Recommendations to the Board of Trustees for Instructional Program Discontinuance

Presented by Eloy Ortiz Oakley
Superintendent-President

January 23, 2013
Board Goals

Support Student Success agenda
- Implement the Educational Master Plan
- Implement Promise Pathways
- Expand Long Beach College Promise

Support CTE, WFD, Economic Development
- Expand and Implement Small Business Programs
- Implement GS 10K small business imitative
- Organize local econ dev summit

Allocate resources in a manner that prioritizes these Board Goals
Institutional Priorities

The College’s top priority is to improve rates of student success which include, but are not limited to, transfer, certificates and workforce readiness.

• Maintain the College’s fiscal stability to afford opportunities for addressing the needs of students.

• Improve student readiness for success in college and provide a foundation for career and workforce skills.

• Acquire and manage funding to support student success initiatives.

• Support professional development in alignment with institutional priorities.
FTES History and Projection

<table>
<thead>
<tr>
<th>Year</th>
<th>Total FTES</th>
<th>Unfunded FTES</th>
<th>Funded FTES</th>
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</thead>
<tbody>
<tr>
<td>08-09</td>
<td>21,499</td>
<td>21,499</td>
<td>20,457</td>
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<tr>
<td>09-10</td>
<td>20,457</td>
<td>20,457</td>
<td>20,931</td>
</tr>
<tr>
<td>10-11</td>
<td>20,931</td>
<td>20,931</td>
<td>105</td>
</tr>
<tr>
<td>11-12</td>
<td>369</td>
<td>369</td>
<td>19,325</td>
</tr>
<tr>
<td>12-13</td>
<td>175</td>
<td>175</td>
<td>19,325</td>
</tr>
</tbody>
</table>

10.11% Decline in Funded FTES
State Funding Cuts over last 4 years

Dollar Amounts (in Millions)

- 09-10: -3.3
- 10-11: 2.3
- 11-12: -7.3
- 12-13: 0.8
- Total: -7.5
## Deficit History over last 4 years

<table>
<thead>
<tr>
<th></th>
<th>09-10 Actual</th>
<th>10-11 Actual</th>
<th>11-12 Unaudited Actual</th>
<th>12-13 Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus / (Deficit)</td>
<td>($1.2)</td>
<td>$4.6</td>
<td>($3.3)</td>
<td>($1.3)</td>
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</table>
### Percentage of Salaries/Benefits over last 4 years

<table>
<thead>
<tr>
<th></th>
<th>09-10 Actual</th>
<th>10-11 Actual</th>
<th>11-12 Unaudited Actual</th>
<th>12-13 Adopted Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits as a % of Total Expenses &amp; Other Outgo</td>
<td>87.7%</td>
<td>88.3%</td>
<td>89.0%</td>
<td>87.5%</td>
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### Trigger Language

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Percent of deficit factor</th>
<th>Base Cut (this cut will take place regardless of the outcome of the election or the deficit factor)</th>
<th>Prop 30 passes (additional cuts based on deficit factor – Trigger 1)</th>
<th>Prop 30 fails (additional cuts are NOT based on deficit factor, rather a flat rate is used – Trigger 2)</th>
<th>Total Cuts</th>
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</thead>
<tbody>
<tr>
<td>Scenario A</td>
<td>0.00% - 1.00%</td>
<td>$2,000,000</td>
<td>$0</td>
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<td>$2,000,000</td>
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<tr>
<td>Scenario B</td>
<td>1.01% - 1.49%</td>
<td>$2,000,000</td>
<td>$500,000</td>
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<td>$2,500,000</td>
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<tr>
<td>Scenario C</td>
<td>1.50% - 1.99%</td>
<td>$2,000,000</td>
<td>$1,000,000</td>
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<td>$3,000,000</td>
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<tr>
<td>Scenario D</td>
<td>2.00% - 2.49%</td>
<td>$2,000,000</td>
<td>$1,500,000</td>
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<td>$3,500,000</td>
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<tr>
<td>Scenario E</td>
<td>2.50%+</td>
<td>$2,000,000</td>
<td>$2,000,000</td>
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<td>$4,000,000</td>
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<tr>
<td>Scenario F</td>
<td></td>
<td>$2,000,000</td>
<td>$6,400,000</td>
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## Employee Group Reductions

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<thead>
<tr>
<th></th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
<th>Sub-Total</th>
<th>Total</th>
<th>Total</th>
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<tbody>
<tr>
<td><strong>MANAGEMENT TEAM</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>President</td>
<td>4.07%</td>
<td>6.15%</td>
<td>3.08%</td>
<td>3.08%</td>
<td>16.38%</td>
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<tr>
<td>Range 19-up (administrators)</td>
<td>4.07%</td>
<td>6.15%</td>
<td>3.08%</td>
<td>3.08%</td>
<td>13.30%</td>
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<tr>
<td>Range 11-18</td>
<td>2.31%</td>
<td>6.15%</td>
<td>3.08%</td>
<td></td>
<td>11.54%</td>
<td></td>
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<tr>
<td>Range 10-below</td>
<td>1.54%</td>
<td>6.15%</td>
<td>3.08%</td>
<td></td>
<td>10.77%</td>
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<tr>
<td>Furlough</td>
<td>$395,000</td>
<td>$620,000</td>
<td>$339,000</td>
<td>$10,782</td>
<td>$1,364,782</td>
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<td>Reduction in Force</td>
<td>$220,969</td>
<td>$759,688</td>
<td>$1,254,852</td>
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<td>$2,235,519</td>
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<tr>
<td><strong>FACULTY - FULL-TIME</strong></td>
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<tr>
<td>Furlough</td>
<td>2.31%</td>
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<tr>
<td>Hourly Overload</td>
<td>$162,025</td>
<td>$43,329</td>
<td>$113,942</td>
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<td>Summer School</td>
<td>$678,301</td>
<td>$153,754</td>
<td>$418,166</td>
<td>$435,078</td>
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<td><strong>CLASSIFIED</strong></td>
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<tr>
<td>Furlough</td>
<td>5.77%</td>
<td></td>
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<tr>
<td>Reduction in Force</td>
<td>$237,775</td>
<td>$1,563,117</td>
<td>$3,843,805</td>
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<td>$5,644,697</td>
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<tr>
<td>Overtime</td>
<td>$14,934</td>
<td>$9,041</td>
<td>$11,721</td>
<td>$10,328</td>
<td>$46,024</td>
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<tr>
<td><strong>FACULTY - PART-TIME</strong></td>
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<tr>
<td>Instructional Assignments</td>
<td>$1,216,466</td>
<td>$135,032</td>
<td>$734,391</td>
<td>$644,931</td>
<td>$1,440,958</td>
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<tr>
<td>Non-Instructional Assignments</td>
<td>$91,506</td>
<td>$46,083</td>
<td>$75,346</td>
<td>$119,676</td>
<td>$149,599</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
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<tr>
<td></td>
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<td>$3,600,301</td>
<td>6.36%</td>
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</tbody>
</table>
Other Significant Reductions
from 2009-2010 to 2012-2013

- Converted to 4/10 Summer Schedule - $199,000
- 50% cut in Travel/Conference budgets - $132,000
- Reduced mailings and class schedules $151,000
- Departmental voluntary reductions - $542,700
- Federal Work Study match waiver - $200,000
- Reduced faculty reassigned time by 25% - $114,000
- Hiring moratorium on all non-critical positions - $891,000
- Reduced limited-term classified and overtime budgets by 50% - $449,000
Other Significant Reductions
from 2009-2010 to 2012-2013 (cont.)

- Eliminated Evening Deans - $86,000
- Offered Supplemental Early Retirement Plan to faculty, effective January 1, 2010 - $350,000
- Early retirement/resignation incentives for management and classified - $608,000
- 50% reduction in advertising costs - $50,000
- Reorganization of the Senior Center - $167,000
- 50% reduction in Deans’ operating budgets - $62,000
- 15% reduction in instructional supply budgets - $114,000
- Converted to online class schedules - $65,000
Other Significant Reductions
from 2009-2010 to 2012-2013 (cont.)

- Fuel budgets reduction - $31,000
- Utilities budgets reduction due to Energy Efficiency efforts - $657,000
- Reduction in instructional service agreements - $225,000
- Reduction in Child Development Fund contribution - $527,000
- Health Benefit Plan changes and Employee Contribution increases - $1,326,000
- Suspended 3 sports (Men/Women’s Golf, Men’s Tennis) - $74,000
- Reduced discretionary budgets by 20% - $887,000
CPC Budget Reduction Criteria

- Maintenance of health, safety and statutory/regulatory compliance
- Meeting legal, contractual and accreditation obligations
- Minimizing impact on students as much as possible
  - Extent to which program, service or activity advances student success
  - Focus on transfer, certificate and degree completion
  - Equitable impact for students on both campuses
  - Student access measured by WSCH/FTEF ratios, wait list, numbers served
- Extent to which the program, service or activity advances the Institutional Priorities.
- Degree to which activity duplicates services, programs or activities offered within the College or elsewhere in surrounding area
- Evidence of employer demand and/or community need
- Currency of the program relative to employer demand and transfer institution requirements
- Effect on existing workloads and impact of position reductions

Program Discontinuance

January 23, 2013
Leadership Meetings

President:
President’s Forums (April, 2012 – October, 2012)
- 4 student forums
- 2 Classified forums
- 2 Faculty forums

Leadership Meetings (February, 2012 – December, 2012)
- 7 meetings with CCA
- 1 meeting with AFT
- 1 meeting with CHI
- 7 meetings with Academic Senate

Vice President, Academic Affairs:
May 11, 2012  Vice President, Academic Affairs - Academic Senate
Sept. 13, 2012  Vice President, Academic Affairs – Department Heads

Other Meetings: (March 20, 2011 to December, 2012)
Academic Council, College Planning Committee, Department Heads and Faculty committee meetings
# Program Discontinuance Process

**March 8, 2011**  
Academic Council decides Dept. Heads should review AR 4024 - committee was formed

**August 16, 2012**  
Full time faculty and Department Heads notified of Program Discontinuance

**Sept. 6 – Oct. 4, 2012**  
38 meetings held with faculty and Department Heads

**November 5, 2012**  
Research/Recommendations Reports to Department Heads and affected faculty

**November 5, 2012**  
Plan and Timeline for affected students (included in reports)

**November 15, 2012**  
Academic Council received recommendation from VP/AA

**December 6, 2012**  
Academic Council meeting input/suggestions from Academic Senate

**December 20, 2012**  
VP Recommendations to Superintendent-President
September 20, 2012  Academic Council decides to allow additional testimony from all 17 programs and 3 disciplines considered for Program Discontinuance

November 5, 2012  Memo to affected faculty inviting programs considered for Program Discontinuance to provide additional input

November 15, 2012  Academic Council – 19 program presentations (17 programs and 2 disciplines)

Sept 11, Sept 25, Oct. 23 and Nov. 13, 2012  Board Meetings - 11 agendized program presentations

Various Dates  Website created to keep the LBCC community informed about the College’s response to the state budget crisis. lbcc.edu/budget
Programs Considered

The following list of programs considered for discontinuance went to Academic Council on November 15, 2012:

- Real Estate
- Photography
- Air Conditioning/Refrigeration
- Auto Mechanics
- Film
- Auto Body
- Diesel Mechanics
- Aviation Maintenance
- Carpentry
- Sheet Metal
- Welding
- Diagnostic Medical Imaging
- Medical Assistant
- Radio/TV
- Audio Production
- Human Services (Alcohol/Drug)
- Interior Design
- Computer Proficiency for Academic Success
- Geography
ACADEMIC SENATE RESPONSE/POSITION STATEMENT

• Position Statement of the Senate Executive Committee on Program Discontinuance (summarized):
  – The Senate recognizes the need to cut costs to ensure financial stability.
  – The Senate wants to ensure that cuts minimize impact on students and completion of their educational goals.
  – The Senate wants the College to consider the effects elimination of programs could have on upcoming accreditation process.

• Recommendations included:
  – Total cost of savings, not just faculty costs, should be included (program cost cuts, equipment savings, etc.)
  – Total cost of ownership should not be included (based on “dream big” estimates).
  – Consider job placement and outside certification as well as certificates and transfer data.
  – Placement of affected students essential in positive accreditation
  – Affected program faculty should be well informed in the process.
  – CPAS and Physical Geography should not be considered as they are not programs.
Academic Senate Recommendations

The Academic Senate recommended and the Executive Committee supported the following programs and disciplines as “Do Not Discontinue.”

- Radio/TV
- Film
- Geography
- Sheet Metal
- Human Services
- Computer Proficiency for Academic Success
- Medical Assisting
Superintendent-President’s Recommendations

For Program Discontinuance:

- Auto Body
- Aviation Maintenance
- Audio Production
- Interior Design
- Welding
- Auto Mechanics
- Real Estate
- Photography
- Air Conditioning/Refrigeration
- Diesel Mechanics
- Carpentry
- Diagnostic Medical Imaging

January 23, 2013
Actions to Support Students in Programs Discontinued

• College will contact affected students to provide counseling and other support services.

• College will assist in the articulation of classes to similar programs at other colleges.

• College will offer summer 2013 classes for programs in which five or more students are within two classes of program completion.

• College will identify courses, enrollment numbers, number of students that took major coursework and summarize individual progress toward completion.

• College will make contact with nearby community colleges offering similar programs in an effort to facilitate articulation of displaced LBCC students to these Colleges.

• College will maximize flexibility in implementing alternatives such as credit by exam and independent study to facilitate program completion.

• College will provide students with a list of public and private institutions in Los Angeles County that offer similar programs.
Program Discontinuance
Budget Savings

Program Discontinuance Recommendation:

- Faculty Reductions: $1,834,000
- Classified Reductions: $355,000
- Instructional Supply Budgets: $199,000
- Total Budget Savings: $2,388,000

January 23, 2013
Commitment to Career Technical Education

Ongoing Commitment to Career Technical Education Programs:

- Trustee Goals
- The College will continue to develop new CTE programs in high-demand disciplines such as cyber security, studio art for transfer and engineering.
- The College will continue the CTE assessment process to support and align programs with the regional economy and industry needs.
- LBCC will reestablish offering the associate degree and certificate of achievement in Mechanical Maintenance Technology, which was developed in consultation with employers and labor unions at the Port of Long Beach.
- The programs being recommended for discontinuance represent 17% of the programs in which degrees and certificates were conferred by LBCC between 2006 and 2012; thus, 83% of the college’s degree and certificate programs would remain intact if the recommendation is adopted.
- In terms of the number of degrees and certificates conferred, 89% of the conferrals between 2006 and 2012 were in programs that would remain intact under the recommendation.
After four years of significant deficits, the State has finally projected a small surplus.

Governor warns that this could change due to:
- Federal government shifting costs to States
- Economic recovery being slower than projected
- Courts and/or Federal government challenging some of the State changes

2012-13 remains challenging for community colleges due to:
- An extremely large deficit factor of 6.7% (LBCC loses $6.4 million in revenue)
- Minimal amount of restoration funds totaling $50 million (LBCC gets $812,000)
- Continued cash deferrals totaling $801 million (LBCC share is $26 million)
Budget Outlook – (continued)

- 2013-14 provides some relief but has major policy changes as follows:
  - Shifts focus on funding to completions. No longer will we receive funding 20% into the session but rather it will be dependent upon completions. This has a 5 year implementation period.
  - Caps funded number of units to 90 units. If a student exceeds 90 units, then they pay the full cost of instruction and the College may not claim FTES.
  - Requires BOG Fee Waiver applicants to complete a FAFSA and include both their own and their parents income for eligibility determination.
  - Provides $196.9 million (= 3.6%) in base apportionment increases. Gives the Board of Governors discretion over how to allocate the funding.
Budget Outlook – (continued)

2013-14 provides some relief but has major policy changes as follows (continued):

- Buys down cash deferrals by $179 million bringing the total to $622 million

- Shifts $315.7 million from K-12 to community colleges for adult education ($300 million) and apprenticeship ($15.7 million)

- Provides $16.9 million to expand the delivery of courses through technology

- Provides $49.5 million for clean energy efficiency projects
What Will be Accomplished from Program Discontinuance

- Shifting resources to areas of greatest student demand-courses leading to certificates, degrees and transfer.
- Aligning resources with the need for increased completion
- Strengthening CTE offerings at LBCC