

DISTRICT OBLIGATION FOR FULL-TIME FACULTY HIRES

3.3

ACTION

Presentation: Erik Skinner, Vice Chancellor, College Finance and Facilities Planning

Issue

This item presents information for the Board of Governors' consideration in determining whether the *2009-10 Budget Act* provides adequate funding to support an increase in districts' full-time faculty hiring obligations for Fall 2010.

Background

By November 20 of each year the Board of Governors must determine whether adequate cost-of-living adjustment (COLA) funds, growth funds, and funds for other core programs have been provided in the State Budget to allow full or partial implementation of the increase in full-time faculty hiring obligations specified for districts in section 51025 of title 5, California Code of Regulations. Generally, under these regulatory requirements, each fall term districts must employ a specified minimum number of full-time faculty. This requirement is expressed in terms of full-time-equivalent faculty positions and is commonly referred to as the full-time faculty "obligation." In years in which the board determines that adequate funds are available for full implementation, each district's obligation increases approximately by its percentage increase in *funded* full-time equivalent students (FTES) in credit courses.

For the years 2005-06 through 2007-08, the board determined that there were adequate funds provided to fully address the growth increment of full-time faculty hiring obligations. However, in fiscal year 2008-09, the board determined that the budget act did not provide adequate COLA and enrollment growth funding to justify the implementation of any increase in full-time faculty hiring obligations for fall 2009.

Analysis

The State of California continues to wrestle with a major fiscal crisis rooted in a longstanding structural budget imbalance made worse by a precipitous drop in state revenues linked with the worldwide economic collapse. In response to this fiscal crisis, state leaders adopted major revisions to the *2009 Budget Act*. These revisions, signed into law on July 28, 2009, made deep funding reductions to all sectors of the budget. For the California Community Colleges, these revisions included cuts of \$522 million, or 7.9 percent, in 2009-10. In addition to these cuts, \$117 million in enrollment growth funding that had been provided for 2009-10 was eliminated in the revised budget. The *2009 Budget Act* includes no funds for COLA or enrollment growth.

Based on these factors, our analysis indicates that the *2009-10 Budget Act* does not provide adequate COLA, growth, and other core funding to justify implementation of any increase in full-time faculty hiring obligations for Fall 2010. This conclusion, if adopted by the Board, would mean each district would have the option for Fall 2010 of maintaining either (1) the number of full-time positions that represented its obligation for Fall 2009 or (2) the full-time faculty percentage attained in Fall 2009.

The recommendation to not increase the faculty obligation number for Fall 2010 has been discussed with the Consultation Council at its October 15, 2009, meeting and there was a consensus in support of it. Various parties representing faculty, administration, and students also expressed concern regarding the community college system's lack of progress in increasing the number and percentage of full-time faculty.

Recommended Action

The recommendation is for the Board of Governors to determine that the *2009-10 Budget Act* does not provide adequate funding to support increases in districts' full-time faculty hiring obligations for Fall 2010.