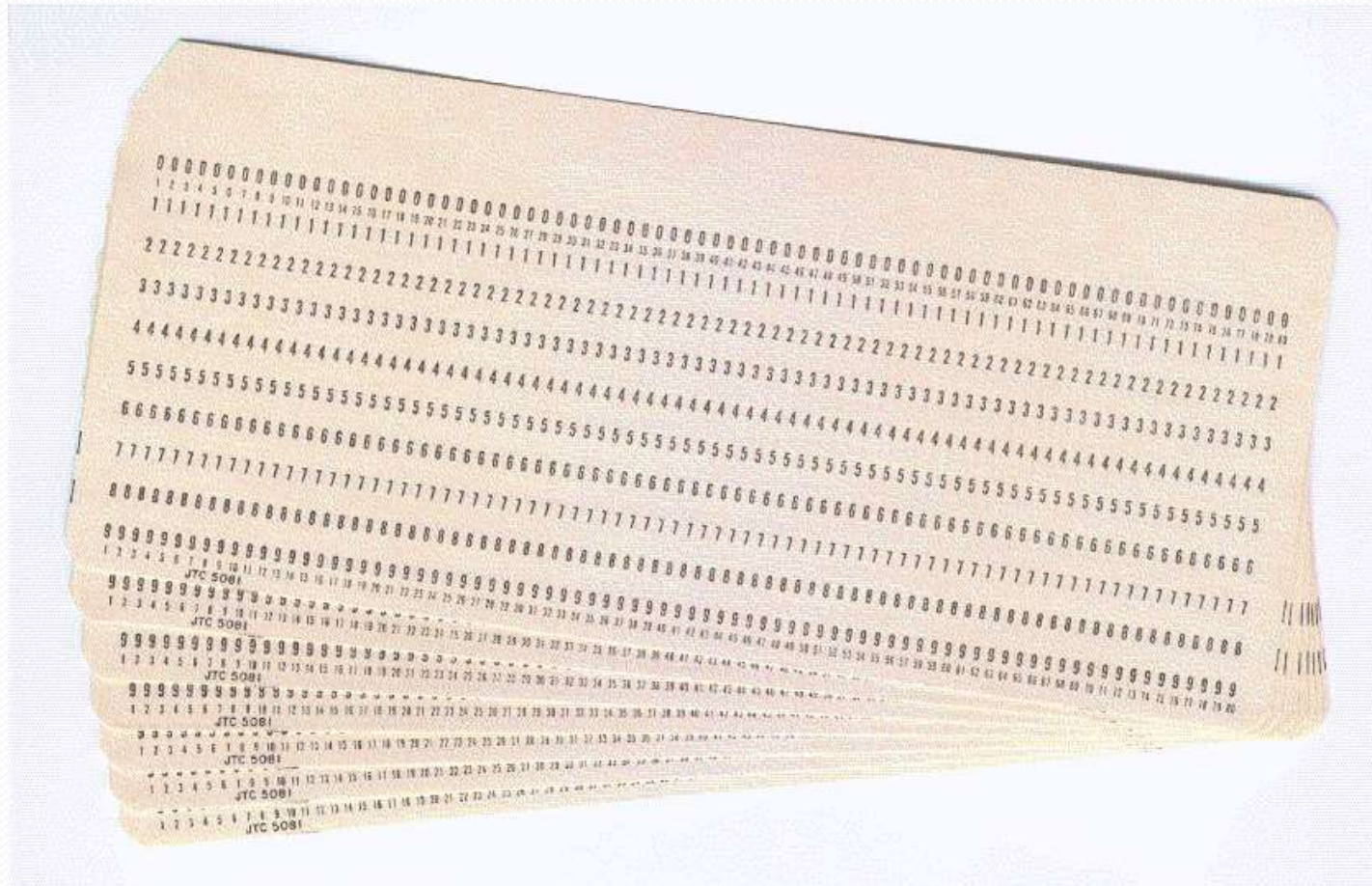


# Cutting edge Apple IIe technology



VisiCalc was the first spreadsheet program available for personal computers. It is often considered the application that turned the microcomputer from a hobby for computer enthusiasts into a serious business tool.<sup>[1]</sup>

# How many remember?



# Card punches and “green bar” reports!!



# Technology....What's next?

- **You** be the leader..

- Mobile device technology for registration, payments, financial aid disbursements?
- Mobile devices for emergency notification system
- Wireless go anywhere technology
- Facebook applications for recruitment, emergencies, payments
- Find the emerging technologies or know who can find them to inform you

# *Time*



- Time is the most precious commodity you have during your work hours, guard it and use it wisely
- At the end of the day, or at retirement, it will be family and friends who will be with you. Value and nourish them while you are working.