



## District NEWS

May 2018

### *"District disagrees with FA's conclusions and predictions on factors surrounding budget reduction and use of 2017-2018 state-provided COLA."*

Two things happened this week that leave the District disappointed in FA's perspective and their reported next steps as we try to work together to resolve our current budget crisis.

FA distributed its FA News on Monday ([FA News April 2018](#)) in which it makes several claims – some of them factually incorrect, or at least misrepresentations – that appear to be intended to create fear and mistrust of management, and to prod faculty into demanding FA deliver an ultimatum of providing faculty a COLA increase – *or else*. ... all in the face of the worst enrollment generated budget crisis in the District's history.

For example, FA cites increases in management numbers over a 10-year period but provides no context for the source of funding for these positions, the additional mandates that required these positions, or the need to ensure proper administration, compliance, and implementation of programs for one of the largest districts in the state. This leaves the false impression that these positions are superfluous, unwarranted, and without rational justification.

FA also states as fact that it has always successfully negotiated COLA in past years. This simply isn't true. According to District records, in 1992-1992, the state provided a 1% COLA and faculty received 0%. Again, in 2005-2006 the State provided 4.23% COLA and faculty received 2.00%. Further analysis reveals that since 1992, there were 16 years in which a COLA was provided by the state, and during those 16 years, faculty received more than the COLA in 11 of those years, the same COLA in 3 of those years, and less than the COLA in 2 of those years. In

other words, the District has typically been more generous in providing salary adjustments whenever it could.

FA also mischaracterized the District's decision to stop overspending the 1320 budget (PT Faculty assignments) and to hold part-time faculty expenses within budget, instead describing such as an effort to "ransack" the PTF budget. Responsible fiscal decision-making is hardly "ransacking" the PTF budget. Further, the FA characterization fails to acknowledge the benefit faculty received by \$22.45M additional dollars provided to PT and FT faculty for adjunct assignments and FTF overloads in an attempt to recover lost FTES over the period of 12/13 through 16/17.

FA also characterizes the District's current and anticipated measures to resolve its budget crisis as "further pillaging".

The use of such extreme terms creates a perception of abuse and hostility towards faculty that is simply not true. Pillaging means "to rob or steal something using violence" and ransacking means "to go hurriedly through a place to steal things and cause damage". Neither of these terms are accurate descriptions of the actions taken by the District to resolve a budget crisis, and certainly not to describe the manner in which it has conducted itself in coming to these decisions, which is transparent, arrived at by shared governance, and which acknowledge the responsibility of this District to its students, employees, and community.

The District met with FA on May 2, 2018 and received its latest response to the District's 2017-2018 compensation proposal which stands at \$0/0% increase to salaries. The District did include a proposal to adjust compensation for faculty teaching Enhanced Non-Credit courses, following a

reasoned discussion and supporting rationale for such increase. The District cannot, however, in good conscience offer any COLA this year as it works to identify and implement the changes that will be required to adjust to the reduced number of students it will be serving.

FA's response is that it will be seriously considering whether to engage in a "work to contract" labor action. "Work to Contract" is a labor action in which faculty would do no more than what is minimally required by the terms of their *Agreement* (contract), which could cause a slowdown or decrease in productivity, the number of students that could be served, or providing support to students. This means faculty could choose to not accept additional students into classes following enrollment cutoff dates, not attend committee or other meetings not mandated by the *Agreement*, stop responding to student inquiries via email, etc., outside of required class time and office hours, and stop serving on student clubs or other student activities.

FA's solution in paying for a salary adjustment is to make more cuts. The District is concerned that such a suggestion reveals a naïve and incomplete understanding of the complexities of running a District and of properly serving and supporting students. The District is already concerned about the impact of current cuts on our ability to serve students and the impact it may have on future decline in enrollment, let alone deepening the cuts further. The District is also concerned about the employees who will be affected by the necessary reductions that must be implemented in order to resolve the \$17.9M deficit.

Implementing a COLA adjustment would require *even deeper* cuts to staffing beyond the current projected budget deficit of \$17.9M. The campuses and central services are already struggling with the anticipated effects on classified, administrative, and academic employees and in particular on the programs and services available to students. The District believes there is significant risk that further reductions caused by implementing COLA would likely have additional negative consequences on student enrollment, resulting in even deeper decline in the number of course sections the Colleges can offer. This means even fewer available assignments for PT Faculty, fewer overload assignments for FT Faculty, and possible elimination of additional FT faculty, classified, and/or administrator positions.

The District hopes that administrators, faculty, and classified professionals will take the time to understand the scope of the changes required to address the budget deficit and the possible effects of these reductions as well as any additional effects likely to result from a proposed COLA implementation.

As background, the trustees initially approved a plan to address the estimated \$10.3 million-dollar structural deficit by July 2019 when it adopted the 2017-2018 Budget. This increase in the structural deficit was due to an unexpected drop of 1,100 FTES in the 2016-17 fiscal year resulting in an additional \$5.6 million reduction in funding.

By Fall quarter 2017 the District projected another 850 FTES decline in enrollments despite herculean college efforts in recruitment, creative class schedule development, and expanded marketing campaigns. By March 2018, the estimated decline had risen to 1,100 FTES and by the required Spring quarter report to the state, the projected decline is 1,485 FTES. This will result in deepening the District's budget deficit by approximately \$7.6 million and increases the structural deficit to \$17.9 million.

The District is certain that implementing budget reductions (cuts) of this magnitude by June 2019 will have devastating impacts on operations, service to students, staffing levels, and the lives of many of its employees and their families due to the inevitable lay-offs required to meet expense reduction obligations. Fortunately, the District has one-time dollars to assist it through this difficult planning period, but those funds are projected to be reduced to approximately \$3-\$5 million by the end of 2018-19. Without full implementation of these cuts, the district will not have enough money to cover expenses for the 2019-20 fiscal year.

It is a daunting challenge facing the district at this point. For now, and going forward, the most responsible and prudent actions the District can take to best serve students, maintain quality instruction, and support all employees of the district, is to minimize every expense possible, not incur new non-essential expenses, and work to maximize enrollments to the best of its collective abilities.