

BOARD OF TRUSTEES	SPECIAL MEETING
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 16, 2017

MINUTES

There was a special meeting/study session of the Santa Monica Community College District Board of Trustees on Tuesday, May 16, 2017 in Santa Monica College Board Room (Business Building Room 117), 1900 Pico Boulevard, Santa Monica, California.

I. ORGANIZATIONAL FUNCTIONS

- A CALL TO ORDER – 5:36 pm.

- B ROLL CALL
 - Dr. Andrew Walzer, Chair -Present
 - Dr. Susan Aminoff - Present
 - Dr. Nancy Greenstein - Present
 - Dr. Louise Jaffe - Present
 - Dr. Margaret Quiñones-Perez - Present
 - Rob Rader - Present
 - Barry Snell - Present
 - Laura Zwicker, Student Trustee - Present

PUBLIC COMMENTS - None

III. MAJOR ITEMS OF BUSINESS

- 1. Strategic Planning Report
- 2. Board of Trustees' Budget Objectives and Principles

V. ADJOURNMENT:

9:11 p.m.

The next regular meeting of the Santa Monica Community College District Board of Trustees will be held on **Tuesday, June 6, 2017** at 7 p.m. (5:30 p.m. if there is a closed session) in the Santa Monica College Board Room and Conference Center, Business Building Room 117, 1900 Pico Boulevard, Santa Monica, California.

**Board of Trustees
Strategic Planning Workshop
May 16, 2017**

Process review
Data/Planning Implications review
Strategic Initiatives & Objectives review
Questions & Comments

Intended Project Outcomes

Road Map for SMC's future 2017-2022
Reviewed/revised mission & vision statements
2017-22 Strategic Initiatives & objectives
Recommendations for Student Success/Equity
Recommendations for Integrated Planning
Recommendations for Organizational Structure

SMC Project Components

Strategic Initiatives 2017-2022
Student Success and Student Equity Plans
Integrated Planning
Organizational Structure Review

Project Phases

Data First!

A process driven by qualitative and quantitative data.

About the Data

Data Portfolio

Quantitative – Internal & External
Qualitative
 Student surveys – 663
 Faculty/staff surveys – 757
 Listening sessions & forums – 40

Planning Implications – What does the data suggest about going forward?

Planning Implication #1

The SMC communities expressed remarkable pride in, and satisfaction with, Santa Monica College, and agree that student success is the primary focus of college efforts.

#1: SMC Pride & Satisfaction Surveys

“How satisfied are you with your experience at SMC?”

“SMC’s highest priority is to promote student success.”

Satisfaction with college climate & collegiality.

Very Satisfied or Satisfied

87% - Students

84% - Faculty & staff

Friendliness & helpfulness of staff.

Very Satisfied or Satisfied

86% - Students

86% - Faculty & staff

#1: SMC Pride & Satisfaction Listening Sessions

“SMC is THE higher education player in Santa Monica, & a big player in the L.A. region.”

“SMC is an asset in the city. It has provided many valuable services that may not otherwise be available.”

“Local community members are very loyal & supportive of the College.”

Planning Implication #2

The SMC service area has challenging demographics. Students have a demographic profile that differs from the geographic service area.

Planning Implication #3

SMC must develop an enrollment management plan, including coordinated fiscal and human resources plans.

Planning Implication #4

In order to manage enrollment volatility, SMC needs to reinforce its identity focused on transfer and international students, but also broaden that identity to be more inclusive of other student goals.

#4: College Identity

Quote from faculty/staff survey, *“Though the college community embraces that being #1 in transfers is important, they also recognize that not all students want to go that route and that SMC needs to provide them with practical skills to obtain good paying jobs.”*

Quotes from a listening session

“The College is holding onto the focus of being #1 in transfer, and that may conflict with the need to provide basic skills and workforce offerings.”

“SMC lacks a cohesive college identity among trustees, management, faculty, staff, students and the external community.”

“Re-craft the college image so that it meets internal and external stakeholders’ needs.”

Planning Implication #5

Technology, campus and facilities issues should be addressed.

Quote from a listening session: *“Create a gateway for Pico Blvd. – It is not very welcoming when you drive through, nor does it have a college campus feel. Perhaps, rethink how the campus could be a hallmark of Pico Blvd.”*

Quote from student/staff survey, *“Students’ main concerns about campus facilities are: being overcrowded, lack of parking, aging facilities, & lack of maintenance of buildings & bathrooms.”*

Result from student/staff survey, Average student survey rating of “food services & cafeteria environment” by students – slightly better than Satisfied.

#5: Technology, campus, facilities Technology Survey Results

From faculty/staff survey. The College needs to consider a larger online program to help with overcrowding.

From student survey. The College needs to upgrade the website so that it is easy to find up-to-date information about events.

Planning Implication #6

The efforts related to “guided pathways” will help enhance student success and the integration of programs and services.

#6: Guided Pathways Cohesive Student Programming

Develop multiple career pathways so students know where they can access the path, exit in pursuit of a job, and re-enter to advance in their career.

Includes **non-credit entry points** with seamless transition to credit, & includes careers from entry-level jobs to highest-level positions.

#6: Guided Pathways Collaboration Across College Programs

From faculty/staff survey, *“There is a need to break down silos to build better communication among departments.”*

From student survey, *“The College needs to introduce the many support services/programs to students when they first arrive at the College. Many expressed frustration for not knowing about programs until years later.”*

#6: Guided Pathways Need for CTE development

From external listening sessions:

“Many companies are looking for talent that they believe SMC can provide. However, the College is very large and hard to navigate for industry representatives to connect and partner with so that together you can develop and train future workforce.”

“College needs to focus on its new strengths – health, arts, technology (& Silicon Beach).”

“Focus on ‘relevance’ – Students should have a relevant academic experience, fit for a student of 2017.”

#6: Guided Pathways

Report from Integrated Student Success/Equity Plan

Planning Implication #7

Internal planning processes need to be streamlined and better integrated.

#7: Integrated Planning

From internal listening sessions:

“Inadequate controls on expenses, especially in terms of hiring managers & lack of alignment of budget & priorities.”

“Bring all of the scattered planning processes into a coherent whole.”

Create a planning process that everyone sees as transparent with follow through, that leads to appropriate resource allocation.

#7: Integrated Planning

Report from Integrated Planning Work Group

Planning Implication #8

As a leader among California’s 113 community colleges, Santa Monica College will continue to be impacted by state priorities & policy changes.

From State Chancellor and California Legislature:

- Most funding for California community colleges will continue to be allocated by **enrollment** & thus, growth of the college will be important.
- The **success** of California community college students will remain a top priority of statewide policy makers, & funding for successful student success activities will be increasingly available.
- Pressure to **lower the cost** of education will continue to be a top priority with students, families & policy makers.
- Shortening the **time-to-degree** of students will grow as a priority of the California Legislature.
- **Partnerships** with high schools, the CSU & the UC will be an increasing priority for state policy makers.
- The State of California will increasingly rely on local districts to fund educational **facilities** rather than depending on statewide educational bonds.

Strategic Initiatives
Strategic Planning Task Force (SPTF) Workshop

- Representatives from constituent groups
- Detailed discussion of data
- Analysis of planning implications
- Development of strategies
- Development of objectives

Strategic Initiatives

1. Close the student achievement gap.
2. Expand the college brand to enhance and diversify educational and career opportunities for students.
3. Achieve benchmark levels of full-time faculty, classified staff, and administrators.
4. Improve long-term and integrated planning and link to budget allocation.
5. Improve facilities and technology infrastructure, integration and staffing.
6. Ensure long-term fiscal stability.

1. Close the student achievement gap.

- a. Analyze best practices for achieving equity in education outcomes.
- b. Integrate student success and equity plans.
- c. Maintain and enhance student transfer.
- d. Meet student expectations in support of enrollment.
- e. Enhance the climate of the college and create a greater sense of community.
- f. Increase student financial literacy.
- g. Maintain an innovative and responsive academic environment, curricular programs, learning strategies, and services.
- h. Increase the number of students who complete and succeed in all courses.
- i. Increase the persistence, completion, and success in all courses for African American and Latino/a students and other groups experiencing equity gaps.
- j. Increase the persistence in and completion through the English and math sequences for African American and Latino/a students and other groups experiencing equity gaps.
- k. Increase overall number of degrees & certificates awarded for African American and Latino/a students.
- l. Increase overall number of transfer applications for African American and Latino/a students.
- m. Increase number and percentage of full-time instructional and non-instructional faculty from diverse background.

2. Expand the college brand to enhance and diversify educational and career opportunities for students.

- a. Analyze the local labor market needs and trends.
- b. Enhance pathways for student educational programs, including CTE.
- c. Ensure the college adequately meets student academic needs.
- d. Integrate noncredit courses and programs.
- e. Enhance current and develop new programs and pathways.
- f. Develop effective enrollment management.
- g. Expand targeted marketing and communication.
- h. Improve engagement with local business and industry.

3. Achieve benchmark levels of full-time faculty, classified staff, and administrators.

- a. Develop a human resource plan that articulates, and is designed to achieve, benchmark levels of staffing.
- b. Create staffing plan for facilities, technology and support programs.
- c. Increase number and percentage of full-time instructional and non-instructional faculty.

4. Improve long-term and integrated planning and link to budget allocation.

- a. Analyze the current governance structure and charges, specifically DPAC.
- b. Improve the program review process and better utilize results.
- c. Improve internal communication (for staff and students).

5. Improve facilities and technology infrastructure, integration and staffing.

- a. Analyze current technology options and best practices.
- b. Develop a college technology plan.
- c. Dedicate resources to the technology plan.
- d. Analyze and improve existing facilities.

6. Ensure long-term fiscal stability.

- a. Develop college budget priorities.
- b. Develop a college resource allocation model.
- c. Advocate for additional ongoing State resources in support of the college.
- d. Influence State policies that impact California community colleges.

BOARD OF TRUSTEES	ACTION
Santa Monica Community College District	May 16, 2017

MAJOR ITEMS OF BUSINESS

SUBJECT: **BOARD OF TRUSTEES’ BUDGET OBJECTIVES AND PRINCIPLES**

SUBMITTED BY: Chair and Vice-Chair, Board of Trustees

SUMMARY: The Board of Trustees will review and discuss updating Budget Objectives and Principles adopted on June 7, 2016 to reflect current budget realities and projections. At its meeting on April 4, 2017, the Board agreed to maintain Principles A, D, E, F G. H J, and O. Further discussion continued on Principles B, C, I, K, L, M, N and P.

COMMENT: Santa Monica College is currently experiencing the “perfect fiscal storm” of years of declining enrollment coupled with unsustainable expenditure growth. In 2009-2010, the College served 22,545.99 credit FTES while the projection for 2016-2017 is that the College will serve approximately 20,500 credit FTES. This represents a decline in credit FTES over the last seven years of <9.1%>. During that same period of time, expenditures have increased from \$132,288,713 in 2009-2010 to a projected \$178,780,450 in 2016-2017; a 35.1% increase in expenditures. The College was able to mitigate these increases in expenditures by leveraging increases to the Non-resident Tuition rate and State Apportionment over that seven years period. However, the continued decline in enrollment coupled with the State’s directing the vast amount of new funding towards restricted programs rather than general apportionment has made it nearly impossible to manage the College’s budget. The “fixed Costs” for operating the District are currently increasing at a rate of approximately 4 percent per year.

Strategies to consider for reducing the District’s operating costs include:

- Using attrition to generate savings in personnel and benefit costs
- Leveraging the District’s other funds to relieve the general fund
- Reviewing all hires, purchases, and contracts

In the prior three fiscal years, the May Revision provided significant boosts in both one-time and on-going revenues. It does not look promising for this year as state general funds continue to trend below the Governor’s estimates. Additionally, there is uncertainty regarding the federal policies and the effect on California’s general fund revenues.

The 2017-18 budget year is pivotal; after years of increasing revenues, the District will be faced with decreasing revenues and increasing expenses. The District will be tasked to adjust expenditures accordingly while still providing sufficient programs and services to ensure student success and retaining Santa Monica College’s position as one of the premier community colleges in the state.

Motion to approve the Budget Objectives and Principles with amendments presented at the meeting:

MOTION MADE BY: Louise Jaffee
SECONDED BY: Susan Aminoff
STUDENT ADVISORY: Aye
AYES: 7
NOES: 0

Motion to amend by adding the following principle: Seek to increase the ratio of full-time faculty

MOTION MADE BY: Margaret Quiñones-Perez
SECONDED BY: Nancy Greenstein

Following discussion, a motion was made by Nancy Greenstein and seconded by Margaret Quiñones-Perez to call the question.

STUDENT ADVISORY: Aye
AYES: 6
NOES: 1 (Snell)

Vote on Amendment:

STUDENT ADVISORY: Aye
AYES: 4 (Greenstein, Jaffe, Quiñones-Perez, Walzer)
NOES: 3 (Aminoff, Rader, Snell)

Revisions are indicated in red.

Santa Monica Community College District
Board of Trustees
Budget Objectives and Principles
Adopted: May 1, 2012
Revised: June 7, 2016, May 16, 2017

OBJECTIVES

1. Develop a budget plan that brings available ongoing revenues and expenditures into balance effective with the adoption budget for 2019 – 2020.
2. Protect the College’s ongoing operation by maintaining a fund balance for the District of 7.5% or more going forward from 2016-2017.
3. **Protect the College’s ability to innovate and respond to changing circumstances by reducing salary and benefits toward a ratio that does not exceed 85% of unrestricted general fund expenditures.**

The following budget principles have been developed in response to the changing environment, including enrollment trends and funding formulas.

PRINCIPLES

- A. The College is committed to student access and success and service to the community.
- B. Ensure that enrollment targets are consistent with **state funding opportunities**, and, to the degree that they are the basis for revenue projections, can realistically be achieved within the fiscal limitations of the College.
- C. Maintain course offerings that are responsive to **community and** student needs, and **that are** consistent with **local and** State priorities of **equity and** student success, **including expeditious basic skills, career technical education, degree completion, and transfer pathways.**
- D. Programs will not be eliminated or reduced without careful review of program viability.
- E. Establish and maintain an acceptable cost effective level of learning resources and student support services based on comparative performance data as determined by the College.
- F. Implement a variety of expenditure reduction strategies.
- G. Expedite changes that may produce lower costs over time such as energy saving retrofits, alternative energy sources, reduction or consolidation of facility usage, etc.
- H. Use staff attrition and/or existing vacancies as one means of reaching budget targets, where possible, or as an opportunity for reorganization to increase efficiency.
- I. **Seek to increase the ratio of full-time faculty.**
- J. Seek to spread cost reductions strategically.

- K. Budget planning should attempt to avoid future layoffs of permanent employees. If necessary, the District may seek salary freezes, furloughs, salary reductions, and other temporary or ongoing adjustments.
- L. Develop strategies to address employee health and benefit increases as well as future retiree health and pension liabilities.
- M. Continue to seek external sources of funding, such as grants, to support the College's core missions, but avoid those with matching, management, or reporting requirements that demand significant college resources.
- N. **Seek new partnerships with businesses.**
- O. Develop a budget process that manages the growth of expenditures based on: analysis of program need (rather than historical allocations); realistic expectations of revenues; updated financial information; and performance measurements.
- P. Review ongoing and future planning initiatives in terms of their long term advantages to the College in meeting public demand for classes and services, improving student success outcomes, or to provide new revenues. Modify, defer, or abandon as appropriate those for which the costs outweigh their potential for furthering the College's core missions and goals.
- Q. Make effective use of the College's established planning structures and processes to recommend specific actions to reach the stated objectives, following the principles listed above. The College President shall clarify how these recommendations will be evaluated and the timelines necessary to arrive at a set of final recommendations for any particular budget cycle.
- R. Encourage the generation of revenue through entrepreneurial and asset management activity.