



Santa Monica Community College District
District Planning and Advisory Council
MEETING – AUGUST 22, 2012
MINUTES

A meeting of the Santa Monica Community College District Planning and Advisory Council (DPAC) was held on Wednesday, **August 22, 2012** at Santa Monica College, Business Building Room 111, 1900 Pico Boulevard, Santa Monica, California.

I. Call to Order - 3:06 p.m.

II. Members Present

Randy Lawson, Administration Representative, Chair
Janet Harclerode, Academic Senate President, Vice-Chair
Jeff Shimizu, Administrative Representative
Brenda Benson, Management Association President
Katherine Muller, Management Association Representative
Eve Adler, Academic Senate Representative
Mitra Moassessi, Faculty Association President
Howard Stahl, Faculty Association Representative
Bernie Rosenloecher, CSEA President
LeRoy Lauer, CSEA Representative

Others Present

Lee Peterson
Howard Stahl

DPAC Coordinator

Lisa Rose

III. The minutes of the DPAC meeting on August 8, 2012 were accepted.

IV. Superintendent/President's Response to DPAC Recommendation of July 25, 2012: 2012-2013 Savings and Revenue Recommendations. Attached is the Superintendent/President's response.

V. Agenda

A. Master Plan for Education Update:

- DPAC reviewed and agreed upon (with one minor amendment) the responses to the 2011-2012 Institutional Objectives.
- The draft forms for the 2012-2013 Institutional Objectives were reviewed and assigned to appropriate areas for completion.

VI. Adjournment- 3:47 p.m.

Meeting schedule through June, 2013 (second and fourth Wednesdays each month at 3 pm.

<u>2012</u>	<u>2013</u>
September 12, 26	January 9, 23
October 10, 24	February 13, 27
November 14, 28	March 13, 27
December 12	April 10, 24
	May 8, 22
	June 12, 26

VI. Council of Presidents Meeting

The Council of Presidents set the agenda for the September 12, 2012 DPAC meeting.

Agenda

A. Reports

- Planning Subcommittees
- Academic Senate Joint Committees
- ACUPCC Task Force
- Associated Students

B. Master Plan for Education Update

- Review 2012-2013 Institutional Objectives

C. Discussion of Proposition 30

D. Archiving District Planning Documents

Recommendations from DPAC Planning Subcommittees to be included on agenda for consideration by DPAC need to be submitted to Lisa Rose one week before the meeting.

RESPONSE TO DPAC BUDGET RECOMMENDATIONS

August 22, 2012

Thank you for the list of 2012-2013 Savings and Revenue Recommendations prepared by the DPAC Budget Subcommittee and approved by DPAC at its July 18, 2012 meeting. The College is developing a budget during a time of state funding reductions that are unprecedented, and we face significant additional cuts if the Governor's tax initiative does not pass in November. In 2011-2012, the College's budget continued to honor the Board's Budget Principles by avoiding layoffs and thus maintaining full employment of permanent employees and by prioritizing student access in serving about 1000 full-time equivalent students beyond the number funded by the State. Despite ending 2011-2012 with an operating deficit of \$8.84 million, through adjustment for one-time expenditures/revenue reductions and significant actions (including some of your recommendations) to reduce ongoing expenditures in a variety of areas, we have managed to develop a recommended Adopted Budget that reduces the operating deficit to \$3.5 million and still does not negatively impact permanent employees. Although we are assuming passage of Proposition 30 in crafting the budget to be presented to the Board in September, we must simultaneously be planning how we will handle the additional reductions if the initiative fails. We simply cannot wait until November 7 to deal with this very real possibility.

While I appreciate DPAC's recommendations, I must preface my response by expressing a major concern. The recommendations I received from DPAC tend to parallel previous lists of recommendations crafted to deal with far less serious budget scenarios. The recommendations focus on the services and capital areas that now make up only about 10% of the District's general fund budget. The level of potential reductions if Proposition 30 does not pass is such that we will no longer be able to avoid impacting permanent employment at the College. We simply cannot address a budget reduction of 18% just by attempting to make further reductions to categories that comprise only 10% of our budget. While I understand that DPAC's advisory function generally avoids recommendations that are in any way related to collective bargaining matters, it is time for us all to face the fact that we are being threatened with a revenue reduction of a magnitude that may call for a permanent restructuring of college operations.

In response to the recommendations focusing on the services and capital areas of the budget (numbers 1, 3, 4, 8, 9, 10, 11, 14, 16, and 18), these budgets have already been reduced, and I have directed that the Adopted Budget reflect further reductions for some of them. I have also directed reduction in expenditures for temporary classified employees (recommendation 15). Employee benefits eligibility and verification audits (recommendation 12) are now an ongoing function of Human Resources and do not require committee coordination. I agree with including energy and resource savings workshops (recommendation 13) among our staff development and training activities.

In terms of revenue generation, I agree with increasing facilities rental (recommendation 7), and I specifically plan to use the time in which we would normally be offering a winter intersession to pursue this for activities that complement or, at the very least, do not detract from our established mission, image, and reputation. I simply do not feel that exploration of the open-air market concept (recommendation 23) would be appropriate. Such an endeavor would require expertise that does not currently exist at the College, and this is simply the wrong time for expenditures on initiatives that fall beyond our regular educational services. I am also opposed to any partnership with the credit card industry to create an affinity card for SMC (recommendation 22). Even if we wanted to move in this direction, limiting it to voluntary participation by staff would result in an initiative that is of too small a scale to be beneficial.

The decision to establish the Broad Stage operation as an independent 501 (c) (3) was made to ensure that it would not impact the College's general fund beyond the initial seed money it was given. I want to maintain this healthy separation, particularly at this early stage of the Broad's development during which the operation is working diligently to establish financial stability. Therefore, I will not pursue recommendations 2 and 6. I also oppose renegotiating the Airport Arts Campus lease (recommendation 17). From our discussions with the City at the time our previous lease was ending, I am certain that such negotiations would result in increasing rather than decreasing the monthly cost. The current month-to-month arrangement is serving us well, and we expect the use of this property to increase as we need it for classroom "swing space" during the AET and future main campus construction projects. As for seeking future voter support (recommendation 20), I think this would be politically unwise at this time, particularly if we were to seek operational support.

The remaining long-term recommendations (19, 21, 24, 25, 26, and 27) require further analysis before I respond.

2012-2013 Savings And Revenue Recommendations From DPAC Budget Subcommittee

	SAVINGS AND REVENUE IDEAS	ST/LT
(1)	Reduce Catering Expenditures	Short-Term
(2)	Surcharge Broad Foundation Events To Support The General Fund	Short-Term
(3)	Significantly Reduce Money Spent Printing Class Schedules; Use Intersession Format	Short-Term
(4)	Reduce Printing Of 3-Color Glossy Promotional Material And Mailings	Short-Term
(5)	Seek Foundation Support Of The General Fund For Additionally Funded Classes	Short-Term
(6)	Move At least 50% Of Broad Seed Money Back To The General Fund	Short-Term
(7)	Encourage The Increased Rental Of Facilities	Short-Term
(8)	Further Reduce Marketing Expenditures	Short-Term
(9)	Further Reduce Legal Expenditures	Short-Term
(10)	Further Reduce Consultants Expenditures	Short-Term
(11)	Reduce Other Contract Expenditures	Short-Term
(12)	Ask The Benefits Committee To Organize Employee Benefits Eligibility and Verification Audits, as needed	Short-Term
(13)	Ask The District To Run Employee Energy And Resource Savings Workshops	Short-Term
(14)	Reduce the costs of mailing including the class schedule	Short-Term
(15)	Reduce temporary limited-term and provisional employees	Short-Term
(16)	Reduce conference/travel costs	Short-Term
(17)	Renegotiate the lease to the Airport Campus to reduce its cost	Short-Term
(18)	Reduce utilities through conservation	Short-Term
(19)	Investigate The Feasibility Of Offering Retirement Incentives To Employee Groups	Long-Term
(20)	Seek future voter support	Long-Term
(21)	Add A Convenience Fee To All Credit Card Transactions To Offset Bank Fees	Long-Term
(22)	Create Affinity Card For Staff, Alumni, Retirees and Former Employees Thru The Foundation; Poll For Interest	Long-Term
(23)	Run An Open-Air Market On Weekends	Long-Term
(24)	Fundraise The Naming Rights for SMC Facilities	Long-Term
(25)	"Save Our School" Fundraisers Via Campus Events	Long-Term
(26)	In Anticipation Of The End Of The eCollege Contract, Restudy Different Options For Distance Education With Cost Savings Being One Consideration	Long-Term
(27)	Study Options To Improve Systems Which Can Reduce Errors And District Liability	Long-Term