How Can I Help?

Q. What can I do to impact budget decisions that affect my education?

A. Know the facts and be able to communicate them to other students and staff. Understand the consequences for the community college system of a yes or no vote referendum. Vote, and encourage others to vote. Do not be frightened by rumors or gossip. Find out the facts and make your decisions based on these facts. Write your legislator and ask for their support to protect education.

Q. Who is my legislator, how can I contact him/her?

A. A list of legislators, supervisors and councilmen/councilwomen are available on the website at: http://www.butte.edu/community/about/pba/pba_committee.html

Q. Why should I support the community college when I don’t even qualify for financial aid?

A. Financial assistance is just one of the benefits you might receive by attending a community college. Obviously, there are many others; an education, career planning, technical training, counseling and other student services. All of which will be impacted if the community colleges are forced to take on more cuts.

Q. How can students help?

A. Know the facts and be able to communicate them to other students and staff. Know what the impact of a yes or no vote is to the community college system. Vote, and encourage others to vote. Be patient and encourage others to be patient and understanding. Know that when funding is reduced at your college, the net effect is a reduction in services and available course sections. Like everyone else, we must “operate within our means”.

Q. Regarding political advocacy, as an employee of the District what can or can I not do?

A. Education Code 7054(a) prohibits the use of district funds, services, supplies or equipment for the purpose of urging support or defeat of any ballot measure. It does not prohibit the use of public resources to provide information about the effects of a ballot measure, as long as the information constitutes a fair and impartial presentation of relevant facts.

Butte College Budget

Q. Historically, have we survived similar budget cuts in the past?

A. We have survived and thrived in the face of state and local budget reductions in the past. The cuts we experienced in 2011/12 were of a similar magnitude of what is being proposed should a tax extension ballot fail. Butte College is a strong and healthy institution and will survive, but the impact it will have on individual students and staff could be tremendous.
Q. Why don't we charge for parking to create revenue?
A. Our students are already paying the maximum parking/transportation fee allowed by law. We are entertaining the idea of charging faculty and staff a parking fee to generate more revenue and offset the costs of maintaining the parking lots.

Q. Why is Prop 98 important to balancing the budget?
A. Prop. 98 is the minimum funding guarantee for K-14 education. If Prop. 98 is “suspended” as part of any proposed cuts caused by a failed tax initiative scenario, there is no minimum funding guarantee and K-14 education is not protected from taking more than its fair share of cuts. This would make balancing our budget that much more difficult.

Q. What is the timeline for the 1.5% cut to programs?
A. Vice-presidents have received reductions from their area departments and the Leadership Team is in the process of discussing them. These cuts will be made to partially cover increases in fixed costs, and must still be made even if the tax initiative is approved. The timeline for these cuts to be made is July 1, although some cuts may be able to be implemented sooner.

Q. Why are community college students funded at such a lower rate than UC, CSU and K-12 students?
A. The original California Higher Education Master Plan of 1960 intended that the community college system would be equal partners with the two university systems. It was assumed that the lower division education would be less expensive than the upper division and graduate education of the universities. When Assembly Bill 1725 established a new organizational model for community colleges in the 1990s, the plan was to double the amount of community college funding per student over the next ten years. Instead periodic state budget crises have caused community college funding to stagnate while the colleges are continually asked to take on additional functions, multiple missions, and more students. K-12 and the universities have tended to have more political clout with legislators and policymakers in the past.

Q. Does the fee increase actually mean more money to Butte College?
A. No. Enrollment fees are built into the calculation of apportionment revenue that the college receives for full-time equivalent students (FTES). Although we will not receive more revenue whenever enrollment fees are increased, an increase in fee revenue should mean that the cuts to community colleges may be less severe.

Q. Explain the 50% law and FT faculty obligation.
A. The law requires 50% of our cost of providing education be spent on instructional salaries and benefits. When we eliminate course sections in order to reduce the amount of unfunded FTES, we in turn reduce instructional salaries and benefits. This causes us to come out of compliance with the 50% law unless we also reduce non-instructional expenses like student services, administrative support, maintenance and other infrastructure expenses. The full-time faculty obligation (FON) is a law that requires a district to hire full-time faculty whenever we grow, and are funded for, credit FTES. This obligation number also declines in years when our funded credit FTES declines. The obligation may be “frozen” in years when the Community College Board of Governors determines that there are insufficient funds to grow the faculty obligation.
Q. Where do we stand right now on the 50% law?

A. For the 2010-11 fiscal year, we reported and were compliant with 51.37%. We did this by maintaining course sections with reserves and incurring instructional salaries and benefits with one-time dollars. For the current 2010-11 fiscal year, we had projected to be out of compliance with the 50% law. We continue to look for ways to come into compliance before the end of the fiscal year. Cutting back on operational expenses will help.

Q. Will exceeding the full-time faculty obligation help us to be compliant with the 50% law?

A. Hiring more full-time and/or part-time faculty helps with the 50% law as long as the faculty are instructional, that is, teaching in the classroom. Non-instructional faculty like counselors and librarians, although they count towards the full-time faculty obligation, actually count against us in the 50% law equation, as do “reassigned” faculty and “non-instructional stipends” paid to faculty.

Q. What is the actual amount to educate a student vs. the funding amount?

A. Each college is different. For Butte College, our average “cost of education” per FTES is approximately $6,066. The amount is generally higher for CTE students and lower for general education transfer students. We are funded $4,565 per credit FTES and $2745 per noncredit FTES.

Q. Why does the money from parking tickets go to the city of Chico?

A. California State Legislature enacted SB 1407 requiring agencies to collect an additional penalty surcharge for every parking offense where a parking penalty, fine, or forfeiture is imposed. Parking violation penalty surcharges now total $12.50 and are required to be collected on behalf of the state of California and the county of Butte. Fine amounts in excess of $12.50 are retained by the college.

Q. Will the solar arrays generate revenue?

A. Our solar arrays have been designed to generate approximately 110% of the electricity we consume. Although no revenue is generated, the savings the college will realize by avoiding rate increases, may be significant.

Q. What happens if deferred monies are deferred again next year?

A. In actuality, this is very likely and is what is currently happening. Deferred apportionment revenue this year is scheduled to be received next year, but the money that should be received in and for 2012-13 will again be deferred to the following year. The Governor is also proposing increasing the amount of the deferrals for 2012-13. For Butte College, it is projected that we will not receive approximately $12 million each year until the following year.

Q. How much money is in the reserve?

A. We started the fiscal year with $16.1 million (down from $18.6 million in 2009-10). We have budgeted to spend down the reserve to $14.9 million by the end of the year. If the current year deficit is not resolved, our reserves may fall to $13.1 million. The states approved and proposed budgets include the deferral of approximately $12 million in apportionment payments for Butte College from one year to the next. These reserves allow us to make payroll and vendor payments without the need to borrow money from external sources. The district has also
accumulated approximately $20 million of the needed $41.1 million in the Retiree Benefits fund to fully fund our obligation to our employees and retirees for medical benefits during retirement.

Q. How much have we used from the reserve?

A. Each year, we plan and budget to spend one-time reserve funds for one-time and pilot program expenditures. Unspent funds and unplanned revenues may increase the reserve or partially offset one-time expenditures and as is the case in 2011-12, an unplanned deficit factor imposed by the state in February may decrease the reserve further. In 2008-09, we achieved and received a large portion of our available restoration funds from the state. This allowed us to build our reserves to $18.6 million by the end of that year. Our current budget projects our reserves to be spent down to $14.9, or $13.1 million if the deficit is not resolved. This is a net reduction of approximately $5.5 million in three years.

Q. Who is going to make the 1.5% cuts?

A. All areas are responsible for making 1.5% budget reductions for the 2012-13 fiscal year. Managers will evaluate their budgets and their departments’ needs and then present their cuts to their respective vice-presidents. The President’s Leadership team will then evaluate the cuts and present the reductions to the Planning and Budget Committee for review.

Q. What is going to happen to the Skyway Center?

A. The Governor’s 2011-12 budget included the elimination of Redevelopment Agencies (RDAs) around the state. The Skyway Center was purchased with redevelopment funds and the plan has been to use redevelopment dollars to renovate the building. If the RDAs are eliminated, this funding should still be available. The plan is to use the balance of RDA funds we have available, and to use one-time reserves to complete the project. As we continue to receive RDA dollars in the future, these funds will be used to pay back our reserves.

Q. Are grant funds part of new monies?

A. That depends on how you use the term “new monies.” New grants do provide additional money to the district, but these funds are restricted for the purposes designated in the grant proposal and by the granting agency. These funds are not new monies to offset the cuts in apportionment revenue. The administration has been very aggressive in pursuing grant opportunities and in leveraging external dollars. For the most part, these efforts are intended to fund special programs such as TRIO and the Student Success Initiative. Sometimes the college can garner reimbursement of some “indirect” costs from running a categorical program such as the Tech Center and the California Virtual College. We also look for opportunities to shift some faculty and administrative salaries to grants such as Title III or FIPSE but grants go away and these are short term gains at best.

Q. What percent of the budget goes to each: management salaries, faculty salaries and classified salaries?

A. Approximately 84% of the district’s unrestricted general fund goes to pay for salaries and benefits of employees. Of this amount, 56% is for faculty, 29% for classified employees, 14% for managers and 1% for student employees.
Q. Will there be a May Revise?

A. Yes, every year the Governor proposes revisions to his January budget proposal based on more current data. If the tax initiative proposal makes it on the ballot for November, we can expect a May revision that still assumes the tax extension initiative approved. At that time, the Governor may also provide another budget scenario in case the ballot does not pass.

Q. Are we going to close on Fridays?

A. That has been, and still is, a topic of discussion. We expect to save approximately $80,000 to $100,000 this year from the implementation of the “efficient schedule.” In a worst case scenario, we might choose to close the campus on Friday or move to a compressed schedule (16 weeks) to save money on energy and labor, if we can determine that such a move will not have a negative impact on student learning. Right now a number of colleges are exploring one or the other options as part of their budget reduction planning and strategy.

Q. How much is the efficiency schedule saving?

A. Originally, if we were to close the campus entirely on Fridays, we estimated that we could save approximately $278K in utilities and transportation. Currently, by closing certain buildings early on Fridays, we estimate that the district is saving approximately $80-$100K. This is the equivalent of two classified positions.

Q. Why does the Campus Center close at noon on Friday?

A. This early closure is part of the “efficient schedule” to save energy costs. It was determined that this closure would have a minimal impact on student learning. However, due to student and staff demand, the Campus Center now remains open until 12:30 p.m. on Fridays.

Q. What happens to Butte if taxes are not approved?

A. According to the Community College League of California (CCLC) the scenario if taxes are not approved equates to another $2.6 million cut to Butte College. The net effect is the loss of approximately 600 full-time equivalent students. Another funding cut of this magnitude would force Butte College to look very different than it currently does. With over 84% of our budget going towards employee salaries and benefits, significant cuts to personnel would be needed. In effect, this would mean the elimination of certain programs and services as well as class sections.

Employees/Labs

Q. How many classified positions may get cut?

A. We will not know how many classified, managerial, or part-time faculty positions might be cut until we complete our budget analysis and prioritization. We will look for every possible efficiency before considering position eliminations. We will consider workload modifications/reductions before we decide to eliminate positions. As we have done in the past, if positions are eliminated, we will attempt to find positions that are being retained or restructured for the employees to fill.
Q. Are we going to get rid of all student assistants before layoffs of any classified staff?
A. We will be reducing student assistant budgets as part of the reductions. There are still restricted state and federal funds available for student assistants that may not be reduced or eliminated. Certain programs may be hit harder than others. This does not mean that all student assistants will be eliminated before any classified staff are laid off, but by contract, we will work to maintain the student/employee ratio.

Q. Are we going to get work study funds?
A. Federal work-study funds will still be provided. In fact, due to the increases in enrollment fees, work study funding will increase in 2012-13.

Q. Why doesn’t the state increase our retirement age? If the minimum Social Security age to retire is 62 why can we retire at 55?
A. Legislators are discussing pension reforms that may include raising the retirement age.

Q. Will there be a retirement incentive?
A. We offered a retirement incentive in 2009-10 and believe most of those who wanted to retire early did so. Offering another incentive is not out of the question, but we believe at this time it would only benefit those already planning to retire.

Q. Will employees have to pay out of pocket for health care?
A. Generally, the district pays 100% of the employees' medical premiums. Out-of-pocket costs for co-pays and deductibles have risen over the past several years in accordance with plan specifications. Employee contributions to pay for any portion of the medical premiums occur by formula when the District’s premiums exceed the 20-school average.

Q. Why will the District continue to give step & column movement when departments have to come up with cuts?
A. Step/column/longevity increases are salary adjustments required by union contracts. Any freeze to these increases, as well as how a “defrost” will occur; will be negotiated with the unions. On the other hand, salary schedule increases, by contract formula, will not continue as long as we receive less apportionment dollars than in the previous year.

Q. How do we determine which services to cut?
A. Area deans and directors have worked with their areas and their respective vice- presidents to determine what services could be reduced or eliminated that would have the least impact to students. These reductions are being discussed with the President's Leadership team.

Q. Could full-time folks be put on a 32 hour work week to save?
A. This is an option that we can entertain. However, a workload reduction like this could have an impact on an employee's retirement benefits and this would need to be determined and discussed.
Q. Do the medical changes under Obama’s health plan help us as a college?
A. No. **Items included in the Obama health care plan like no lifetime maximum, dependents to age 26, and additional preventative services without required co-pays will actually cause premiums paid by the district to increase by approximately 3%**.

Q. Will there be any departments/programs closing at Butte College?
A. **These decisions have not been made at this time. The President's Leadership team is discussing area reductions and the impact these reductions will have to the college and its programs.**

**Impact on Students**

Q. What are students getting for their increased costs?
A. **The increase in enrollment fees from $36 to $46 per unit means that cuts to the community college system will be less. Students will not receive anything more for the increase in fee revenue, but the reductions to sections and services offered by the colleges may be less severe. Fee increases to students do not translate into budget increases for the college. Student fees are used to offset state revenue from Sacramento, basically requiring students to pay more of a share of their tuition.**

Q. What is the number of students Butte would turn away if we only serve those funded?
A. **This year, Butte College is serving approximately 977 full-time equivalent students without any reimbursement from the state. This equates to approximately 3,000 student headcount. If the tax ballot fails, Butte College could lose an additional 1,000 students (600 FTES) over this year.**

Q. Are we able to limit the number of students we take?
A. **We have been able to teach hundreds of unfunded FTES because (1) we chose to use reserves to maintain course sections, and (2) we are becoming more efficient and the faculty has been willing to take on more students because they care deeply about students and student learning. If the worst case scenario occurs the colleges will be forced to turn away hundreds of thousands more students. We have followed a “strategic enrollment management” and “core mission model” for determining the size and structure of the schedule. We have been incrementally reducing the schedule and the number of classes, while reducing special interest, avocational, adult, and non-credit courses.**

Q. What happens if the tax initiative does not pass?
A. **For Butte College, this is equal to a cut of approximately $2.6 million.**

Q. As a student, how will this impact me i.e. no tax initiative?
A. **The class schedule will be reduced significantly and there will be reduced services for students. The Chancellor's Office estimates that approximately 1800 students will be diverted from Butte College. For many students it will take longer to complete a course of study or to acquire a degree or certificate necessary for university transfer or to enter the job market. Fewer students will have access to financial aid, and there will be a reduction of student jobs on campus.**
Q. How will the budget cut affect bus scheduling and routes?
A. The bus system is supported by student transportation fees. Budget cuts would make supplementing this fund with district dollars more difficult. However, we believe the transportation fees will cover the cost of transportation. Bus scheduling and routes are reviewed regularly and are adjusted for efficiencies in order to transport the most students to the campus as possible. At this time, no changes to schedules or routes are planned for next year.

Q. Why isn't there enough money for all the classes and services students need to succeed?
A. A large portion of the funding that Butte College receives to provide these classes and services comes from the state. Only a very small percentage comes from student fees. When the state reduces the funds available to the community colleges, we have to “operate within our means”. Unfortunately, this means we will not be able to afford to continue to provide all the classes and services needed for students to best succeed.

Q. How can I increase my chances to transfer to a CSU?
A. The bad news is that we will have fewer sections in the near term. The good news is that CSUC and the UC system want community college transfers. By admitting more community college transfers, they are able to fill empty seats in the upper division level created by their own lower division attrition. This improves their efficiency and outcomes. Your best bet is to try to become a full-time student, who works hard, gets excellent grades, learns as much as possible, and completes an associate degree. The new “clean transfer degree” mandated by the legislature will facilitate transfer for those students who complete the degree with the appropriate general education and major requirements. If you find a pathway through the curriculum and remain on-time-and-task, and perform well, you will find a slot in the CSU or UC systems.

Q. Who decides what are core sections?
A. Core sections have been defined by the Chancellors Office as those sections for transfer, basic skills and career technical education. Any classes that are more recreational in nature are considered non-core.

Q. Will I be able to transfer to the college I want to go to?
A. While the universities remain committed to accommodating community college transfers, their own budget and enrollment challenges are forcing them to restrict student transfer from outside of their particular regions. It will still be possible to transfer to the UC or CSU of your choice but it is going to be much more competitive for fewer slots across both systems. Both systems are also shifting emphasis to international students because they pay higher tuition, thus increasing income to the universities. Your best chance will be to apply to the closest public university. But you should also always apply to the university of your choice as well as your regional university.

Q. How can students finish their degree/certificate program if we cut the programs and/or class needed to finish it?
A. We will make every attempt to protect those courses required for degree, transfer and certification. Work with your counselor to help find the classes you need to complete your degree or certificate. Be persistent and don’t give up on your goal(s).
Q. Students want labor market info. What is this education going to get them in the field?

A. To get the most current labor market information go to the Career Planning and Placement Office on the second floor of the SAS building.

Q. If I am paying higher tuition, why can’t I get the classes I need?

A. California community college fees, although increasing, are still the lowest in the country. Revenues from fee increases are not retained by the colleges, they are used as an offset to the amount of apportionment revenue paid to the colleges by the state. When the state increases enrollment fees, this allows the state to pay less apportionment to the colleges, or to offset a portion of any proposed cuts.

Q. When will more classes be available in which to enroll?

A. Each semester, the class schedule may be adjusted to meet the demands of students. When funding is reduced by the state, class schedules also tend to be reduced. More classes will be added as funding becomes available. We will continue to make every attempt to protect core class sections for transfer, basic skills and career technical education, even adding a section when the demand is high, as long as we can financially make it happen.

Q. Will there be an impact on section sizes? Will sections be filled to the cap?

A. Yes, class sizes have been increasing as the demand for the class increases. Sections that do not fill to a minimum level will be cut. Class sections will be filled to the maximum level (cap) permissible by that particular course or facility.

Q. If I do everything right can I still graduate from Butte in 2 years? Will there be enough course sections?

A. This will depend on what your major or concentration is, as well as your flexibility for when and where you take the class. Be persistent and get assistance to help find the course sections you need and graduate from Butte College even if it takes an extra semester.

Q. I’ve heard a few students say they’d better go straight to UC now as it’ll be harder to get in after 2 years at Butte. Is this true?

A. No, that is a myth. The UC system maintains 40,000 slots annually for community college transfers. The California Higher Education Master Plan provides extensive opportunities for community college students to transfer to the UC system. Community college transfer students do as well or better than native students at UC and CSU. Our lower division offerings occur in smaller classes with more individualized attention and much lower cost than you will find at any UC. Butte College will defend and protect its transfer mission fiercely. Remember that in California more than 50% of all bachelor degree recipients have taken courses at the community college!

Q. Will a limit be placed on the number of units a single student can take at Butte College or number of times a class can be repeated?

A. There are already limits for the number of times a course can be repeated. Discussions are occurring at the state level regarding limiting the number of units a student may take that the state will subsidize. No decisions have been made on this front.
Q. How much will it cost to go to school?
A. The Butte College Financial Aid Office calculates an average cost to go to school each year taking into consideration tuition/fees, books and supplies, room and board, transportation and other personal expenses. The actual cost will depend on whether you live at home, or away from home. The cost for tuition and fees averages $1334 per year for 12 semester units and another $1660 for books and supplies.

Q. Will the BOG fee waiver still be available?
A. At this time, the BOG fee waiver is still in place.

Q. What type of funding will be available to students to support fee increases?
A. Eligible students at Butte College can receive up to $5,550 in federal Pell grants, $1,104 in BOG fee waivers, $1,551 in Cal grants and $720 in FESOG. Get your FAFSA in early. I would suggest filing as many scholarship applications as applicable and hopefully the local labor market rebounds and you can find part-time work as you go to school.

Q. Will I still get a Cal Grant when I transfer to CSU/UC?
A. Yes, at this time Cal Grants are available at the Community Colleges, CSUs and UCs.

Q. What is going to happen to my food stamps, etc.?
A. The state budget made significant cuts to Medi-cal, CalWorks, and developmental services. The impact to individuals’ food stamps will more than likely vary depending on the individual's personal situation.

Q. Will the state still support CA veterans educational benefits?
A. Currently, there are no plans that will adversely impact California Veterans educational benefits.

Q. Will federal and state financial aid go up to cover the cost of increased fees? (Grants and fee waivers)
A. As fees are increased, a student's financial need also increases. This in turn will generally increase the amount of financial assistance a student is eligible to receive. Of course, this also depends on the amount of federal and state financial assistance funds available to be paid out.

Q. What other student services might be impacted or eliminated?
A. Even with the cuts, we will attempt to maintain most of the services we currently have available to students. However, there will be less access and convenience for our students. Better long term planning will be required to be able to access services when needed.

Q. What happens to my education if the governor's tax initiative is not approved?
A. Community colleges will face even more cuts if the taxes are not approved. Higher education will become more expensive and difficult to obtain. Not only will fees more than likely continue to increase, but course section availability will need to be reduced. And the services you are accustomed to receiving at the colleges that assist you in your goals for higher education and training will become scarcer.
Q. Pertaining to students and the effects, what alternative possible solutions are being discussed or planned?

A. The college is looking at every option it can to reduce costs without significantly impacting student learning, student goal attainment, and the student support services that make these possible. The Budget Reduction Ideas/Concepts can be viewed at: http://www.butte.edu/community/about/pba/pba_committee.html

OTHER

Q. What is the consequence if California goes into bankruptcy without a balanced budget?

A. By law a state must meet its obligations. A state must ultimately balance its budget and may not go into bankruptcy unless Federal law is changed. If the state budget deficit increases, then more public employees will be displaced and state services will be dramatically reduced. The entire California public education system will be at severe risk. This would set back our schools and colleges for a generation. Opportunity for young people will be reduced, and California’s economic prosperity and vitality may be permanently undermined.

Q. What are other community colleges doing to survive this if they do not have any reserves or minimal reserves?

A. Many of the colleges are planning as we are. Some may need to plan for the worst case scenario if they do not have reserves to fall back on to carry them through another year of planning. Colleges without reserves still need funds to carry them through the apportionment deferrals. These colleges are forced to borrow money to make payroll and maintain services until the state pays them. Borrowing money also costs money and other valuable resources.

Q. How long will these problems last? When will it get better?

A. That depends on who you talk to. There have been signs the economy is recovering, for example, housing starts have increased and the number of plastic surgeries have increased. (Really, that’s a sign.) However, with the type of cuts the state has imposed, it will undoubtedly increase the unemployment rate again. Fewer people working mean fewer tax payers and more tax receivers.

Q. How long will the new taxes last?

A. The Governor’s proposal is to increase taxes has been revised. His proposal to increase sales tax by ¼% will sunset after 2015. The income tax increases for joint filers earning more than $500K (1%), $600K (2%) and $1 million (3%) will sunset after 2018.

Q. What are the benefits of community colleges?

A. The short answer is an excellent education and good student support services, such as the health center, at an affordable price. Community colleges bring higher education and career training to the local community. They provide education and services to students who may be place bound. In the 1960s whenever a new community college opened, the local college going rate jumped by 50%. Community colleges are the portal of entry to higher education for 50% of all new undergraduates, 60% of first-generation students, and 62% of minorities in higher education. We train 65% of all healthcare professionals and the majority of police and firemen. Since at
least 2003, 50% of all bachelor degrees in the USA went to folks who took courses at the community college. Community colleges provide educational opportunity to the neediest and most deserving citizens.

Q. How do community colleges affect the economy?

A. Community colleges are considered to be the "economic engine" for the economy. We bring transfer education, basic skills and career technical education to an economy in need of an educated and well trained work force. An educated and well trained workforce generates job growth.