

**BIG BEND COMMUNITY COLLEGE
BOARD OF TRUSTEES
STUDY SESSION STATE OPERATING BUDGET**

June 14, 2012

Present: Mike Blakely
Anna Franz
Jon Lane
Mike Wren

Absent: Stephen McFadden

Chair Mike Wren announced the college has a signed employment contract with Dr. Terrance Leas, and he introduced Dr. Leas. President Bonaudi introduced Nancy Tracy, BBCC Foundation Office Manager. President Bonaudi reminded all present the meeting was being streamed live on MediaSite.

VP of Financial and Administrative Services Gail Hamburg shared the tentative budget information for the period 2012-13. VP Hamburg introduced Char Rios, Director of Business Services, who has been working with VP Hamburg on the budget. The new fiscal year begins July 1, 2012.

VP Hamburg explained the process for establishing the new budget. Beginning with the initial allocation from the State Board for Community and Technical Colleges (SBCTC), which is based on the FY 2012 budget, adjustments are made for one-time variable funds. The second adjustment is pass-through adjustments, which are intended to have a net zero impact on the base budget. An example is if a rate goes down, expenditures are decreased. Then the new and variable allocations are added or deducted. For this year that includes the Student Achievement Initiative (SAI) and permanent budget reductions. Then they add SBCTC earmarks and legislative provisos. There are no legislative funding changes for this year. Last, tuition and local revenues are added to complete our Fiscal Year 2013 budget.

New items for 2013 include state funding for adjustments to employee rates for health benefits. Insurance rates are changing from \$850 per month per employee to \$800 per month. There is a reduction to provide a pool of student initiative funds, which are distributed later in the year based on the net gain in student achievement points. There is a onetime reduction for customized training program, which is to be allocated later in the year based on an application process.

There is a permanent budget reduction of \$53,282, based on efficiency savings. We knew this reduction was coming, and it was passed in the 2011-13 biennial budget.

There is no new general reduction in the supplemental budget.

A temporary budget reduction will be restored in the 2013-15 budget. Also, there is a temporary 3% salary reduction, which also will be restored 2013-15 budget.

VP Hamburg indicated Page 3 of the budget shows the sources of our funding. The FY2013 base budget is \$7,777,207. Pass through adjustments to the base have a zero impact to our budget. These adjustments include a change in the pension rate, the PERS/TERS Plan 1 COLA has been suspended, a health insurance reduction that is \$107,000, and a slight change in the workers' compensation rate.

The SAI funds are put in a pool and reallocated later this year based on the gain in points. President Bonaudi said this is a conversation the Trustees will hear at the TACTC meeting. If you recall, when the SAI was initially set up, it wasn't supposed to take money from the colleges; it was to be funded by the legislature.

Budget Reductions include the FY 2013 permanent budget reduction of \$53,282, and a general one-time reduction of \$134,604. The cut of \$134,604 will come back in the next biennial budget. There is a one-time budget reduction for Customized Training Program of \$28,542. Those funds will be distributed later based on an application process. Also there is a temporary 3% salary reduction of \$203,724, which will come back in the next biennial budget.

The SBCTC earmarks and legislative provisos include the Disability Accommodation, Opportunity Grant, Students of Color and Worker Retraining Base.

The initial 2013 general funds state operating allocation is \$7,947,005. Projected tuition of \$4,008,600 is an increase of \$400,086 over last year. Carryover / indirect cost recovery/ excess enrollment of \$1,524,352, Running Start funds of \$400,000 and ABE/ESL Grants of \$178,033 are included.

The total 2013 operating revenue budget is \$14,057,990. This budget includes the 2.5% reserve funding level, per board policy, for this year is \$342,878.

Page 5 shows comparisons to last year's budget. FTE's are decreased by 19. This is because we have not received our worker retaining variable allocation yet. We anticipate receiving this shortly, so we will get the 19 FTE back. Our unrestricted base budget looks startling when you see it reduced \$850,106. The biggest part of that is the permanent budget reduction last year of almost \$750,000.

That has been rolled over into the base budget this year. The other \$100,000 is the ins and outs down the column of FY 2012.

Last year's 3% salary reduction of \$204,011 was put back into our base budget, and \$203,724 was deducted for 2013. Last year we received a reduction for ERP advance planning of \$30,138. This was put back in our budget for 2013. President Bonaudi stated this is for the new state-wide accounting system. It is out to bid currently. It will be an on-going cost, but this year they did not take the funds from our budget.

A one-time reduction last year of \$63,802 was put back in our base budget this year. This year the one-time reduction is \$134,604.

The permanent budget reduction last year was \$749,559, this year it is \$53,282.

The one-time reduction for Customized Training Program is \$28,542 this year.

BIG BEND COMMUNITY COLLEGE

	FY 2012	FY 2013	Actual Reduction
Budget Reductions:			
General One-time Reduction	-63,802	134,604	-70,802
Temporary 3% Salary Reduction	204,011	203,724	287
Permanent Budget Reduction		-53,282	-53,282
Total			-123,797
Reductions To Be Reallocated in FY 2013:			
One-time reduction for Customized Job Training		-28,542	-28,542
Student Initiative Pool		-23,076	-23,076
Total			-51,618

The general one-time reduction of \$63,802 was met with permanent reductions last year, so this year we only have to make reductions for the difference of \$70,802. The temporary salary reduction reduction of \$204,011 from last year was put back in our budget this year. This year the reduction was \$203,724, so we were really \$287 to the good this year. The permanent budget reduction is \$53,282. The actual budget reductions for this year are \$123,797, and we were able to accomplish that out of the increase to tuition.

We do have additional reductions of \$51,618 but these are to be reallocated in FY 2013. President Bonaudi noted the “no-cut budget” really amounted to a lot less cuts than the \$800,000 and \$1.2 million we were hearing during the legislative sessions. Trustee Blakely said every year we get more one-time budget cuts. VP Hamburg replied if we do not receive these one-time cuts next year, we can begin to rebuild. VP Hamburg said with our initial allocation budget of \$7,947,005, adding tuition and recovery funds, the 2013 budget is very comparable to last year’s budget.

Page 7 shows 57% of our funding comes from the state, 15% from recovery, and 28% from tuition. More of the burden is going to our students with the increase in tuition. VP Hamburg indicated page 8 shows where our money is spent. Instruction has 46% of the budget, last year they had 45% and the 2011 system average was 52%. Academic administration expenditures are 3% of the budget, it was 3% last year and the 2011 system average was 4%.

Library expenditures are 3%, last year it was 4% and the 2011 system average was 3%. Student services expenditures comprise 12% of the budget, last year they were 13%, and the 2011 system average is 13%. Administration expenditures are 19% of the budget, last year they were 18%, and the 2011 system average was 16%. Maintenance & Operations is 17%, it was the same last year, and the 2011 system average was 12%. We are always several percentage points higher in this area because we have old buildings and they require more funding to maintain.

VP Hamburg reviewed how each program fund is budgeted, starting with Instruction. Instruction includes classroom and laboratory activities, community service instruction, and ABE/GED. The principle changes and focus for the next fiscal year includes an additional 12% tuition increase; program assessments (audits); Workfirst, new focus on vocational training and IBest, focus on student success and efficient delivery of instruction; Basic Foods Education Training Grant (BFET); and new in the budget is \$50,000 added for classroom and faculty office technology. With the budget cuts of the last four years, we have not been replacing computers and that is a priority. We have also included funding for one new faculty position. We don't know yet what that position will be. The pie chart on page 11 shows how Instruction spends their funds by expenditure type. Salaries are 69%, benefits 22%, supplies 6%, travel 1%, and equipment 2%. The percentages are identical to last year.

Page 12 and 13 shows Academic Administration which is Instructional Deans, Deans of Professional / Technical Programs, Dean of Arts & Science, and Dean of Institutional Research & Planning. Principle changes and focus this year include enrollment management, student retention, student recruitment, faculty support and a full-scale accreditation visit. Page 13 details how Academic Administration spends their funds. The pie chart show 97% between salaries and benefits, and the percentage was 97% last year, divided a little different. Supplies and travel remain the same, 2% and 1%, respectively.

Pages 14 and 15 list the Library budget. VP Hamburg said Dean Tim Fuhrman does an excellent job of providing information. Included in this area are; the Dean of Library Resources, Developmental Education, eLearning, English Skills & eTutoring; Library and Information Literacy Instruction; reference services; collection development; interlibrary loan; media equipment services; and, production and updating of student ID cards. Principle changes and focus include collections of online and multi-format based resources, instruction and assistance in the research process, support of lifelong learning and personal discovery. Recent spring quarter changes include the Foreign Language lab closed due to budget cuts, and with the assistance of a Weinstein donation, the library began checking out netbooks for short-term student use. In FY 2013 there will be a shift in library staff duties and responsibilities due to a retirement, and Dean Fuhrman will be focused on the software transition from Angel to Canvas. Page 15 shows the Library budget is very similar to last year. There is an increase in their equipment budget to begin updating the IT equipment. We will also use some of the student technology fee to continue updating their equipment.

Page 16 covers Student Services, which includes Associate Vice President of Student Services, admissions / registration, financial aid and counseling, Opportunity Grant and Running Start, multicultural services, disability services, GED testing services, career placement services and student activities. Principle changes and focus include enrollment management, student retention and recruitment, advisor training / improved advising, program assessments (*audits), continuation of the Opportunity Grant, and online student services tools.

Pages 17 and 18 detail Student Services expenditures. There is a big decrease in salaries. The main reason is because the state operating budget can no longer fund athletic services. Athletics are funded by the students' services and activity fee, which is 9.7% of total tuition.

The bottom of page 17 shows a difference in workforce training because worker retraining variable has not been allocated yet. Other expenses are similar to last year. The total budget is \$1,698,422, and expenditures are almost identical to last year percentages.

Pages 19 and 20 show the budget for Institutional Support, which includes the President's office, Vice President for Financial and Administrative Services, Vice President of Instruction/Student Services and the Executive Director of Human Resources & Labor. This also includes community relations, Foundation, fiscal services, telephone / communications, word services and administrative computing. Principal changes and focus are enrollment management, student recruitment and retention, advance the Academic Master Plan and the Facility Master Plan, continue work on the campus-specific Emergency Response Plan based on the National Incident Management Systems (NIMS), Program assessments and a full-scale accreditation visit.

Page 20 details how the money is spent. Also included is the other half of the 2.5% reserve (\$171,439) in the administrative supplies. We also increased the accreditation budget because of increased expenses for their visit this year. The total budget is \$2,623,802, and the expenditures are almost identical to last year.

Pages 21-22 show the Maintenance & Operations budget. This includes custodial services, maintenance trades, vehicle maintenance, grounds, utilities, safety and security and theatre and activity center management. Principle changes and focus include repairs and minor improvements, building maintenance and energy costs, STEM and Title V building remodels and additions. We are going through an Energy Service Company (ESCO) audit, in order to be eligible for some of the new grant funds. The financial match is 3-1. It is a great opportunity for us to improve efficiencies. We continue to work on the recommendations from Mike Campbell, Director of Center of Excellence for Homeland Security, from his report. There was \$100,000 in the budget last year to start working on those recommendations. We didn't spend it due to the proposed budget cuts. With our new budget this year, we have advertised for a new Director for Campus Safety and Security. This is one of the recommendations from the report. There is very little difference in last year's budget to this year.

Trustee Blakely asked if ESCO were auditing our cooling and heating systems, and asked if it was free. VP Hamburg said they are auditing our cooling, heating and lighting, and the audit is free. They go through every building, and they calculate the savings we can achieve. Initially they think we probably have three projects. This is the first time there is funding available. Trustee Blakely said the PUD has a grant program available. VP Hamburg said we are working with the PUD on lighting for the old hangars. It is exciting to have new things going on so we can make improvements on campus. One of our goals is to improve outside lighting.

Page 23 shows the grand totals of all the programs. The pie chart shows the division of funds, which are very typical for educational entities.

Page 24 shows the total institutional funds. We went through the State Operating Budget of \$14,057,990. In two more months we will look at grants / proprietary budget, which is about 55% of our budget. The Operating budget is 45%. Grants were a little higher last year because of the Fairchild AFB contract, which we won't have this year. Total institutional funds are \$31,498,510.

Trustee Blakely asked what the state is saying about the revenue next year. VP Hamburg said the next revenue forecast is the third week in June, and she is hearing the revenues will be similar to current revenues, and without the big cuts. President Bonaudi stated a topic among presidents is the mandatory salary reduction for classified staff groups that are represented by unions. It was very clear that reduction would apply to classified staff who are union. Our classified staff are not represented by a union and will not be required to take the 3% salary cut. There was a ten minute break at 10:54 a.m.

President Bonaudi said the second part of the work session is to present the second of the three monitoring reports based on the Academic Master Plan. The first was on Access, this report is on Programs. Key to this is the fact that all the program areas provided information on how are they doing. This is an important document because for many of them it is the first time they considered, "What do I need today and what do I need tomorrow?" There is an extensive list of appendices detailing the audit. Instructional deans are finding this valuable to track unexpressed needs. President Bonaudi introduced Dean Valerie Kirkwood. The Monitoring Report covers placement testing and the audits previously discussed.

Tab X in the back of the report includes the Educational Program summaries. This covers enrollment, equipment, facilities and staffing. Each report concludes with their recommendations for change.

This report highlights how the college promotes both instructional and support services for our students' success.

Placement testing is an important entry point for our students. Dean Kirkwood shared a Math placement testing graph. The red bar at the top shows how many people who test

actually get into college level math. This is a challenge for Big Bend and other colleges as well.

Trustee Lane asked about the number of students being placed into college math at four-year universities. Dean Kirkwood said she didn't have that information. President Bonaudi said we could gather information.

The English placement testing graph shows more students than usual placed into College Level English this year. There wasn't as much high school campus testing, which may have included juniors who weren't ready to attend BBCC. This year, there was a Washington State study. Part of that was the development of a records reciprocity agreement, which means students who take their placement tests in another college, can bring their results here, within a year. Some students are coming here to take their placement tests even if they are going to Columbia Basin College. Advising is really important to student success. Dean Kirkwood referred to a chart on page six which shows data about Hispanic and white females receiving advising, the male students are not doing as well. There are many activities in place, including Title V's Student Success Center. Information is being gathered regarding their events, and data shows more males are attending.

Dean Kirkwood introduced Starr Bernhardt, Research Analyst, to talk about pre-college math progress. Ms. Bernhardt said they wanted to provide a general review of student progress and success through pre-college math.

Success and progression in pre-college math became an area of focus due to the Achieving the Dream effort (ATD). Low success rates are not just a local problem, but throughout the state and nation. That is concerning because these classes are essential gate-keeper courses. If students fail to pass into higher level, it can prevent them from reaching their ultimate goals. Ninety-five (95%) of our students place in pre-college level math. If they want to move into STEM (Science, Technology, Engineering, and Math) related careers, higher level math is vital to their success. Students can pass a class with a 0.7 grade point, however internal and national research show if they don't get a 2.0 grade point or higher, their likelihood of being successful in their next level class is low.

The figure on page 3 represents all students who took a pre-college level math course anytime last year. We follow them into next level follow their success there. We did this for all three levels for our pre-college math courses. Half of the students succeed with a 2.0 or better. This is very predictable, and we are working to improve this with various support systems. Of those who earn 2.0 or higher, only 64% move to the next level. Of those, only half succeed with a 2.0 grade point or higher. What this shows is one in five of our initial cohort move on and are successful.

Ms. Bernhardt introduced Tyler Wallace, STEM Grant Math Instructional Specialist. BBCC is working on the Emporium model math courses, where students work in a computer lab and increase their success rates.

At Big Bend there are three courses of pre-college math; pre-algebra, beginning algebra and intermediate algebra. Students have the ability to choose a lecture course or a computer lab course.

The final Emporium model is a big computer lab, comparable to a one-room schoolhouse. The computer can dynamically change the course to the students' needs. The students can all be in the same place at the same time, resulting in more flexibility in scheduling.

The students receive a pre-test at the beginning of each unit. Some students do very well with negative numbers but struggle with fractions. In the past those students have to retake the entire 5 credit course, when they only need fractions. If a student gets 85% on the pre-test, they can skip a unit. They can spend the time on the areas they need, instead of what they already know.

The students watch five minute videos on each concept. After the video, they can do a "concept checkpoint," by answering two problems correctly then they can move on. They may view four to six videos before they receive their homework assignment. They are required to achieve 80% accuracy on their homework assignment before they can start the next lesson. They have to receive 80% on the practice test, and should get at least 75% on the final test. As a result, students' test scores go up. A lot of our students are first generation and they don't have the study skills or past experience on how to be successful in a math class. This forces the student to have successful study skills and brings a positive experience with math.

Another feature of the Emporium is the flexibility of student pace. Students can pretest a couple of units, maybe skip a unit, and can complete a unit early. The student can start right away on the next course, and potentially complete two courses in one quarter. This will help students move through pre-college levels more efficiently, quicker and successfully.

Units 6, 12 & 18 are like final exams, which the students take when they are ready for the exam. If a student is motivated enough they can skip a course. This saves the student money and time.

Trustee Lane asked if the students pay for a five-credit course for each class. Instructional Specialist Wallace said they pay for five credits each quarter, so if they finish two classes in one quarter, they save money. Staffing considerations include one instructor and four tutors (three active, one live lecture).

This idea was piloted spring quarter, and students are still taking their final exams. Tyler showed a graph which calculated the student averages currently collected, which shows a 74% success rate for the first quarter of the Emporium classes. This is reflective of other Emporium classrooms across the nation. Mr. Wallace thanked the instructors who worked with him on the project.

There is still a transition as we don't have a computer lab with 68 computers. The pilot was finished with two classes of 30 each. All summer quarter courses will be offered in the Emporium model.

By fall quarter, there will be one computer lab of 38 computers with one instructor and two tutors in ATEC and the computer science lab will allow a lab with 20 computers, for a total of 58 computers. There will be major reconstruction in the math building to provide a full implementation computer lab for 68 students.

Trustee Lane asked if support in the learning center will change. Instructional Specialist Wallace said outside of class tutoring will still be offered, and are looking at how tutoring can be more helpful for students.

Students coming to BBCC are not as prepared as they were 10 years ago for many reasons. Trustee Lane said this could be because some students take a class in their sophomore year, and no more math classes. VP Mohrbacher said that is a big issue; there can be a gap in math classes. The college is starting conversations with local high schools. Providing a math refresher before students take math placement tests may impact placements.

VP Hamburg shared her experience with two Phi Theta Kappa students talking about their math classes. They had the Emporium math class, and were talking about how they were succeeding, how they understood and were excited about math.

Trustee Franz asked if there are studies which show how students make the transition from the Emporium model for pre-college level math to the lecture model. Instructional Specialist Wallace said the University of Idaho math instructors haven't noticed a change. Data from two community colleges in Tennessee suggest students who move out of the Emporium model are just as successful, if not more successful, as students using the lecture model.

Trustee Wren asked why we wouldn't continue the Emporium model. Mr. Wallace said we need to follow the data, and choose a method that shows to be successful. Dean Kirkwood introduced Mandy Mann, BBCC's Medical Assistant Coordinator and Instructor.

Instructor Mann said the Medical Assistant program began in 2006 and always has full enrollment 24 students a year, and also a waiting list.

The medical assistant is an important member of the health care team. They are qualified by education and experience to work in a medical office, and act as a liaison between the patient and doctor. It is of vital importance for the medical assistant to be included in the medical practice.

BBCC offers two options; a one-year certificate option can be completed in four quarters, or a two-year Associates in Applied Science completed in six quarters. Once students go out in the field, they find the two year degree allows them to continue in health care education. Some classes in the two-year program are also required for the LPN certificate.

BBCC nursing graduates are eligible for Health Care Assistant License Categories A, C & E and qualified for phlebotomist certification. Graduates are injection certified, which the clinics in our area value.

Classes offer maximum flexibility for students. A student can work a full-time job or stay home during the day because evening and weekend classes are offered. Clinical procedure classes are on Saturdays. The program is IBest which allows for a second instructor on weekends.

At commencement, out of 19 students, 18 students will walk with their two-year degree. Instructor Mann is currently advising 68 students. The program is full; graduates have an 81-86% employment rate six months after graduating. At least four clinics have asked for more students.

Trustee Wren asked about enrolling more students in this program. More than 24 students a year will flood the market and put a damper on over all outcomes for employment. Trustee Wren asked if demand increased, could we provide more classes. A lab instructor could be added to allow more students. VP Mohrbacher said there are other issues regarding barriers; it is a less efficient operation to add six more students.

Dean Kirkwood introduced Dr. Clyde Rasmussen, Dean of Professional Technical Programs, to talk about the Aircraft Rescue and Fire Fighting Training Program. Dr. Rasmussen said airport firefighters are required to have recurrent training annually. With the Port of Moses Lake, BBCC set up a program to provide this training. It is a very successful program. Instruction begins in the classroom. The Port of Moses Lake maintains the property where the burn pit is located. Firefighters receive a certificate from BBCC and the FAA. BBCC provides a one-day and five-day burn, officer training (Assistant Fire Chief or Fire Chief), and truck training. BBCC is always looking for instructors because the program has grown and been very successful. Instructors have been hired from Spokane, Tri Cities, Sea Tac and Grant County Fire District #5. BBCC received two Osh Kosh fire trucks from Spokane International Airport. The trucks are utilized extensively for training, and meet the needs for large and smaller airports. Our training satisfies the FAA requirements for live burn training. Dr. Rasmussen invited the Board to come out to the burn pit to watch a fire. This spring had the largest class of firefighters, from Washington, Idaho, Oregon and Alaska and personnel from the U. S. Coast Guard stationed at Port Angeles. Last week we received a request from the Coast Guard station in Astoria for custom training. Pendleton is asking for customized training for airport personnel, the Air National Guard, and other departments.

Custom classes can be developed to meet individual training needs and BBCC will be working with the Fire Training Center in North Bend.

Trustee Blakely asked about the chances of expanding into a full-time firefighting training unit.

Dr. Rasmussen said they hope to do more expanded training, and are interested in talking to Spokane Community College, who also have a fire training program. Trustee Lane asked how this program financially aids the college. Dr. Rasmussen said the program is self-supporting. President Bonaudi said we split the fees with the Port of Moses Lake. Dr. Rasmussen said a portion of the fees pay for the maintenance of the pit.

Dean Kirkwood introduced Sandy Cheek, Director of Basic Skills and the Japanese Agricultural Training Program. She will highlight BBCC's award winning Integrated Basic Education and Skills Training (IBEST) CDL program. Director Cheek said based on the desire to move students from basic skills to the college system an idea developed to put two instructors together in a classroom; one is a basic skills expert and one is a professional technical instructor. The Basic Skills Instructor is there to assist students who need help in study skills, reading, writing and doing work at a college level. In 2004, our legislature provided funding for a pilot project for IBEST. BBCC started a CDL program with six students that has been tremendously successful. Our focus group was primarily agriculture workers. We have a 90% pass rate. These programs can have a multi-generational impact.

As BBCC received more funding, the program was expanded. In 2006, BBCC was nominated for a Bell Weather award. In 2007 we were featured in a national journal, the *Chronicle of Higher Education*. A reporter visited BBCC for several days, and wrote a really thoughtful piece on our role in educating rural America. Providing services that will help people who live and work in our communities is important. This winter BBCC was nominated for and won the Governor's award for best practices in workforce training.

Director Cheek said a week ago, she received a call from the State Board for Community and Technical Colleges regarding a 90-second video they wanted for IBEST. BBCC will be featured at the National Conference for Latino Elected Officials. The key note speakers are President Obama and Mitt Romney. The video was played and it highlighted a student who spent much of his youth in prison. After working for a time, his company started background checks and he lost his job. He enrolled in the CDL program and is currently employed locally.

Trustee Blakely said he thinks a tradition of this class is that they take their test in English, when they could take the test in Spanish.

Dean Kirkwood said the program audits show a common theme and reveal a reflection of the budget cuts. How can BBCC provide the same level of service as in the past with less money? We are focusing on our efficiency, what can we change? and what can we do better?

Trustee Lane said someone once said good things happen when you go off campus. This report highlights how our programs compare to other programs in the state, and what ideas work. Dean Kirkwood said that is the strength of our system, we have 34 community colleges and can collaborate on ideas.

Chair Mike Wren adjourned at 12:15 p.m.

Mike Wren Chair

ATTEST:

William C. Bonaudi, Secretary