



Planning for Uncertainty

For all of its uncertainty, we cannot flee the future.
Civil rights leader Barbara Jordan

Friday, April 24, 2020

Dear Colleagues,

It has been slightly more than a month since the coronavirus pandemic rapidly swept through the world, filling our lives with fear and uncertainty. As a district we pulled together to quickly respond, transitioning our classes and support services to remote delivery and enabling our employees to work from home. While the transition has been difficult for our students and employees, we have remained committed to doing everything we can to support our students, both financially and academically.

It is now time to begin to strategize for the eventuality of returning to campus and plan for measures we will need to take to protect the health and safety of our students and employees. It is also time to begin to plan for the economic aftermath in California. While we still do not have any concrete answers, we must prepare to respond. We are closely monitoring reports from local, state and national leaders who are contemplating easing restrictions on stay-at-home orders, with strict limitations to avoid a second wave of the pandemic.

Following is an update on these two important planning items.

PLANNING FOR A RETURN TO CAMPUS

Although we do not know exactly when we will be returning to campus, we are beginning our planning. We have created **Rapid Response Teams** in the areas of facilities, technology, student services, instructional delivery, and human resources. Representatives from all our constituent groups have been invited to participate as part of the teams.

The Rapid Response teams will plan for the possibility of reopening our campuses in three phases as identified below. Planning will also include preparation to work remotely again if COVID-19 cases spike and new stay-at-home orders are issued.

Phase 1: A partial return to campus for some essential employees, with limited access to classrooms and offices, required physical distancing, required personal protective equipment, and strict sanitation and hygienic requirements.

Phase 2: A full return to campus, but with continued limitations including physical distancing, some required personal protective equipment, no group gatherings, and continued strict sanitation and hygienic procedures.

Phase 3: A complete return to operations once testing and/or a vaccine is widely available. More automated processes will be offered where feasible, along with more online and remote delivery of courses and services. We will continue to follow strict sanitation and hygienic procedures.

The teams will be reporting out at the District Executive Council (comprised of governance and labor leaders) weekly Emergency Planning meetings for follow-up and execution of recommendations, as appropriate. The first reports were provided today and the teams made remarkable progress in identifying considerations and action steps.

PLANNING FOR THE FINANCIAL IMPACT

The pandemic has also crippled the nation's economy, with more than 26 million Americans applying for unemployment. The economic collapse is also having a serious impact on state finances, and we are preparing for the eventuality of a reduction in the district's budget. In the midst of massive uncertainty, we must prepare a tentative 2020-21 budget by June, all while not knowing the amount of revenue we will receive from the state until fall.

What we know now is that the state reduced (deficit) our **2019-2020 budget** by \$4.3 million in late February. At the time, we were confident the deficit would be eliminated by June, but then COVID-19 hit the state. We are now in the process of reducing our 2019-2020 operating budget by \$4.3 million with only two months remaining in the fiscal year. Absent specific budget information from the state, the district is tentatively planning for a 5% reduction in the **2020-2021 budget**, with a contingency for an additional 5% reduction in September. Reductions of this magnitude are going to be difficult on all of us. We are committed to doing everything possible to protect our contract employees going forward.

One frequently asked question is about the federal stimulus funds that the district received to offset the impacts of coronavirus. Although the district received \$5 million in federal funds to support institutional needs, we are learning that the use of the funds is **very restrictive**, and may not be used to offset the costs incurred to protect our campuses. We are working to get further clarification and advocate for flexibility in the use of the funds.

The Chancellor's Cabinet is examining all expenses to see what can be contained and reduced now so we can avoid catastrophic decisions in the future.

One area where we are beginning to reduce expenses is with our **temporary hourly workers**, a \$600,000 monthly payroll expense. While many hourly workers are supporting students from home, others have had reduced demand for services or are unable to perform their duties at home since the campuses are closed. After a month of ensuring that our temporary workers would not have their pay impacted by the closure, we must now begin to reduce this expense beginning May 8. The colleges are cautiously reviewing all of these positions to determine which are essential for operations. The managers and supervisors are personally contacting those that will be affected and providing information about unemployment benefits. Note that all work-study students will continue to be paid through June 1 (Grossmont) and June 30 (Cuyamaca) in accordance with federal financial aid guidelines and available financial aid resources.

Another potential cost reduction strategy is examination of **vacant employee positions**. Districtwide, we currently have about 70 vacant positions that are being carefully reviewed to determine which are essential. We are currently targeting a \$3 million budget reduction by not filling vacant positions or delaying hiring.

We are also significantly reducing our **2020 summer schedule** as another budget reduction strategy, while protecting our core program in fall and spring to the extent possible. While it is still uncertain whether we will be able to reopen our campuses this fall, we are planning for all options in order to be prepared.

Although we still have many questions, we continue to carefully watch developments at the state and have joined a number of advocacy efforts to protect our budgets. I will keep you informed as we learn more.

With all this uncertainty, I am certain of one thing: your commitment to helping all our students achieve their dreams. Thank you for your diligent efforts and support during this challenging time.

In the midst of chaos, there is opportunity.

Lynn

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