

College Planning Council

Tuesday, May 20, 1997

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Agenda Item 2.1: Update on Project Redesign

Background Beginning: April 1994

A. Why:

1. Budget Uncertainties
 - \$400,000/year
 - No salary increase for 3 years
 - Long-term improvement in fiscal situation unlikely
2. Increased Competition - Technology
3. Institutional Renewal

B. What:

1. Best approach determined by CPC to enable SBCC to respond to present and future challenges
 - Project Redesign (Reengineering)

C. How:

1. ID Core College Processes
2. Apply reengineering methodology through teams. Results improve instructional/student programs by applying technology. This will yield greater efficiencies and money can be saved and distributed to meet College needs.

D. Process:

1. CPC - April 1994-December 1994
 - Developed approach
 - ⇒ ID vision
 - ⇒ Define Project goals and expectations
 - ⇒ Understand reengineering principles
 - ⇒ Select key processes - ID 100; selected 20
2. January 1995
 - Pilot Project
 - Position Paper: "Faculty Redesign at Santa Barbara City College - Increasing Student Learning and Faculty Satisfaction" given to all faculty. Paper jointly prepared by the Vice President for Academic Affairs, the President of the Academic Senate and other faculty.

3. January - June 1995
 - Developed a complete training team approach
 - Support structure for teams was developed
 - Tech Team was formed to provide project management
 - A few teams were underway
4. Summer 1995 - Summer 1996
 - Approximately 18 teams completed Redesign Projects
5. Fall 1996 - February 1997
 - Development of Phase I Implementation Plan
 - TMI Summer/Fall
6. January 1997 - Present
 - TMI Team
 - Conversion of College data systems. The conversion of the College's data systems is viewed as central in enabling Project Redesign's in-depth implementation to take place.

E. Present - Summer 1997

1. Conversion - Begin the process. Implementation of Phase I. Implementation of the Phase I Project Redesign projects will proceed concomitant with the conversion
2. TMI - Refinement—cost analysis—identification of next steps
3. Identification of Phase II Projects
 - Proposed team to redesign the College's organizational structure (from functional-based to a process-based organization).
 - TMI related teams
 - Other teams
4. Enhance fiscal analysis methodologies

F. Future

1. Follow through on the conversion Project Redesign and implementation with support of strategic partners
2. Proceed with Phase II projects
3. Provide fiscal analysis to measure financial benefits
4. Conduct a thorough project evaluation

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A. Budget: General Fund, Unrestricted

1. Roll Over General Fund Budget (Unrestricted) \$35 million. Exception--Mgrs. have the right to reallocate within 4000 - 5000 (Supplies) other expenses.

- a. 4000 = \$1 million
- b. 5000 = \$3.7 million

Also, if a position becomes vacant, department/college can evaluate and determine whether to replace or reallocate. Restrictions regarding full-time faculty (legal requirement full-time faculty).

- ◆ 1000 Certified Salaries
- ◆ 2000 Classified Salaries
- ◆ 3000 Benefits

Total expenditures for (1000 - 3000 = 86.57 percent of the budget, \$30.3 million).

2. C.O.L.A.

- a. 86.57 percent committed to contract to upgrade salaries and benefits.

- b. 13.43 percent of C.O.L.A. is available to:

- ◆ Spread among 4000 - 5000 (this was done in 1996-97).
- ◆ Meet step increases or other major increases not anticipated.
- ◆ Use for special; e.g., 1996-97 C.O.L.A. = Approx. \$1 million. 13.43% - \$134,300

3. Growth - At Present

Contract commitments minus obligations to fund additional FTEs. Funding needs include: additional full-time faculty (required by law); TLUs to fund growth; additional marketing costs; student support and services (counseling, tutoring, etc.) to maintain service level; and, periodically costs for increases in administrative costs. Other than funds to support growth, all growth funds are applied to salaries and benefits.

There is a year plus "buffer" in applying these funds, thus, growth in the first year is used to meet immediate expenses to cover additional FTEs and one-time funding needs.

State funding other than C.O.L.A. and growth is almost always "categorical"; e.g., one-time or multi-year block grants that can only be expended for specific purposes.

Conclusion: If current contracts stay in effect, there is little, if any, available for ongoing expenses other than as noted above. Some funding is available for one-time purposes.

B. Commitments of One-Time Funds

1. \$670,00 - Building and Maintenance

This figure is a minimum to meet basic requirements. It is increased annually by the C.O.L.A.

2. \$800,000 - Non-Technological Equipment

This fund is used to replace non-technical equipment (inventory = _____). The lottery fund is the primary source. When the lottery is insufficient must come from one-time. (Lottery income projected as \$1.2 million - 550,000 (Salary commitment) - 650,000.

3. 850,000 Technology Equipment Replacement

One-time money and others (\$1,670,000).

4. Project Redesign

a. Conversion - Estimated Cost: _____

b. Implementation - Estimated Cost: _____

c. Annual Cost: _____

C. College Needs

1. College Plan

2. New

D. Unanticipated Expenses or Income Shortfalls, e.g.,

1. Basic Skills Loss of Funding (\$558,000)

2. Property Tax Shortfalls (In recent years this has been as much as \$1 million plus.)

3. Cost for Temporary Buildings for the LSG Remodel

4. Necessary Construction - Space for Information Technology Division