AGENDA ITEM BACKGROUND

TO: GOVERNING BOARD

FROM: PRESIDENT

SUBJECT: 2012-13 Budget Reduction Plans, Phase II and III

DATE: June 11, 2012

ENCLOSURE(S) Page 1 of 5

BACKGROUND:
The structural deficit for Cabrillo for 2012-13 is currently projected at $5.6 million. One of the major components of the structural deficit is the built in increases in expenses that the college must budget each year. The college is planning to utilize $2.3 in operating funds to bridge the 2012-13 deficit leaving a deficit balance of $3.2 for 2012-13. The college has set a budget reduction target of $2.5 million for the 2012-13 Preliminary Budget. The first phase of budget planning, including 2.5 million in reductions, was completed in May, 2012. All permanent reductions identified will be included in the 2012-13 Preliminary Budget approved by the Governing Board in June, 2012.

Phase II & III reduction plans were presented and discussed with individuals impacted, department meetings, Cabinet, Administrative Council, Managers and College Planning Council meetings. The Governing Board reviewed the attached reductions at the May 7, 2012 Board meeting.

The Services Program Review and Advisory Committee (SPRAC) has received and reviewed all plans included in the attachments. SPRAC feedback will be presented to the College Planning Council as soon as possible.

<table>
<thead>
<tr>
<th></th>
<th>Phase I</th>
<th>Phase II</th>
<th>Phase III</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted General Fund Reductions</td>
<td>$938,864</td>
<td>$679,333</td>
<td>$460,296</td>
<td>$2,078,493</td>
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<tr>
<td>Restricted Fund Reductions</td>
<td>$128,731</td>
<td>$81,995</td>
<td>$4,133</td>
<td>$214,859</td>
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FISCAL IMPACT:
See reduction list above.

RECOMMENDATION: It is recommended that the Governing Board approve the Phase II and Phase III budget reduction plans as presented.

Administrator Initiating Item: Victoria Lewis

Academic and Professional Matter □ Yes □ No
If yes, Faculty Senate Agreement □ Yes □ No
Senate President Signature

Final Disposition Approved
<table>
<thead>
<tr>
<th>Budget Criteria</th>
<th>Description</th>
<th>Impact</th>
<th>PCN #</th>
<th>FTE</th>
<th>Total Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>IIIC</td>
<td>Elimination of all general fund operating support for Cabrillo Stage, keeping only 12 TUs.</td>
<td>Cabrillo Stage reduces production costs, raises ticket prices, and institutes new annual fund raising event, the first of which is scheduled for March 30, 2012.</td>
<td></td>
<td></td>
<td>$12,407</td>
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<tr>
<td>IIIA</td>
<td>Eliminate 36 TUs from selected programs</td>
<td>Eliminates Adjunct TUs</td>
<td></td>
<td></td>
<td>$64,344</td>
</tr>
<tr>
<td>IIIA</td>
<td>Reduce support for Public Safety In-Service program by 50%, and reduces FTES by approximately 115</td>
<td>Reduces in-service offerings to fire and law enforcement agencies</td>
<td></td>
<td></td>
<td>$150,000</td>
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<tr>
<td>IIIC</td>
<td>Reduce performing arts complex assistant from 12 mos to 9 mos</td>
<td>Reduces support for performing arts during the summer.</td>
<td>498503</td>
<td>0.25</td>
<td>$9,948</td>
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<tr>
<td>IIIC</td>
<td>Eliminate Visual Arts Tool Room Technician</td>
<td>Eliminates current support for all evening visual arts studio courses. Will require reductions in open lab hours and impact the ability to schedule many 3-D studio art courses in the evening.</td>
<td>495001</td>
<td>0.42</td>
<td>$26,136</td>
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<tr>
<td>IIIC</td>
<td>Eliminate Photo Lab Technician</td>
<td>Eliminates photo lab tech support, requiring the shifting of equipment and supplies ordering and maintenance responsibilities fully to faculty and/or the photo Lab Tech. Will likely result in the outsourcing of equipment repair and maintenance.</td>
<td>493501</td>
<td>0.56</td>
<td>$35,819</td>
</tr>
</tbody>
</table>

$298,654
### Phase II Administrative Services Unrestricted General Fund (Base Budget)

<table>
<thead>
<tr>
<th>Budget Criteria</th>
<th>Description</th>
<th>Impact</th>
<th>PCN #</th>
<th>FTE</th>
<th>Total Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>III. C</td>
<td>FPPO- Custodian</td>
<td>Reduction in Services/Bldgs offline</td>
<td>353023/353029</td>
<td>2</td>
<td>$129,282</td>
</tr>
<tr>
<td>III. C</td>
<td>HR- Confidential Hourly</td>
<td>Reduction in Services</td>
<td>362013</td>
<td>0.25</td>
<td>$14,277</td>
</tr>
<tr>
<td>III. C</td>
<td>BSO- College Bank</td>
<td>Close College Bank @ noon on Fridays--Reduction in Services (Reduce 3 @ 1.0 FTE to 3 @ .90 FTE)</td>
<td>311001/311002/311009</td>
<td>0.3</td>
<td>$20,086</td>
</tr>
<tr>
<td>III. C</td>
<td>Purchasing/Mailroom</td>
<td>Reduce Mailroom service hours to 9:00-3:30 Monday-Friday</td>
<td>302001</td>
<td>0.25</td>
<td>$14,476</td>
</tr>
<tr>
<td>III. B/C</td>
<td>Duplications</td>
<td>Move duplications budget to &quot;Auxiliary Services&quot; fund (bookstore/duplications/food services/vending) (.67 position, supplies/operating)</td>
<td></td>
<td></td>
<td>$72,937</td>
</tr>
<tr>
<td>III. C</td>
<td>BSO- Indirect Charges to Trust &amp; Agency</td>
<td>2% charge for accounting services to trust &amp; agency accounts (dept. accounts including Cabrillo Stage, Culinary, VAPA, Athletics, other Dept. fund accounts)</td>
<td></td>
<td></td>
<td>$32,000</td>
</tr>
<tr>
<td>III. C</td>
<td>M &amp; O Operating Reductions</td>
<td>Reduce building maintenance services</td>
<td></td>
<td></td>
<td>$50,000</td>
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<tr>
<td>III. C</td>
<td>M &amp; O Operating Reductions</td>
<td>Reduce Scheduled Maintenance allocation for facilities maintenance</td>
<td></td>
<td></td>
<td>$40,076</td>
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<td>III. C</td>
<td>Information Technology</td>
<td>Reduction academic repair/periodical budgets</td>
<td></td>
<td></td>
<td>$7,545</td>
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<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
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<td><strong>$380,679</strong></td>
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</tbody>
</table>

### Phase II Student Services Restricted General Fund- DSPS

<p>| Board Goals | DSPS/LS Program Specialist | Reduction in Services. Combine DSPS and Learning Skills in one location and create some efficiencies. This will also help bring the DSPS categorical budget into balance. | 841504 | 0.83 | $77,727 |
| III. C      | Adaptive PE LIA | One month reduction of service. Reduce work to time when classes are in session only. | 451504 | 0.06 | $4,268 |
|             | <strong>Total</strong> | | | | <strong>$81,995</strong> |</p>
<table>
<thead>
<tr>
<th>Phase III</th>
<th>Instruction Unrestricted General Fund (Base Budget)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Budget Criteria</strong></td>
<td><strong>Description</strong></td>
</tr>
<tr>
<td>IIIC</td>
<td>Eliminate LIA Library position</td>
</tr>
<tr>
<td>IIIC</td>
<td>Eliminate Lab Tech (80% biology/20% chem)</td>
</tr>
<tr>
<td>IIIC</td>
<td>Eliminate LIA position in MA</td>
</tr>
<tr>
<td>IIIA</td>
<td>Reduction in TUs to meet 4% workload reduction preserving 4% over cap after subtracting 36 TUs cut in three identified programs; FTES cut includes 115 FTES reduced in public safety in-service. Overall Target: 364 FTES reduced. Cutting an additional 127.25 TUs brings the total FTES lost to 321.5. 60 classes in addition to Public Safety.</td>
</tr>
<tr>
<td>IIIA and IIIC</td>
<td>Reduce Public Safety Program Coordinator to 50%</td>
</tr>
<tr>
<td><strong>Unrestricted General Fund Reductions--Instruction Total</strong></td>
<td></td>
</tr>
<tr>
<td>Phase III</td>
<td>Administrative Services Unrestricted General Fund (Base Budget)</td>
</tr>
<tr>
<td>-----------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>Budget Criteria</td>
<td>Description</td>
</tr>
<tr>
<td>III C</td>
<td>Business Office--Accounting Specialist</td>
</tr>
<tr>
<td>III C</td>
<td>Vice President's Office</td>
</tr>
<tr>
<td>III C</td>
<td>Maintenance &amp; Operations</td>
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</table>

Unrestricted General Fund Reductions--Administrative Services Total $31,370

<table>
<thead>
<tr>
<th>Phase III</th>
<th>Student Services Unrestricted General Fund (Base Budget)</th>
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<tbody>
<tr>
<td>III C</td>
<td>Counseling Office</td>
</tr>
<tr>
<td>III C</td>
<td>Transfer &amp; Career Center</td>
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</table>

Unrestricted General Fund Reductions--Student Services Total $0

TOTAL Unrestricted General Fund Reductions, Phase III $460,296

<table>
<thead>
<tr>
<th>Phase III</th>
<th>Student Services Restricted General Fund--Matriculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>III C</td>
<td>Assessment Office</td>
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</table>