

Cloudy . . .

In the last budget message, we outlined the likely scenarios for our State's budget, how the District planned to mitigate anticipated mid-year cuts and made you aware of changes to the County of Orange property tax allocation that would have an impact on Coast Colleges.

So, where are we now? To be candid, the news is not good and many have expressed that it feels as though a dark cloud is looming overhead. The mid-year cuts were realized and brought with them the "February Surprise" – the "surprise" being that State revenues came in much lower than anticipated and we were handed an additional \$4.5-million cut. The LAO indicates an estimated \$9-billion deficit emerging in the State's 2012-13 budgets that we must account for as we plan for our own budget. Lastly, we are still operating in a deficit model due to increases in the costs of health benefits.



As reported in my last message, we designated \$3.2 million of our ending balance to offset our share of the anticipated mid-year cuts. With the addition of the "February Surprise," Coast will realize over \$17-million in total cuts over the last two years. While a workload reduction does provide some relief, its impact is felt by our students and works against our goals of increasing Student Success, unless we develop creative approaches to offering more classes.

. . .With a Chance of Sun



Times are tough, but Coast Colleges are tougher and smarter than the current situation. There is much opportunity in these challenges we face. I believe that what we lack in funding, we more than make up for in intellectual capital. I have already witnessed the power of the collaboration of our intellectual capital and know how. With your help and input we will once again see the sun in this cloudy fiscal climate.

What does this mean for you?

What does this mean for our students, faculty and staff? It means that we have to tighten our belts even further. At this time, we are working on implementing \$6.7-million in cuts at Coast Colleges. Each entity of the District will have to find ways to mitigate their portion of the cuts, as follows:

- CCC - \$1.1-million
- GWC - \$1.9-million
- OCC - \$3.1-million
- Dist - \$0.6-million

How will we determine what gets cut? Well, that is largely a campus decision that should be discussed as a part of your budget planning process. I will say that we are looking at all options. Currently, we have offered an Early Notification Plan in an attempt to capture savings from voluntarily vacated positions (see attached for details). We are also working toward consolidation of efforts in areas that we duplicate (or



triplicate, or quadruplicate!) across our campuses and at the District.

Consolidations and reorganizations are being discussed by various departments, disciplines and services. I realize that some of these plans can be unsettling, but I hope that you will discuss any concerns and offer your ideas as these discussions take place. There are many things and many ways that we can implement positive changes

to our current practices that will save money, time and effort while continuing (or even improving) our service to students. But, to do so, we need to hear from you how we can implement changes that will have a positive result.

We are also working on plans with each bargaining unit as well as CDMA and ACE to look at more opportunities for savings. Rest assured that we are working toward finding solutions that have the least impact on our students.

Coming Soon . . . Budget Forums!

**Orange Coast
Coastline
Golden West
District**

Tuesday, March 13 @ 10:30 am in the Gym Foyer

Tuesday, March 13 @ 2:00 pm (location information coming soon!)

Thursday, March 15 @ 9:00 am (location information coming soon!)

Wednesday, March 21 @ 9:00 am in the Board Room

*The Budget Message is a joint publication of the
CCCD Chancellor's Office and Administrative Services.
Questions? Comments? Please email us at info@ccd.edu.*

