




# **A Virtual Conversation**

## **May 21, 2020**



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Chancellor

Sahar Abushaban  
Interim Vice Chancellor, Business Services



# Zooming along



All participants are muted



Submit your questions in Chat



Please turn off your video

# Virtual Town Hall Topics

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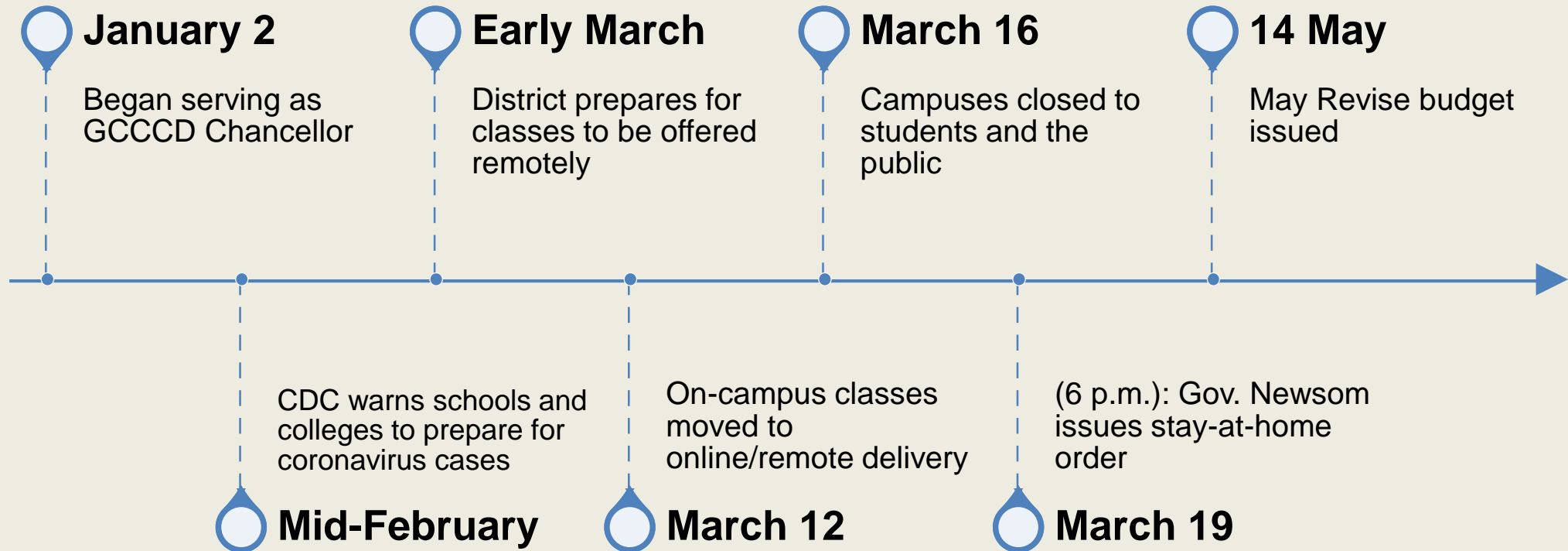


PLANNING FOR  
REOPENING



DISTRICT BUDGET  
AND FISCAL OUTLOOK

# 2020 Timeline at GCCCD



# Our planning principles



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GROSSMONT-CUYAMACA  
COMMUNITY COLLEGE DISTRICT

- Health and safety of our employees and students
- Ensure financial and academic support for our students
- Commitment to equity and success
- Maintain enrollment

# Preparing for a return to the campuses



# Preparation to return at GCCCD

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- **Preparation**

- *Prepare grounds, classrooms, offices, laboratories for employee returns*
  - *Clean and sanitize facilities in accordance with CDC guidelines*
  - *Prepare campuses for CDC physical distancing requirements*

- **Return**

- *Phased return to campuses*
- *Minimize congregation of students on campuses*
- *Adhere to physical distancing requirements*
- *Wear face masks in accordance with CDC recommendations*
- *Adhere to CDC sanitation and hygienic requirements*

# Rapid Response Teams



FACILITIES



TECHNOLOGY



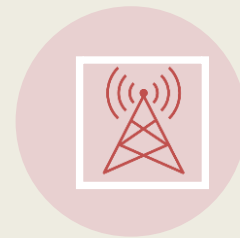
STUDENT  
SERVICES



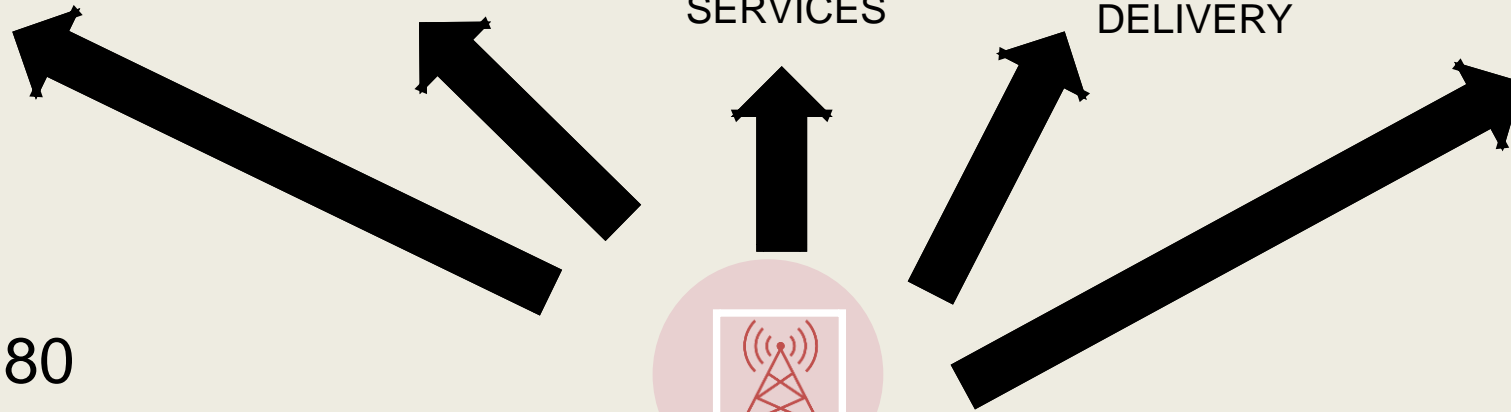
INSTRUCTIONAL  
DELIVERY



HUMAN  
RESOURCES



COMMUNICATIONS



More than 80  
participants from all  
stakeholder groups  
on teams



# Looking Ahead

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Summer 2020: all online



Fall 2020: Online except for certain labs and CTE classes. Contingency plan for another outbreak.



Spring 2021: Planning for full operation

# Questions?

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# District Fiscal Outlook



# From bright to a bleak California economy

## Before Coronavirus

- \$6 billion surplus for California
- State's "Rainy Day fund" at \$16 billion
- K-14 Education: \$3 billion additional funding
- Unemployment: 3.9%, record low

## After Coronavirus

- \$54.3 billion state budget shortfall
- Rainy Day fund to be depleted in 3 years
- K-14 Education: \$13.5 billion less funding
- Predicted unemployment: 24%, record high

# May Revised Budget

## Eliminated Proposals from January Proposed Budget

- Ongoing funding for 2.31% cost-of-living adjustment & enrollment growth
- 2.31% cost-of-living adjustment for categorical programs
- Instructional materials for dual enrollment students
- Deferred maintenance and instructional equipment
- Part-time faculty office hours
- Development and implementation of zero-textbook cost degrees
- Food pantries, Dreamer Resource Liaisons

# May Revised Budget

## Reductions

- 10% reduction to Student-Centered Funding Formula (\$9.3M at GCCCD)
- 55% reduction to Strong Workforce Program (\$6.1M at GCCCD)
- 15% reduction to Student Equity & Achievement Program (\$1.1M at GCCCD)
- 15% reduction for part-time faculty compensation and part-time office hours

# May Revised Budget

## Proposed Deferrals

- \$330.1 million from 2019-20 to 2020-21 (\$5M for GCCCD)
- \$662.1 million from 2020-21 to 2021-22 (\$10M for GCCCD)
- Impact on cash flow
- Need to borrow money to pay expenses mainly payroll
- Costs associated with borrowing money

# May Revised Budget

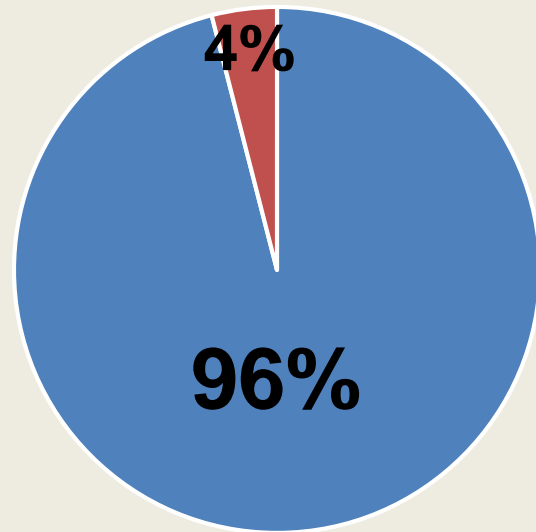
## The Silver Lining

- Continued support for two years of free community college
- Extend hold harmless provision two additional years through 2023-24
- Reduce STRS & PERS employer contribution rates for two years (\$1.8M for GCCCD per year)
- Preserve most categorical programs at current funding level
- Funding for two construction projects
  - Instructional Building F at CC
  - Liberal Arts & Business Tech Complex – building 51&55 at GC



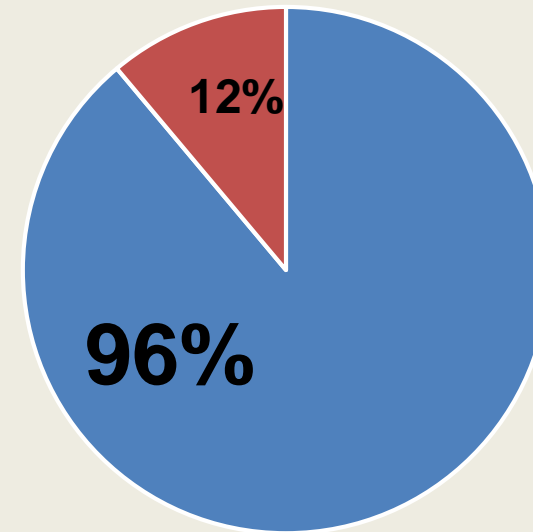
# GCCCD 2020-21 Projected Revenues and Expenses

Projected Revenue



■ State Revenue ■ Local Revenue

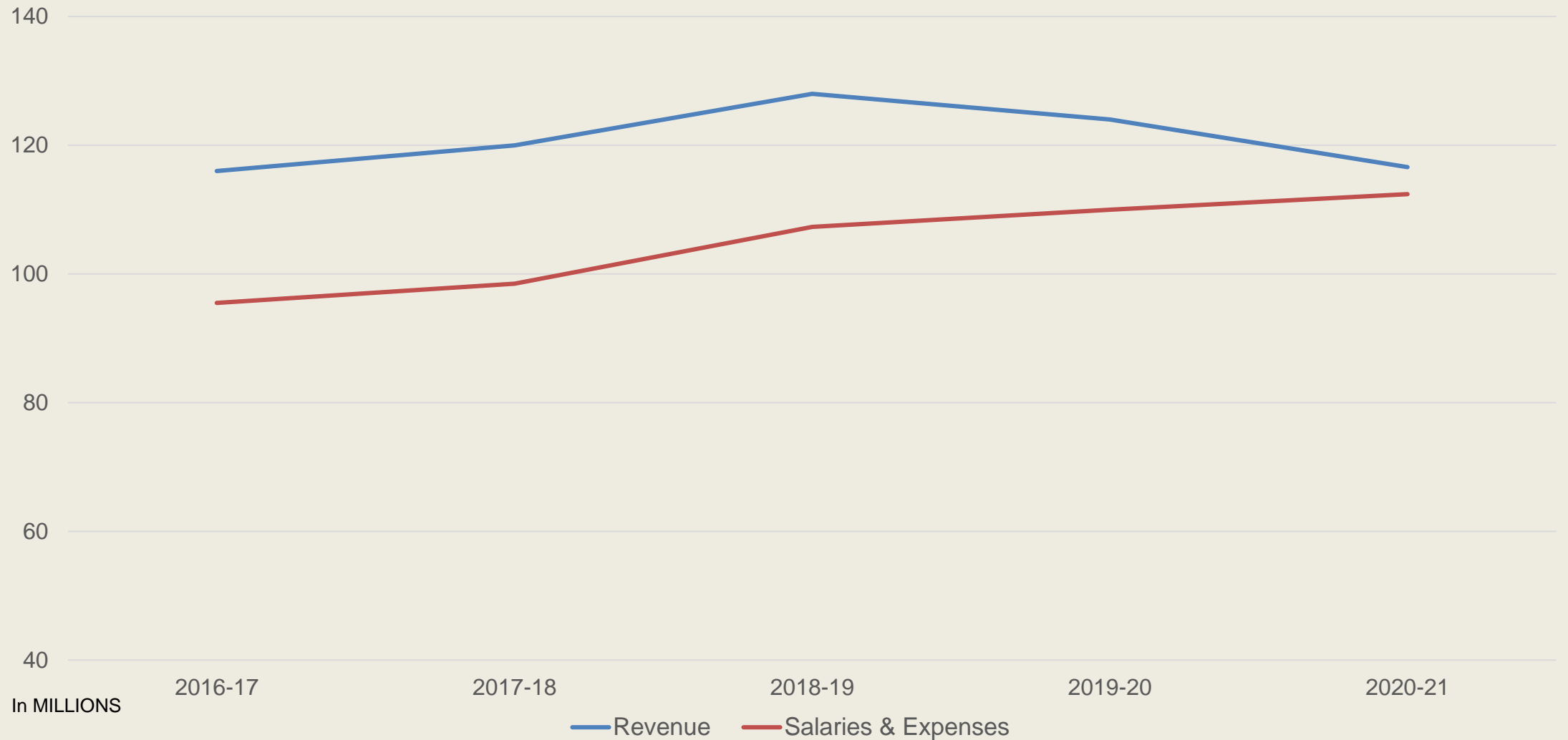
Projected Expenses



■ Salaries & Benefits ■ Other Expenses

**Total: 108%**

# GCCCD Revenue vs. Salary & Benefits



# Cost-saving measures to date

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Reduce summer session by 75%  
(\$1.7M)

Reduce districtwide expenses  
(\$2.3M)

Reduce operating expenses  
(Goal: TBD)

Hiring freeze/delay hiring  
(\$3M)

Class schedule changes through efficiency  
(Goal: \$2M)

Use reserves for STRS/PERS increases  
(\$750,000)

Freeze contingency reserve at 6.75%  
(\$284,000)

Reduce OPEB (retirement) funding  
(\$675,000)

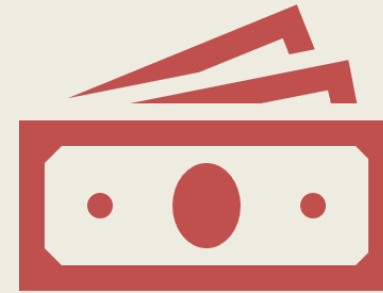
**Goal: Limit to only essential expenses**

# GCCCD Budget

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Must have balanced budget



Reduce ongoing expenses  
by \$6M-\$8M

# CARES Act Funding One-Time

## Students

- \$5 M – must go directly to students
- Undocumented and international students not eligible
  - *Using foundation funds and categorical, student support*

## GCCCCD

- \$5 M - with strict limitations
- Must only be used for significant costs to move classes online
- Plan to use \$500,000 for student laptop loaner program

**District incurred \$2 million in expenses because of COVID-19**

# Next steps

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Now: Build a tentative budget

- *Identify additional reductions in ongoing expenses*
- *Include placeholder reductions yet to be identified*
- *Engage stakeholders*

July: Board approval of tentative budget following budget workshop

July: Finalize and close 2019-20 revenue and expenses

- *Limit to only essential expenses*
- *Help to offset 2020-21 reductions*

October: Approve balanced Adoption budget based on state August revised budget



# We will get through this...

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*The pessimist sees difficulty in every opportunity. The optimist sees the opportunity in every difficulty.*

**-Winston Churchill**

# Questions?

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# Stay tuned

