



Dear Colleagues,

Last Thursday, College Council considered the results of the budget deliberations conducted by the college's three Planning and Budget Teams (PBTs), and we want to share those results with you.

1) Context: First, a reminder of the context: De Anza College began its budget deliberations after learning that the governor's January budget proposal was not gaining the support it needed from Republican legislators to put a tax extension measure on the June ballot. As a result, Foothill-De Anza needed to plan for an "all-cuts" budget. This budget scenario forecast a \$30 million cut for the district, half of it to De Anza.

2) Allocations: Using the \$15 million cut as a worst-case scenario, the college's leadership allocated shares of the cut to the three areas of the college:

- Instruction (\$9,144,514, or 60%)
- Student Services (\$4,877,074, or 32%)
- Finance and Educational Resources (\$1,066,860, or 7%)

The share allocated to Instruction was smaller than their 79% share of the college budget, while the share allocated to Student Services was larger than their share. This was done to minimize the cut to instructional programs, as the college receives its funding through enrollment. The cut to Finance and Educational Resources was proportional to their share of the budget.

3) Process: The budget review process was radically decentralized so as to maximize the input and dialogue across the broadest number of faculty and staff. Each division and program reviewed its share of the cut in order to establish priorities.

4) College Council: Last Thursday, the 27th, the co-chairs of each PBT presented the budget reduction scenarios developed through their process, and each was reviewed by College Council.

Two things were immediately apparent. First, there was no way to make cuts of this magnitude without irreparably harming our ability to serve students. Second, there would be little chance of maintaining our enrollment if we had to cut both Instructional programs and Student Services. At the \$15 million level, we would be cutting more than

1,200 course sections, reducing counseling and advising staff to levels at which little counseling could take place, cutting Financial Aid staff so severely that we would no longer support work study or scholarship programs, and limiting access to precisely the students most in need.

Surely, one would think, there had to be an alternative. Did the governor's "May Revise" give us hope?

5) The May Revision to the State Budget: Good news, maybe. Even while the college was deliberating an all-cuts, worst-case scenario, we were heartened by the governor's updated budget proposal. In it, he announced that tax receipts were up an estimated \$6.4 billion, and he made no further cuts to the community colleges. Were his latest proposal to be successful, we would face a smaller cut to the district, although it's difficult to hazard a guess as to exactly what it might look like.

So, we are now in a form of budget limbo: the governor's new proposal still depends on an extension of taxes, though to a lesser degree. We are somewhat assured that the final budget cut to the district will not be the full \$30 million, though none of us knows where it will land.

6) Now what? Last Thursday, College Council voted unanimously to accept the PBT proposals, with the understanding that such reductions are untenable. The college president will deliver the budget scenarios to the board of trustees as an alert, in effect, of what the consequences of an all-cuts budget would be: De Anza College would be inoperable.

The good news is that we do not have to cut immediately, even if the state does not yet know how much it will give us. We do have sufficient one-time reserves to get us deep into next year, and maybe through it, before pulling the trigger on deep reductions. This also gives our collective bargaining units time to deliberate with the district regarding other options to the layoff of employees.

7) The "Stability Fund" and how we get through next year: We have adequate one-time funds to offer a full summer and fall quarter program, and even try to regain the roughly 5% of enrollment we lost this year. If the cut to the district is down to \$23 million, we can probably get through the entire 2011-2012 year intact, and use that time to plan for the 2012-2013 year. The dramatic cut would then occur in the 2012-2013 year, mitigated by whatever growth in state revenues occurs.

8) Advocacy: We still need to advocate for community college funding in Sacramento, and to focus our efforts on persuading four Republicans (two in each house of the Legislature) to pass a budget with the tax extensions.

You can find the list of legislators who need letters and calls on the website of the Community College League of California: <http://www.ccleague.net/events/call-the-swing-legislators/>.

9) Bittersweet Thanks: All three of us want to express our deep appreciation to the faculty, classified staff and administrators who worked so hard over the past six weeks on the most miserable professional assignment any of us has ever had. This process saw deep, respectful and thoughtful engagement at every step. It is scant good news that the cuts might be less than we have had to plan for, as one of the things we learned was how deeply interdependent we are on each other. The Instructional programs depend on Student Services, and both depend on the good people working in Finance and Educational Resources. Most critically, our students need us all. The college has a deep commitment to the most vulnerable among us, and to the core of our work—in transfer, basic skills and career technical education. We intend to honor those commitments, even as the state seems bent on retreating from them.

Sincerely,

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Virginia Marquez, President, Classified Senate

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