

## Chabot College Academic Senate

### Concern #1 District Budget Study Group (DBSG)

- The experience of faculty representatives of the DBSG is that this committee merely receives information on predetermined budget decisions.
- The committee does not have real opportunities to influence those decisions, and thus is not fulfilling its mission per board policy (Board Policy 3110).
- The muting of the faculty voice in the discussion of how the challenges of this budget crisis are solved is unacceptable in that it does not demonstrate good faith shared governance.

### CLPCCD Response

- ✓ The District Budget Study Group (DBSG) was established in 1994 and is part of Board Policy 3110 <http://www.clpccd.org/board/documents/3110Policy.pdf>
- ✓ Membership, “DBSG membership shall include faculty and staff representing their college senates and collective bargaining units, students representing ASCC and ASLPC, and management representing the district both colleges. 1994 Memo  
<http://www.clpccd.org/business/documents/11994AllocationModeMemo.pdf>
- ✓ Membership include faculty and staff representing their college senates and collective bargaining units, students representing ASCC and ASLPC, and management representing the district and both colleges
  - DBSG membership by position  
<http://www.clpccd.org/business/documents/MEMBERSHIPPOSITIONS.pdf>
  - DBSG membership by position with names  
<http://www.clpccd.org/business/documents/membership2011-12Rev2-27-12.pdf>
  - DBSG subgroups with names  
<http://www.clpccd.org/business/documents/DBSGSubcommittee3-22-12.pdf>
- ✓ Evidence of active participation by DBSG members
  - Allocation model from other districts  
<http://www.clpccd.org/business/documents/OtherDistrictSurvey.pdf>
  - Essential/Critical needs worksheets  
<http://www.clpccd.org/business/documents/Essential-CriticalNeeds3-22-12.pdf>

Bob D'Elena (Instructor) comment on funding for Chabot Child Development Center  
<http://www.clpccd.org/business/documents/May-6-11Mntes.pdf>

Kevin Walthers (Las Positas College President) /Kathy Kelley (Chabot College Faculty Senate) motion/second on budget cuts  
<http://www.clpccd.org/business/documents/March2-12Mntes.pdf>

## Concern #2: "Real Estate "

- The expense of the owning and maintaining the real estate of the District Offices and the Dublin Center represent excessive costs that CLPCCD cannot afford at this time.

### CLPCCD Response

- ✓ Chabot-Las Positas Community College District (CLPCCD), with the support of the Board of Trustees (BOT) has positioned itself well in leveraging its assets to produce on-going sources of unrestricted revenues.
- ✓ CLPCCD with approval from the BOT, by using interest earnings from Bond proceeds, was able to purchase the Dublin Center, 66,000 square foot, three story office building in downtown Dublin.
- ✓ Currently, the space leased out to various tenants has generated significant and much needed revenues.
- ✓ The numbers:
  - Purchase price of \$8,995,000
  - Annual Lease Revenue of \$500,000
  - Return on Investment of 5.6%
  - Revenue equal to having an endowment of \$100 million
  - Annual Lease Revenue with District office move \$745,000
  - Return on Investment 8.3%

## Concern #3

- Concessions by district office are misleading and ultimately unequal
  - Already vacant positions (and "funded" but unfilled positions) at District used as concession numbers.
  - Allocation Model unfairly advantages the District Office and M&O by leaving colleges to pay for offices of President, VP of Admin Services, and other functions out of their own budgets.
  - The Allocation Model should not be used to allocate budget cuts across the District because by the time the allocation model is invoked, generally the instructional program has already been cut to the greatest degree possible.

- The share of total reductions “allocated” to the five sites is based on total expenditures which includes faculty costs, thus the colleges have to bear a much greater share of reductions on the non-instructional [classified, student services, administrators] side.

#### CLPCCD Response

- ✓ The District Budget Allocation model, developed in 1994 was updated in 2003. It is currently under review by the DBSG.
- ✓ The allocation model was founded upon two central elements that no longer apply
  - “The statewide program based funding model”
- ✓ “revenues flow to the colleges based on FTES and student headcount”  
<http://www.clpccd.org/business/documents/1994AllocationMemo3-22-12.pdf>

The current statewide funding model is codified under SB 361

<http://www.clpccd.org/business/documents/SB361.pdf>

- ✓ Reassigned Time considered Essential and Critical and funded  
<http://www.clpccd.org/business/documents/SERPWorksheet3-22-12.pdf>
- ✓ Supplemental Early Retirement Plan (SERP) –both savings and expenditures are included in the model  
<http://www.clpccd.org/business/documents/SERPWorksheet3-22-12.pdf>
- ✓ Budget information for the District Office Maintenance and Operations and Contract Education are presented separately  
<http://www.clpccd.org/business/documents/SERPWorksheet3-22-12.pdf>

#### Concern #4

- The share of total reductions “allocated” to the five sites is based on total expenditures which includes faculty costs, thus the colleges have to bear a much greater share of reductions on the non-instructional [classified, student services, administrators] side.

#### CLPCCD Response

- ✓ Over the last few years CLPCCD endeavored to indentify district wide solutions to address the structural deficit
- ✓ Savings from not filling funded vacant positions was part of the district wide solution  
<http://www.clpccd.org/business/documents/RedctionMtrx3-22-12.pdf>
- ✓ We must use the allocation model to reflect revenue increase and decrease as prescribed by the model <http://www.clpccd.org/business/documents/SERPWorksheet3-22-12.pdf>

- ✓ The instructional side of the house is protected under the 50% law  
<http://www.clpccd.org/business/documents/50percentLaw3-22-12.pdf>
  
- ✓ In 2009-10, the state Chancellor directed districts to reduce their workload as a means to reduce district expenses  
<http://www.clpccd.org/business/documents/WorkloadRedctn3-22-12.pdf>