

CRAFTON HILLS COLLEGE

President's Letter

February 5, 2010

Dear Colleagues:

On January 21, 2010, Acting Chancellor Bruce Baron provided the Board of Trustees a budget workshop to update the trustees on the current fiscal condition of the District. The following is a summary of the **budget workshop**:

- Because there were no midyear cuts from the state, the deficit for the district is \$3,756,472 instead of \$5,000,000. To close this deficit, the District acted on cost saving strategies such as abolishing vacant positions, reducing summer sessions, cutting sections in fall and spring semesters, and reducing non-instruction budgets.
- The District's unrestricted general fund balance (the reserve) is \$17 million or 22.9% of the unrestricted general fund expenditure. The state requires districts to maintain at minimum a 5% balance and the state average is 13.4%.
- Crafton Hills College is projected to have 4,738 full-time equivalent students (FTES) for 2009 – 2010 but the state of California will only fund 4,134 FTES which means CHC will not receive funding for 604 FTES.
- In order to further balance the budget for this year, personnel in categorical programs will continue to be funded until June 30, 2010, out of District's unrestricted general fund balance (the reserve).
- Crafton's efficiency of FTES per class section is projected to increase from 3.13 in 2008-09 to 3.76 on 2009-10 due to the efforts of faculty to admit more students into classes.

Next steps:

- Decrease by 448 FTES (-9.46%) from the 2009-10 projection of 4,738 FTES to a goal of 4,290 FTES for 2010-11 for CHC.
- Implement a surplus early retirement plan (SERP) to reduce salary and benefit expense and provide reorganization opportunities.
- Continue to fund categorical program personnel for fiscal year 2010-11.

If the District's final budget for 2010-11 is no worse than the Governor's proposed budget for 2010-11, if the SERP yields savings as planned, and if the prior year budget savings continue into 2010-11, then the District can avoid layoffs, maintain services, restore supply budgets, fund continual step and column payroll increases, and keep up with rising utility costs. If the SERP doesn't yield the savings as planned, then "Plan B" may be to use the unrestricted general fund balance to provide "some" relief for 2010-11.

Accreditation:

We just received a letter from the Accrediting Commission. The Commission at its January 6-8, 2010, meeting accepted the Crafton Hills College Follow-up Report and the report of the evaluation team and took action to **continue Probation**. This decision was not unexpected although we had hoped that in light of all the work done we might be moved to Warning. While we reached complete resolution on some recommendations there are four that the

commission feels we have not completely met the standard. We are being asked to have complete resolution for four recommendations by October 15, 2010. The next four months will require intense work. Our next report, which also includes recommendations on district plans, is due October 15, 2010, with another follow-up visit.

Students:

- The “Tombstone” display to commemorate cancelled classes is a great visual and tangible outlet for CHC students to actively and publicly voice their displeasure at state funding limitations that resulted in the cancellation of 53 classes from the current spring 2010 semester. Members of the Associated Students will deliver the “tombstone” poster boards with student comments to the State Chancellor’s Office in Sacramento.
- Congratulations to the organizers of the Crafton Hills College 2010 Black History Celebration for a well attended and excellent program. Robert Brown’s presentation of “Spoken Word” was something all of us should see and hear. Students Dion Rosado, Richard Taylor, William Roberts, and Daniel Shedd did an outstanding job as did guest speaker, Mark Seay, former NFL football player. There are more activities throughout the month and are very worthwhile attending.

Save the dates:

- April 8, 9, 10 & 11 is the performance of the “Magic Flute,” a student opera in collaboration with the University of Redlands School Of Music. This is the third year the two campuses have worked together to provide an enriching experience for students.
- April 17 is the date for the CHC Foundation Annual Gala Dinner & Auction at the Hilton in San Bernardino. This year’s theme is Mardi Gras.