



**SOUTH SEATTLE
COLLEGE**






Budget Forum

April 20, 2022






Today

- What about “The District”?
 - Where are we and how did we get here?
 - What are our options?
 - What happens if we don’t meet our goals?
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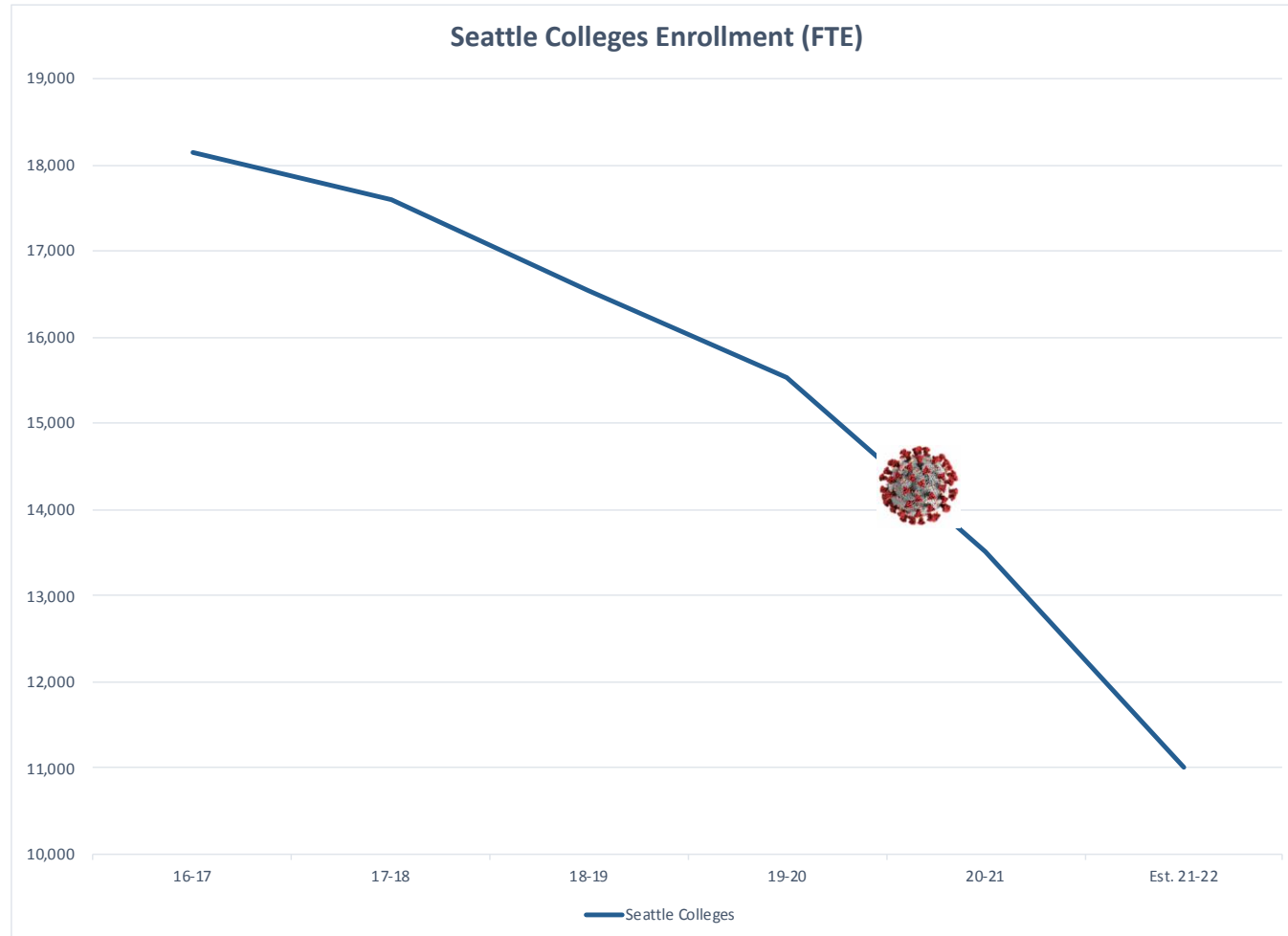
District

- North, Central and South Seattle Colleges
 - Siegal District Offices
 - Services
 - District Administration
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How is the Seattle Colleges District doing?




~ \$15 million
deficit budgeted

Without a
change we run
out of money in
~ 3 years








Siegal District Office Divisions

- Academic and Student Success
 - Communication and Strategic Initiatives
 - Finance and Operations
 - Governmental Relations
 - Human Resources
 - Information Technology
 - International Education
 - Seattle Colleges Foundation
 - Workforce Development
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Administrative Services

- Accounting
 - Budget planning and finance management
 - Federal and state financial audits
 - Purchasing good and services, RFPs management
 - Environment sustainability and green energy management
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HR Services

- HR Management
 - Payroll processing
 - Unemployment benefits management
 - Union relations management and negotiations
 - Employee recruitment and orientation
 - Employee training and professional development
 - Employee grievance, complaint investigations, Title IX investigations
 - Emergency management, health and pandemic management
 - Public record requests
 - Workplace safety
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Academic and student services

- Academic program planning and evaluation
 - ctcLink
 - eLearning
 - Institutional research and planning
 - Library technical services
 - Seattle Promise
 - Starfish
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External relationship management

- Business partnerships, workforce development and corporate training
- Lobbying
- Local, state, and federal regulations compliance and audit reports
- Private fundraising
- Public relations management with city, state, and federal governments



And some other useful stuff . . .

- Information technology services
 - International student recruitment and program administration
 - Public website infrastructure
 - Communications
 - SCCtv
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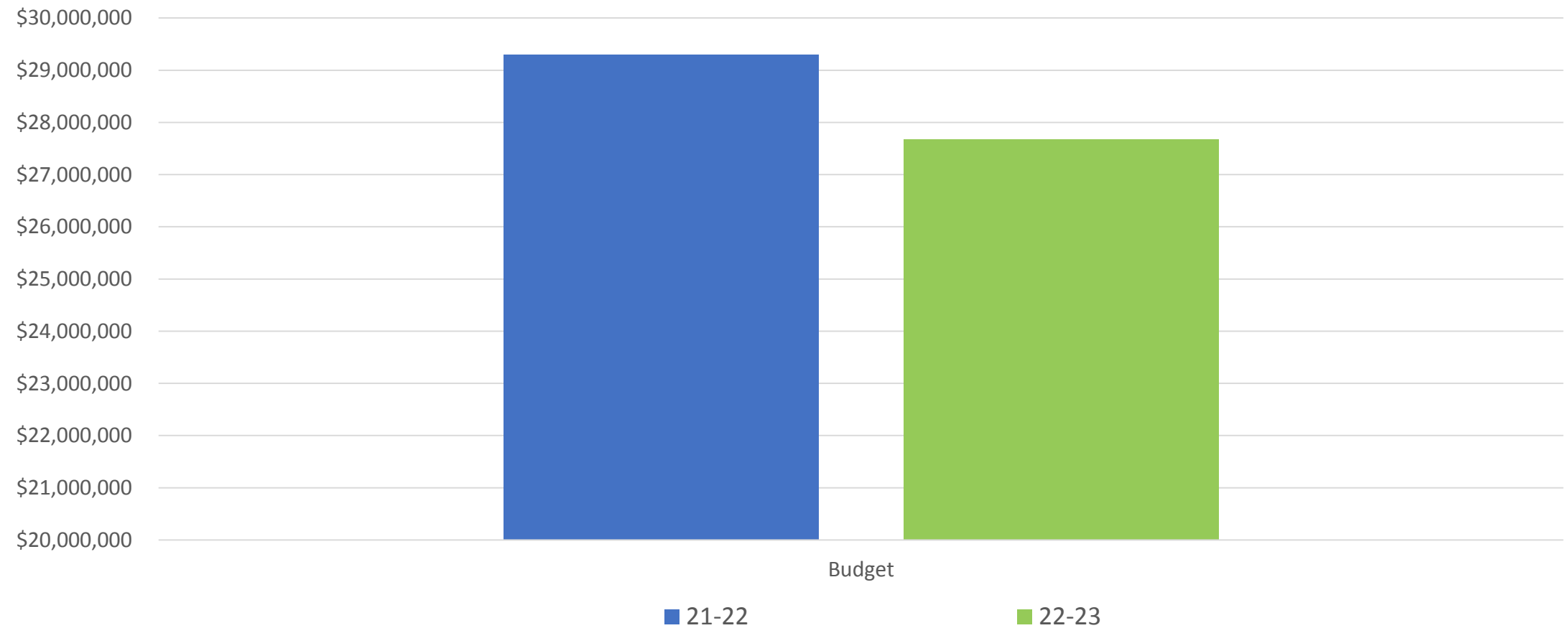
The background is a solid blue color. It is decorated with various green elements: a large monstera leaf in the top-left corner, a spiral-shaped plant in the top-center, a monstera leaf in the top-right corner, a branch with small leaves in the middle-left, a branch with small leaves in the middle-right, a palm frond in the bottom-left, a spiral-shaped plant in the bottom-center, and a branch with small leaves in the bottom-right.

Are these expenses managed?

20-21 District expense management (last year)

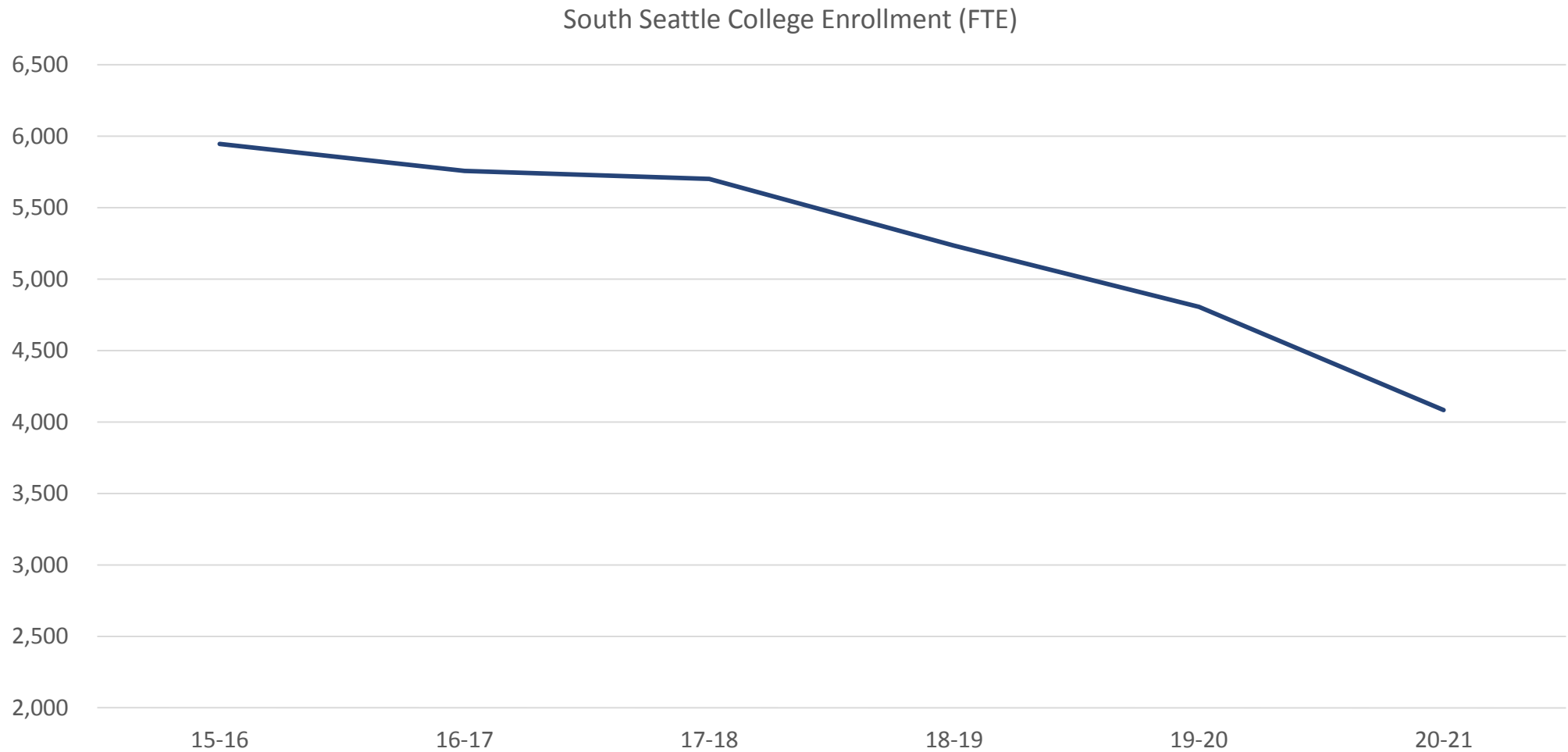
- Position cuts in the following departments:
 - 2 in Finance
 - 7 in Information Technology
 - 2 in Human Resources
 - 2 in Academic and Student Support Services
 - 4 in Advancement
 - 3 in Communications and Web Development
- \$2.3 million in personnel cuts
- \$3 million expense reduction overall

22-23 Siegal District office budget changes*

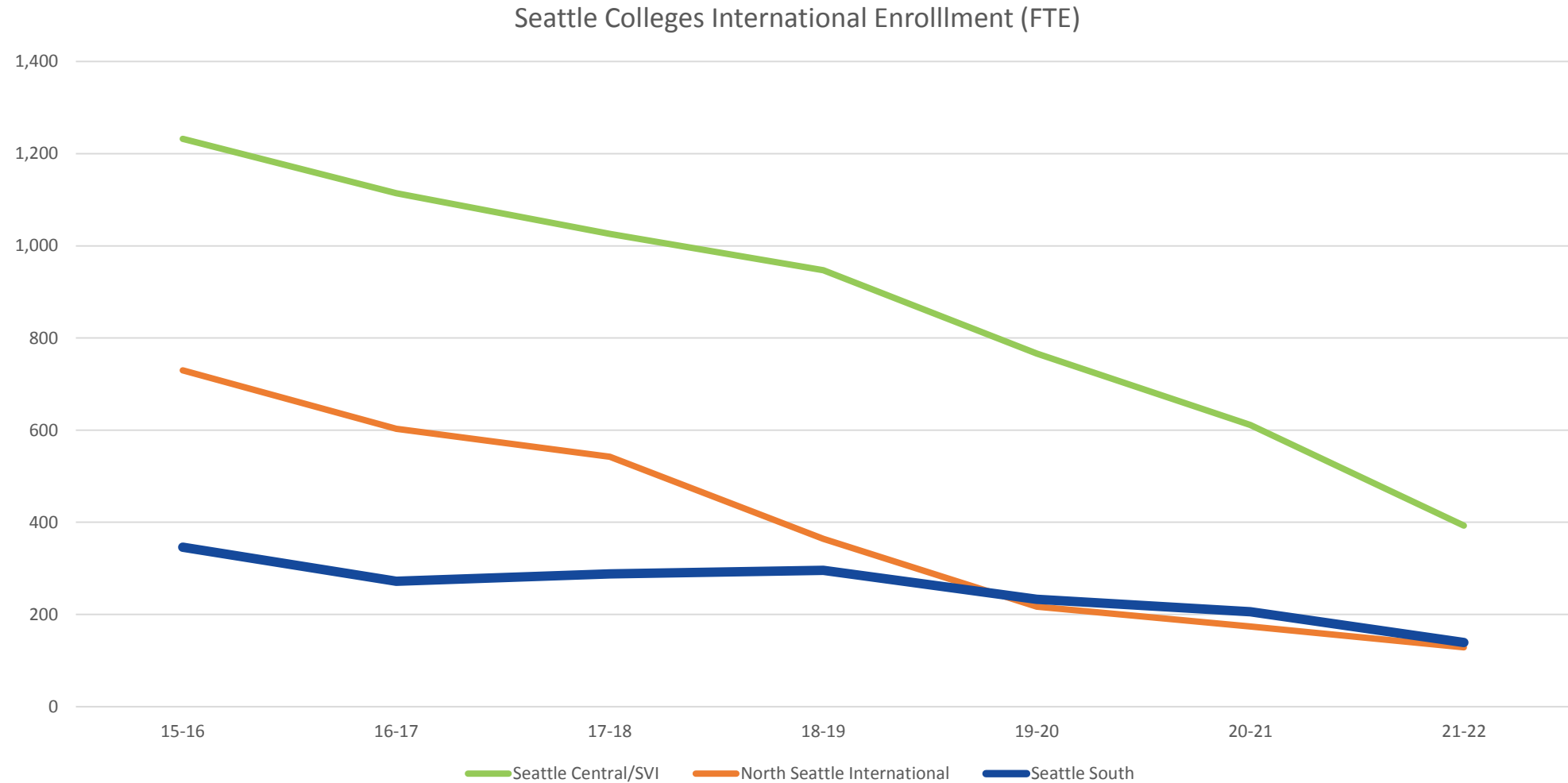


*Excluding EDI reorganization/investment

Where does South stand?



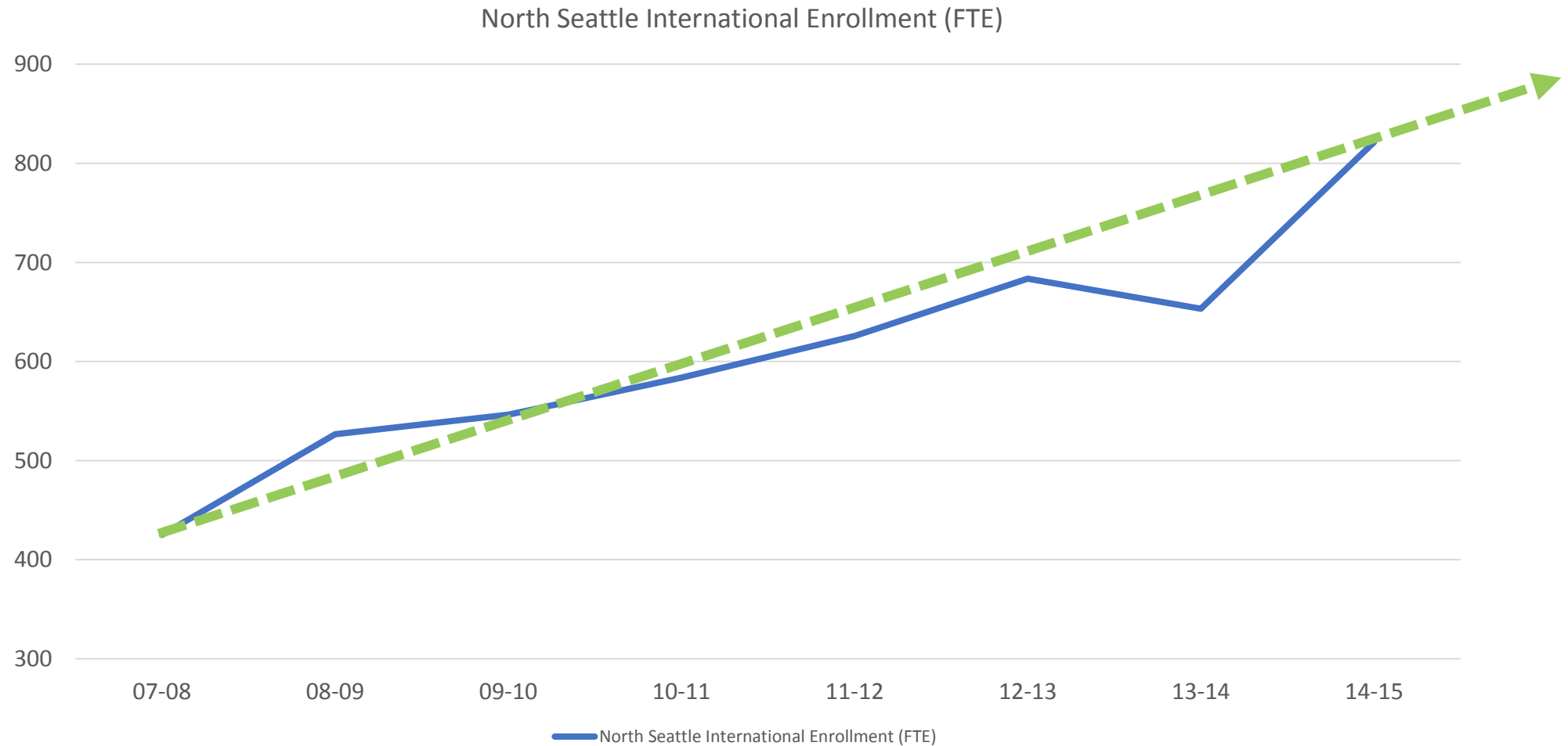
Good news for South (relatively speaking)



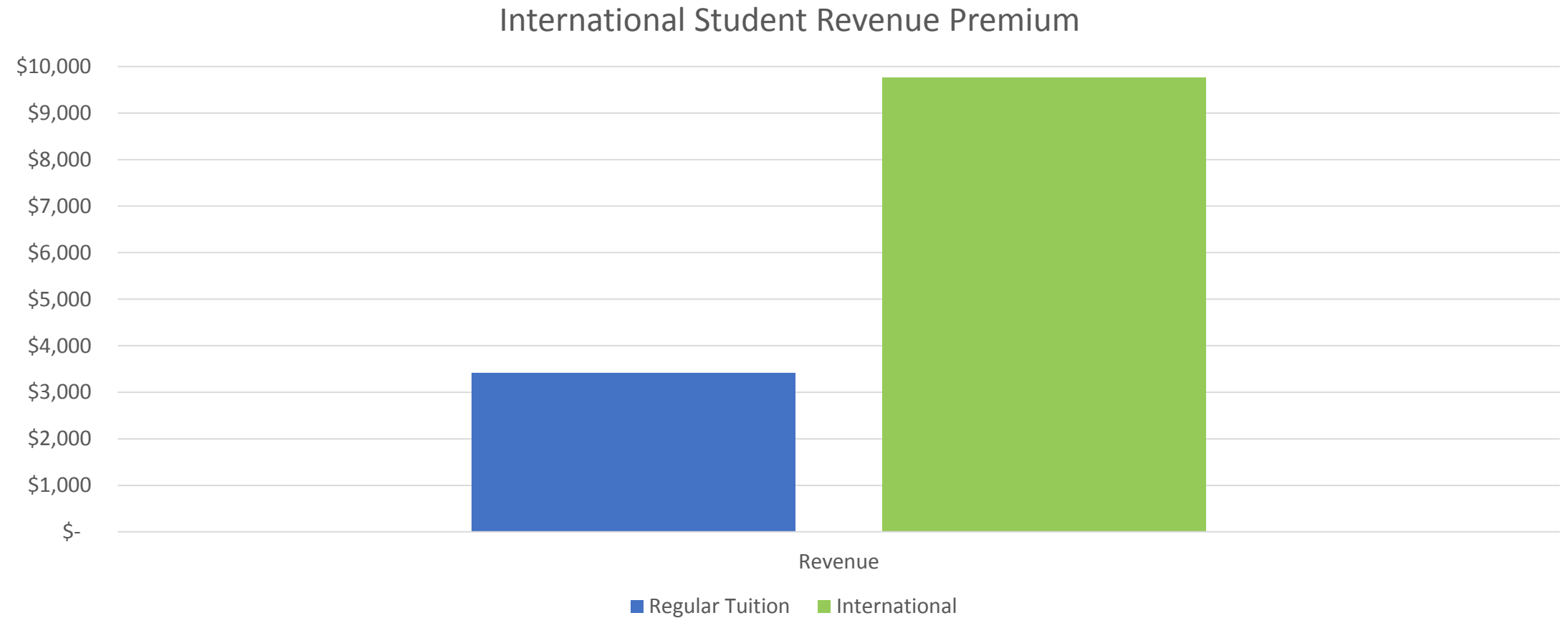
The image features a white background with decorative green elements in the corners. In the top-left corner, there is a large green monstera leaf and a green vine. In the top-right corner, there is a green vine. In the bottom-left corner, there is a green vine. In the bottom-right corner, there is a green monstera leaf.

Once upon a time . . .

North Seattle International enrollment



College revenue/full time student



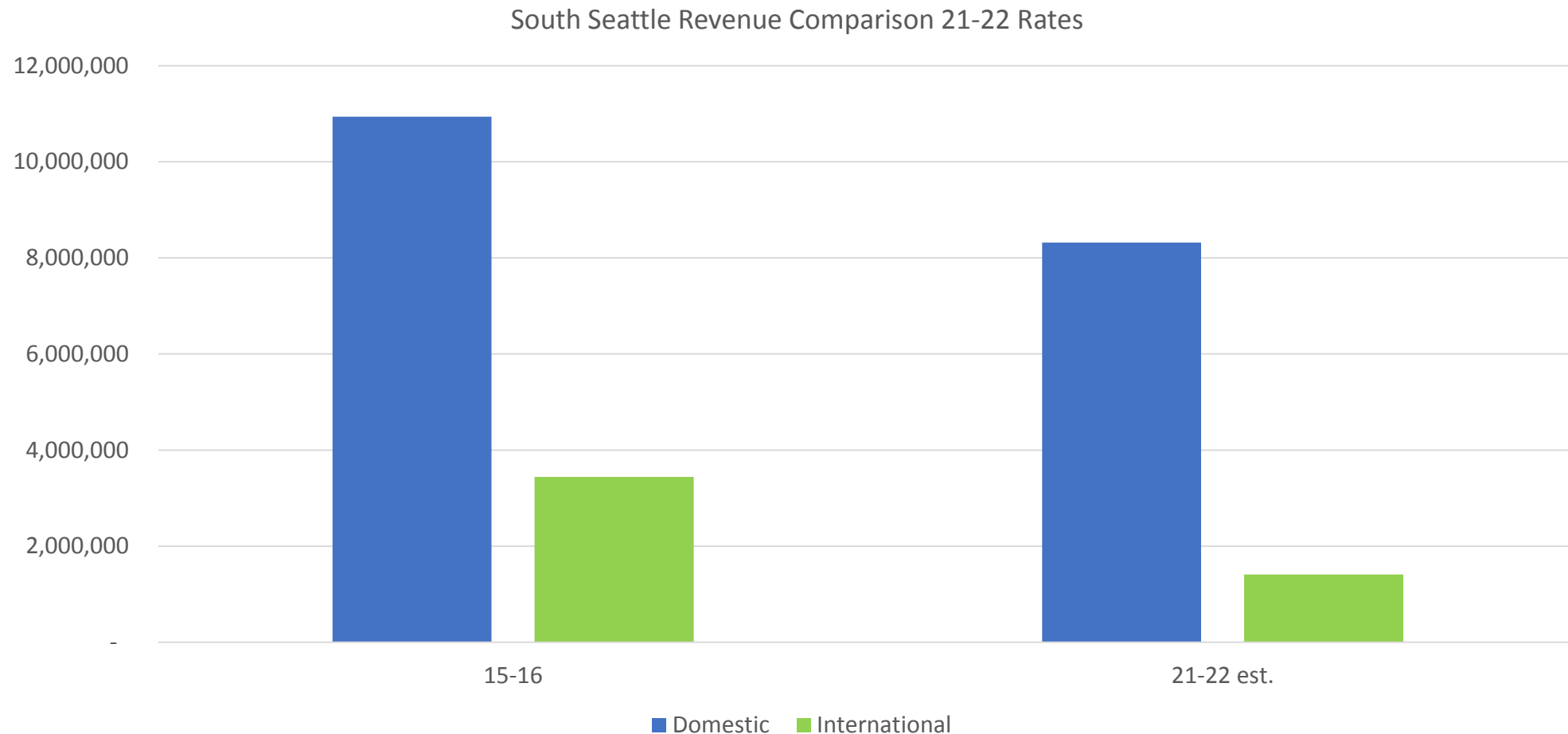


Takeaway

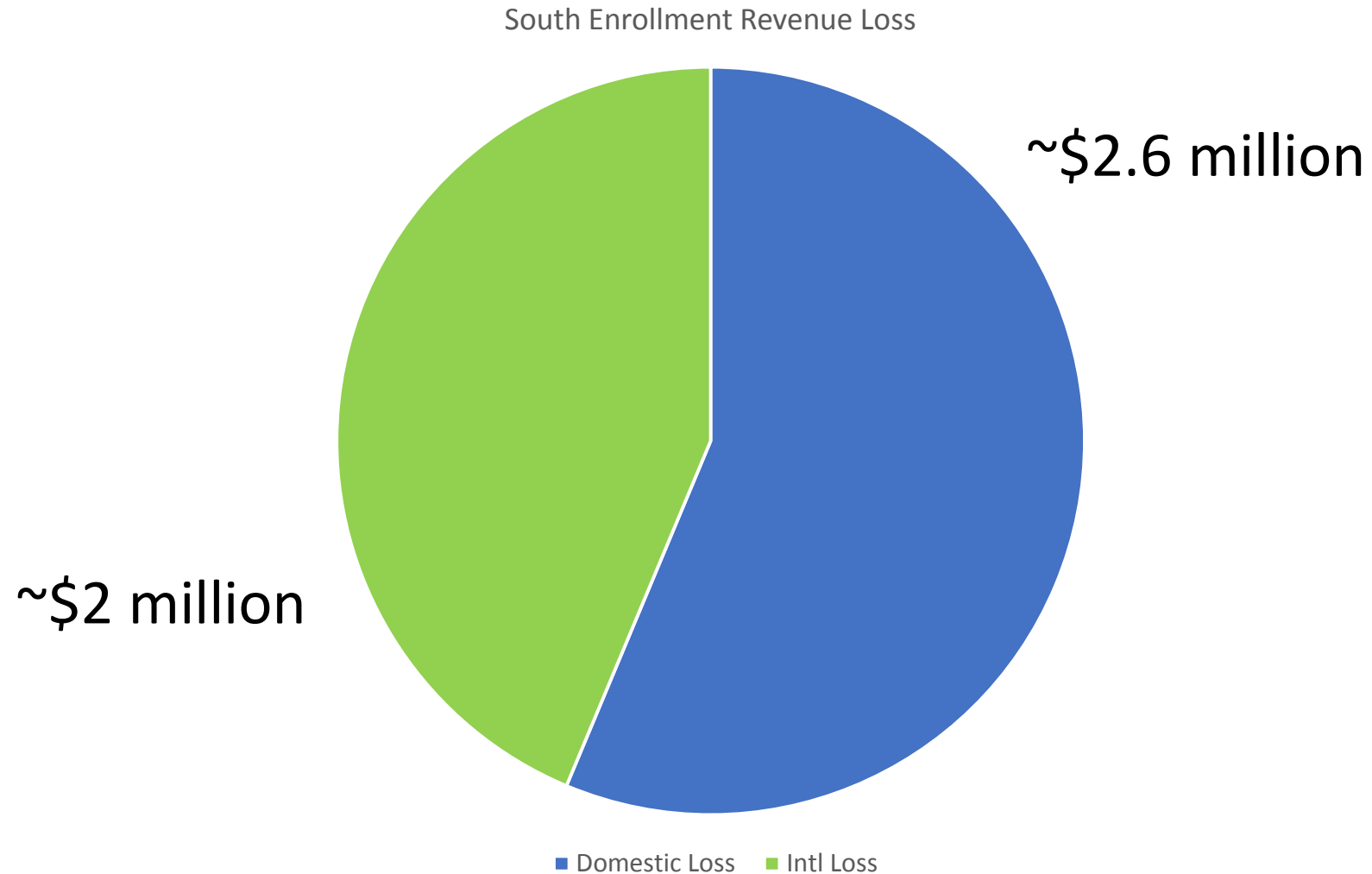
International growth subsidized our cost structure



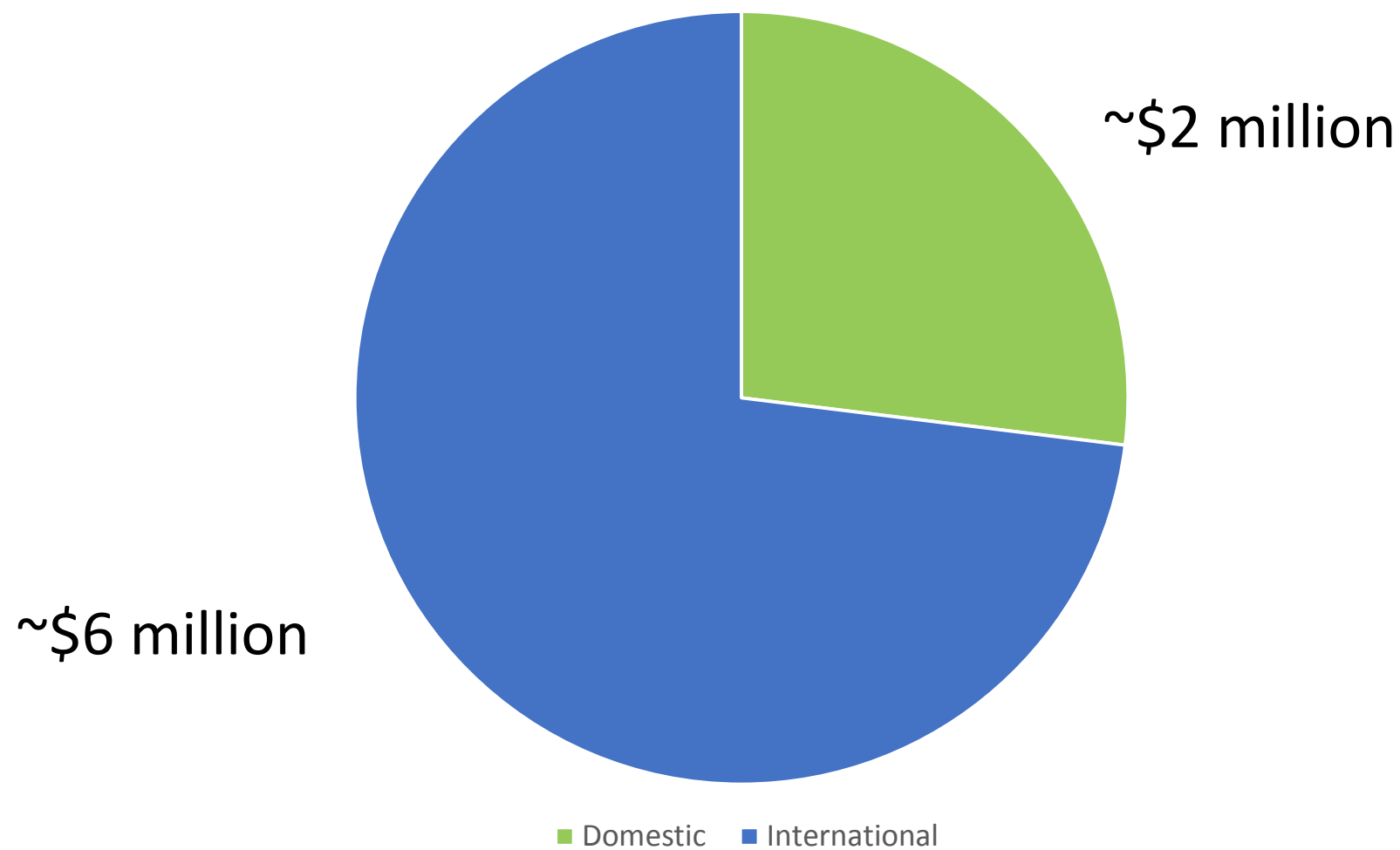
Revenue comparison based on 21-22 rates



South enrollment revenue loss



North enrollment revenue loss



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International comeback?



International enrollment dynamics

Historic drivers

- Seattle Colleges marketing outreach

Current state

- COVID travel restrictions have limited outreach
- 





International enrollment dynamics

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- Seattle Colleges marketing outreach
- Intensive English Programs feeding College level enrollment

Current state

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Historic drivers

- Seattle Colleges marketing outreach
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- Middle East government sponsored study abroad

Current state

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 - Sharp reduction in sponsorship by governments
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International enrollment dynamics

Historic drivers

- Seattle Colleges marketing outreach
- Intensive English Programs feeding College level enrollment
- Middle East government sponsored study abroad
- China, China, China

Current state

- COVID travel restrictions have limited outreach
- Asian private in-country competition shrinking market
- Sharp reduction in sponsorship by governments
- US losing share to other countries, demographic decline in China

International comeback?

- Slow rebound
 - We have yet to get "back out there"
 - Two-year cultivation cycle
- Ultimately
 - No new "China" out there
 - US visa issuance policies primary issue

Domestic outlook?

- Academic programs
 - Decline in appeal of traditional professional technical programs
 - Developing promising new programs, requiring time and investments
- High costs driving families out of Seattle downtown
 - OSPI projecting decline in students
 - Seattle Promise program is counterbalancing, but long-term trend is down
- Running Start was a growth area
 - Disproportionate decline in pandemic
 - Running Start students find online modality less appealing



Takeaways

Won't grow out of the problem in the near term

Need to realign expense structure to recognize loss of International revenue and lower overall enrollment levels

83% of expenses are salaries and benefits





We are working on growth

Outreach, recruitment and marketing efforts

Discover Seattle College Series

Running Start marketing

Seattle Promise

Enrollment Re-engineering

New academic programs: CS BAS, Fire Sciences

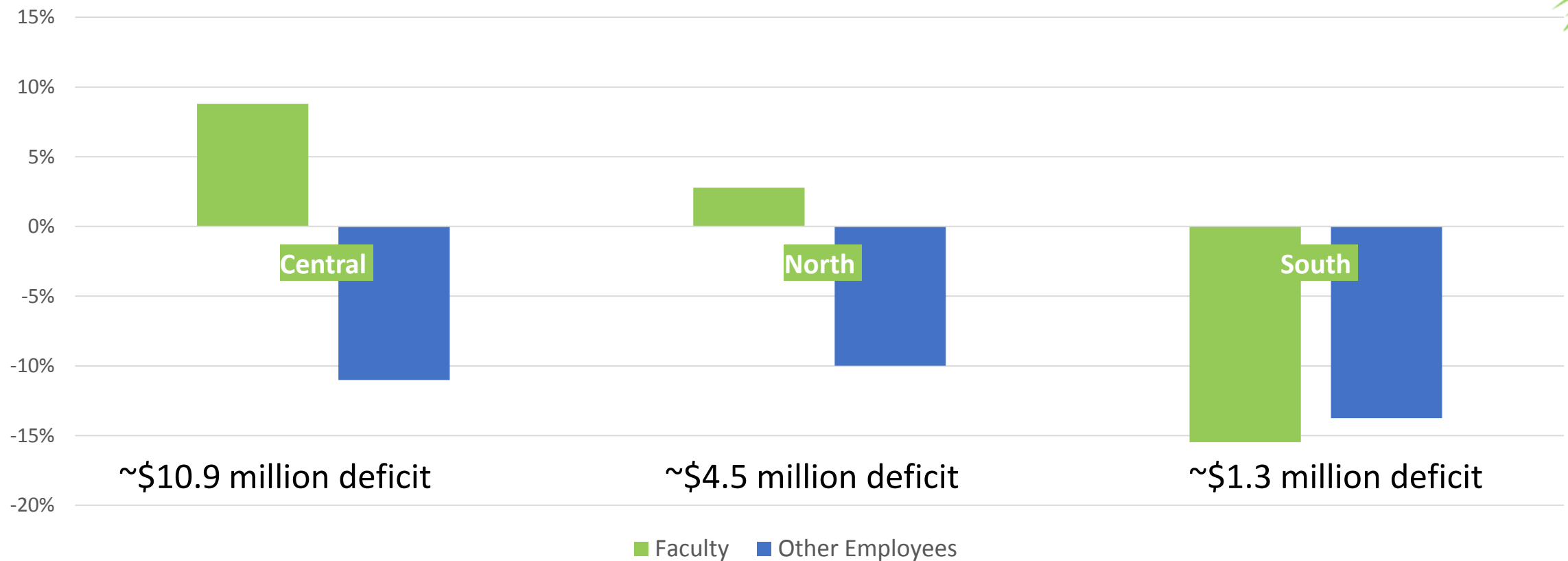
Streamlined and consistent Financial Aid processes

eLearning expansion



College strategies and outlook*

Salary Expense Change 16-17 vs. 20-21



*Excludes District expenses



Options & plan

Reduce administrative expense

Merge or eliminate heavily subsidized programs

Align class schedules with enrollment





Administrative expense

~ \$10 million

Intent - 15% reduction

Expense reduction ~\$1.5 million

Accreditation structure challenge



The background is a solid blue color. It is decorated with various green elements: a large monstera leaf in the top-left corner, a smaller monstera leaf in the top-right corner, a sprig of leaves on the middle-left, another sprig on the middle-right, a palm frond in the bottom-left, and a spiral-shaped plant in the bottom-center. There are also thin, curved green lines at the top and bottom edges.

Subvention

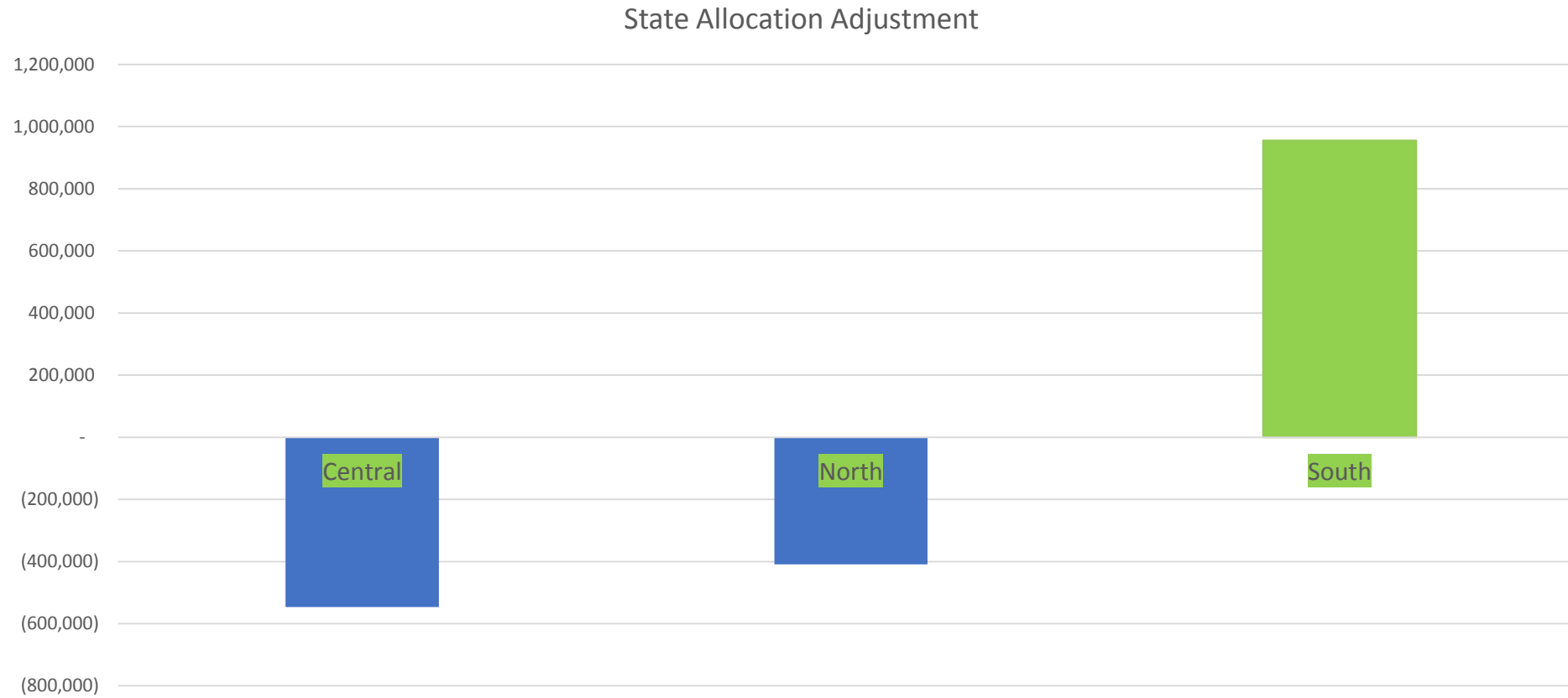
By design

Low cost, high efficiency classes & programs

subsidize

High cost, low efficiency classes & programs

22-23 Apprenticeship subvention



Class section economics*

5 Credit Class

~Part Time Faculty Expense	8,531
Average tuition received from one student	379

Students In Class	Revenue vs. Expense
27	1,713
26	1,334
25	954
24	575
23	196
22	(184)
21	(563)
20	(943)
19	(1,322)
18	(1,701)
17	(2,081)
16	(2,460)
15	(2,840)

The surplus from the class with 27 students offsets the loss of offering a class with only 18 students.

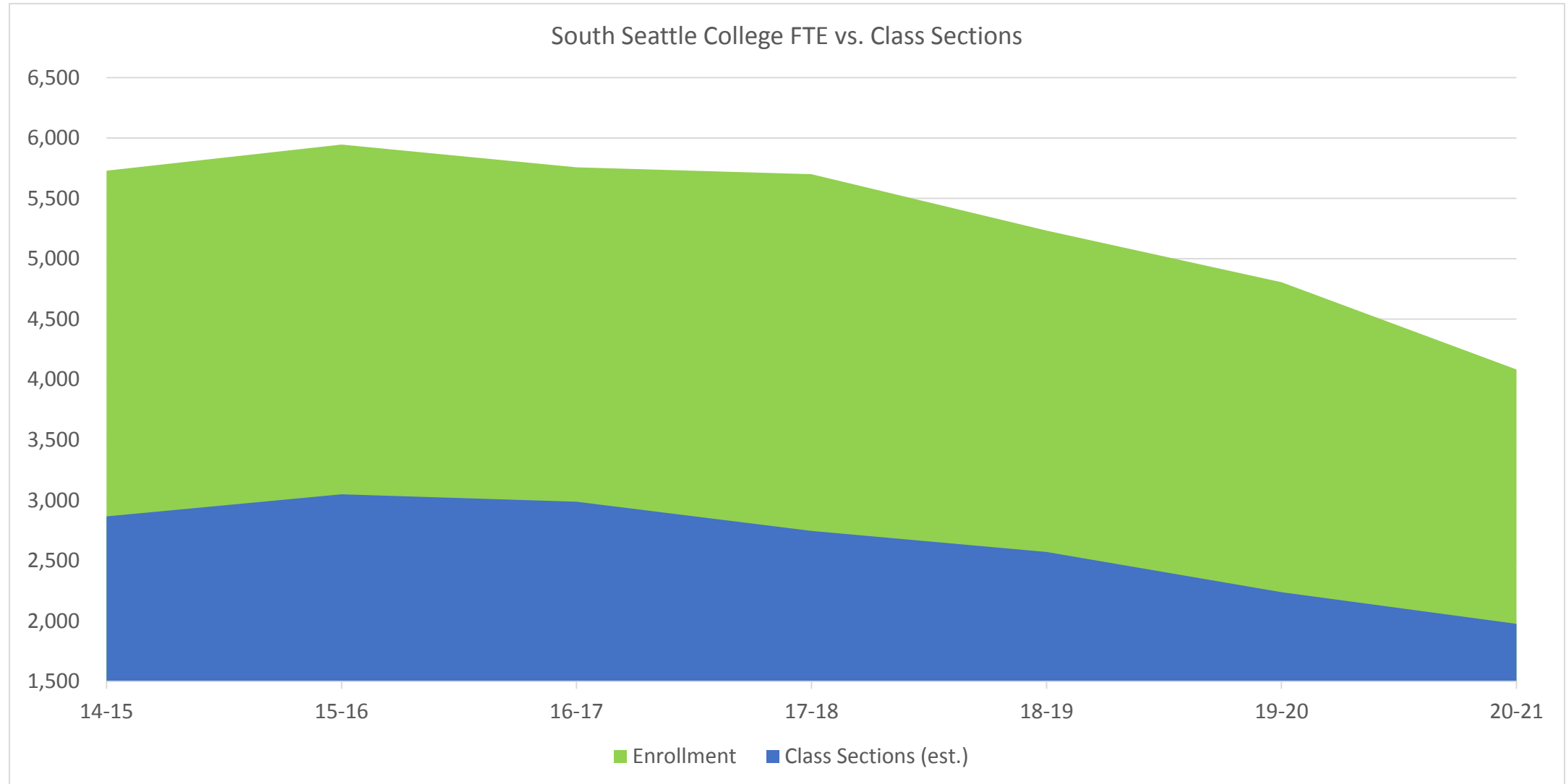
North's S/F ratio was 17.2 last year

*assumes regular tuition

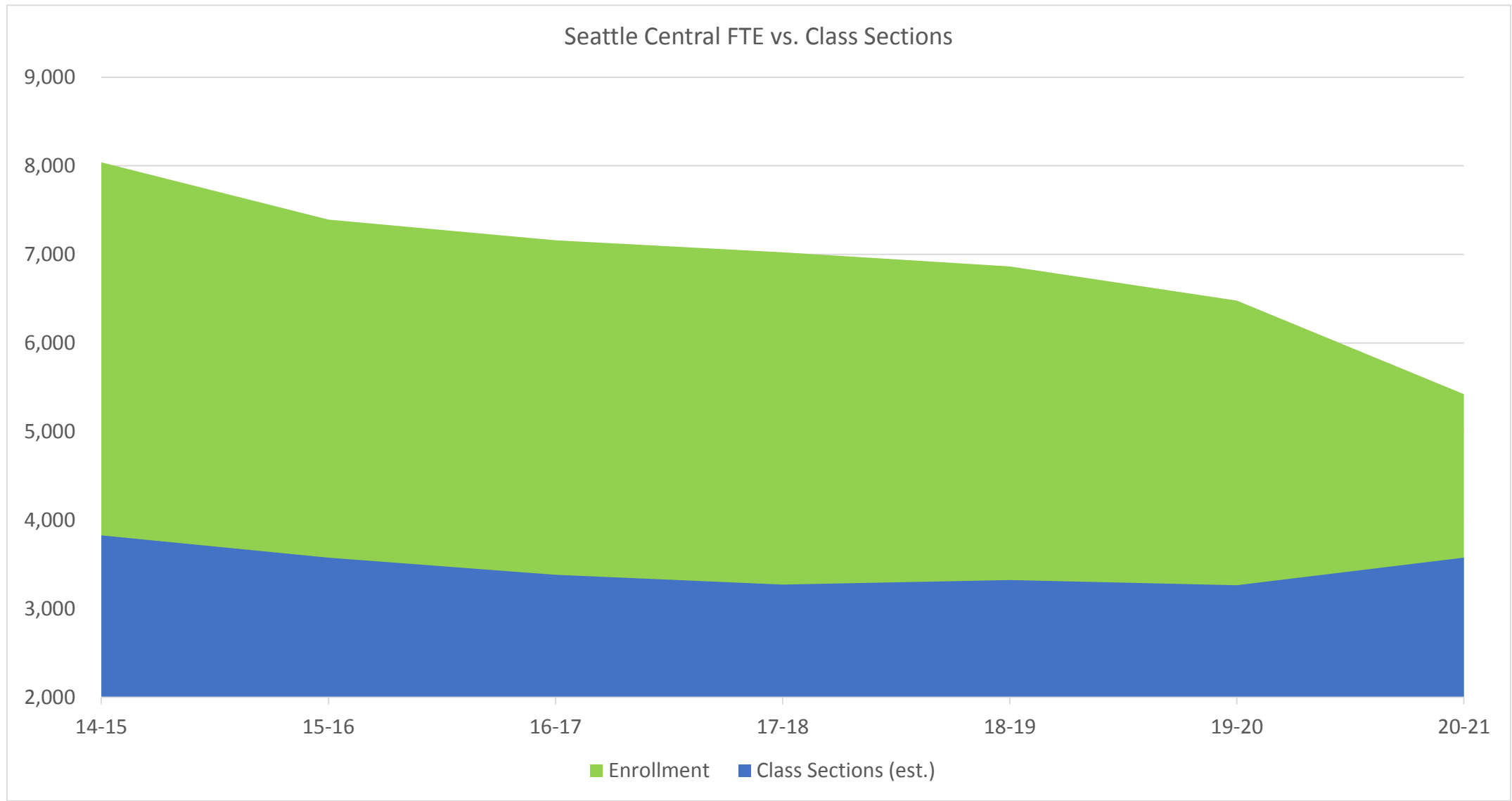


Enrollment and class schedules

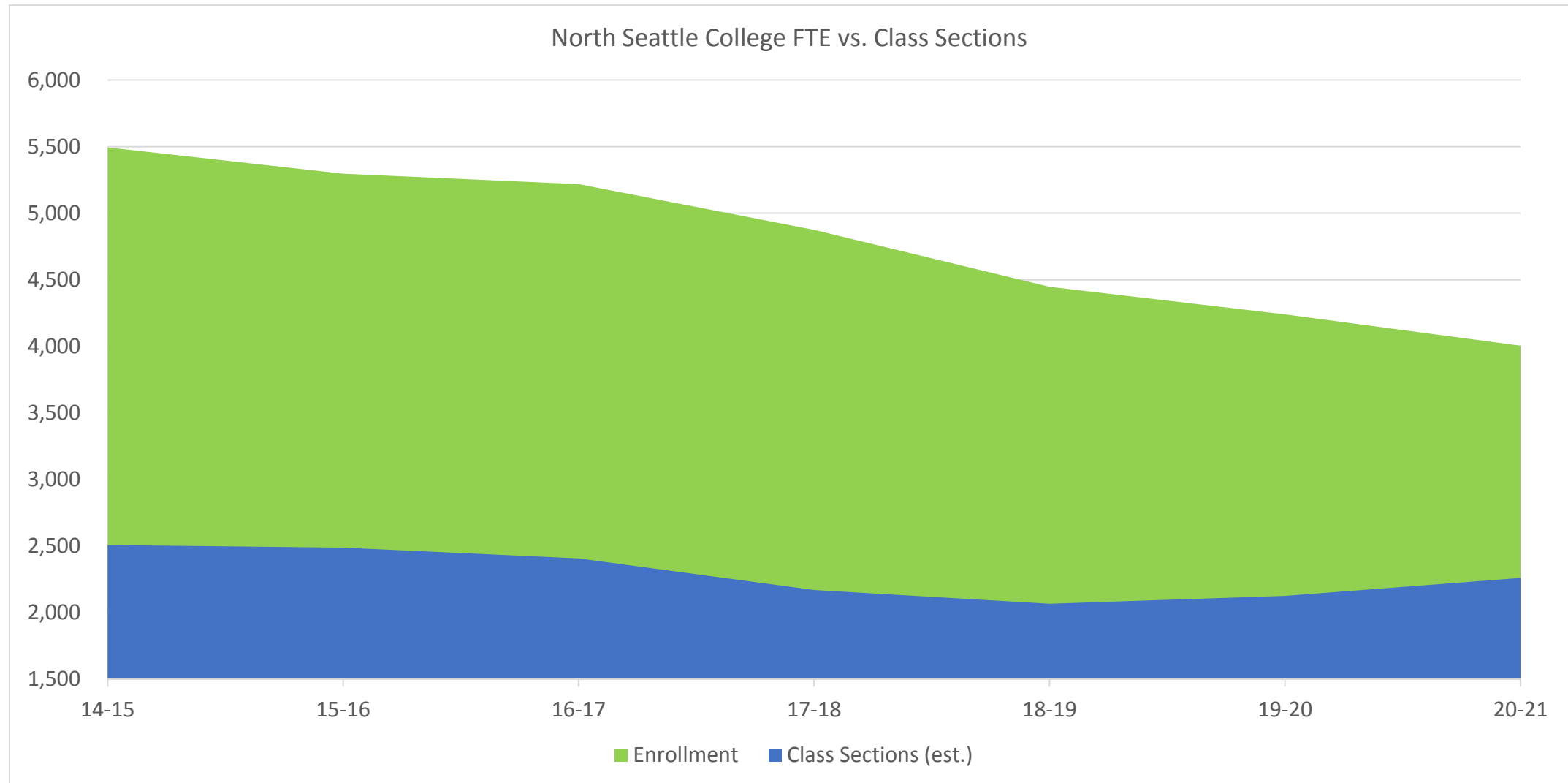
South Seattle FTE vs. class sections

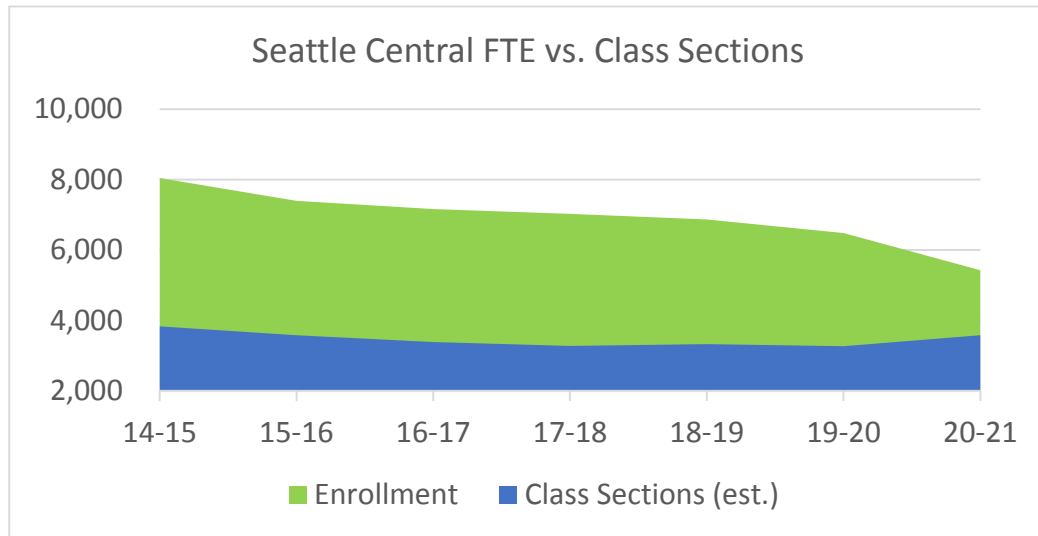


Seattle Central FTE vs. class sections

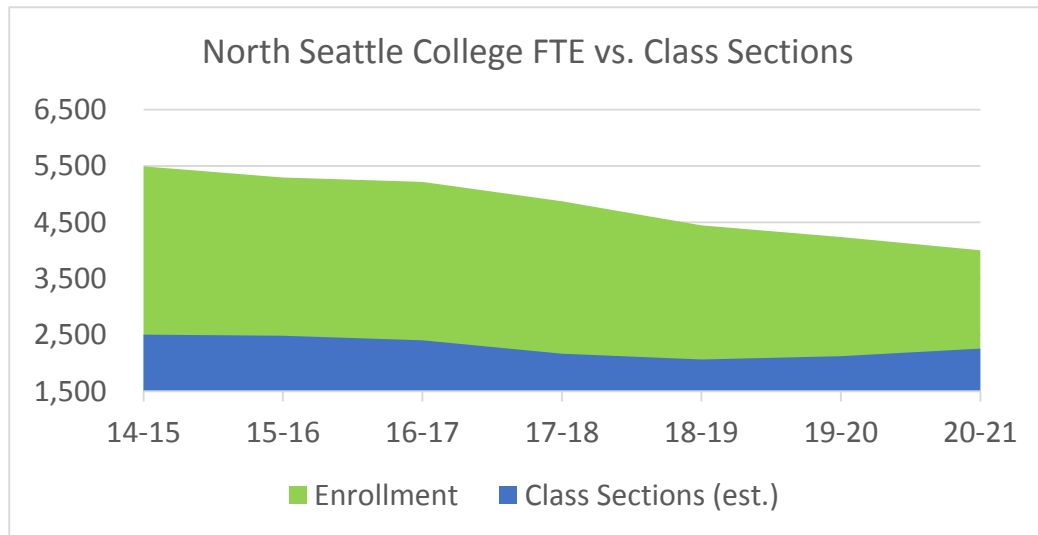


North Seattle FTE vs. class sections

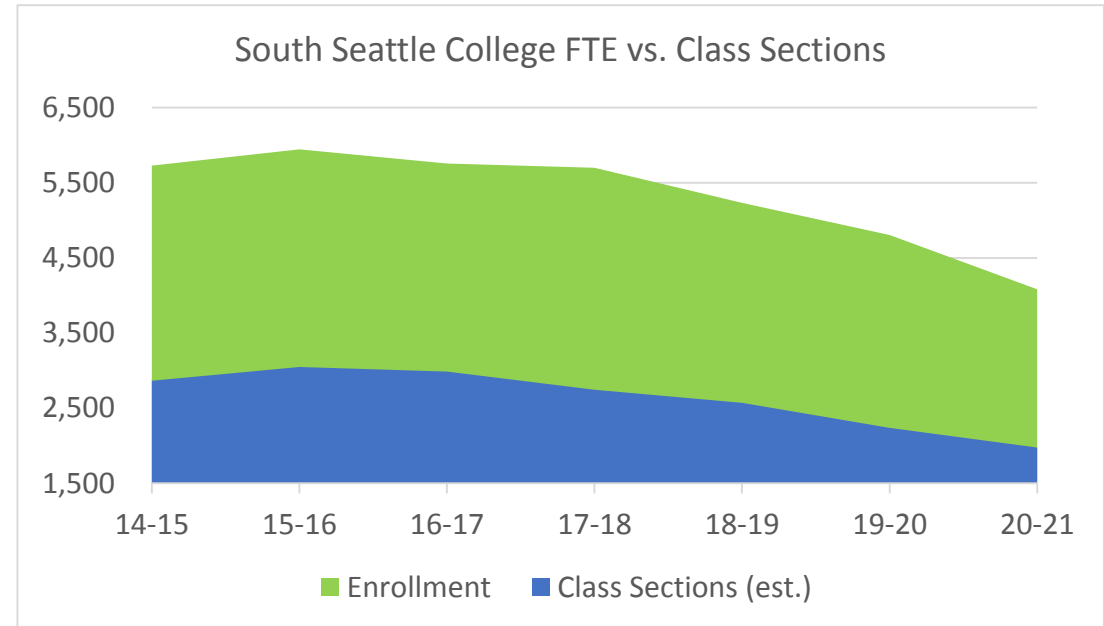




~\$10.9 million deficit



~\$4.5 million deficit



~\$1.3 million deficit



Schedule optimization

Align class schedules with enrollment

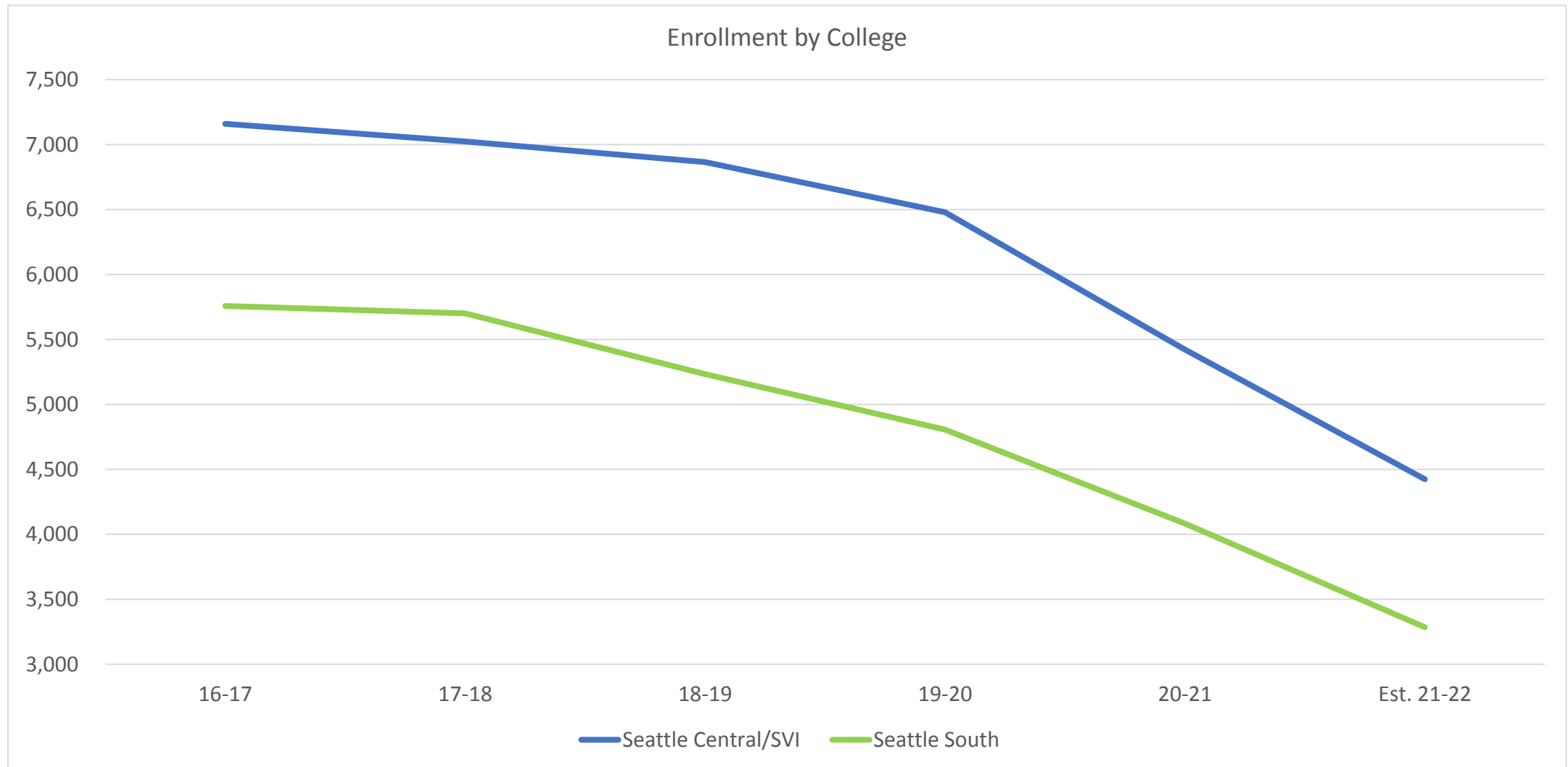
More limited choice of classes for students

Fewer class time options

Fewer course sections for faculty to teach, higher S/F ratios



Schedule optimization hurt enrollment?



Schedule related savings scenarios

Seattle Central		North Seattle		South Seattle	
S/F Ratio	Est. Savings	S/F Ratio	Est. Savings	S/F Ratio	Est. Savings
15.16	-	17.72	-	20.66	-
16.16	1,530,874	18.72	834,984	21.66	631,087
17.16	2,883,324	19.72	1,585,285	22.32	1,016,627
18.16	4,086,826	20.72	2,263,162	22.66	1,206,473
19.16	5,164,701	21.72	2,878,620		
20.16	6,135,644	22.72	3,439,901		
21.16	7,014,816	23.61	3,899,452		
22.16	7,814,640	23.72	3,953,855		



What happens if we meet our goals,
but not all do?



We are not going there.



But what if we end up there?



Not pretty

Community College of San Francisco scenario

SBCTC intervention





We are working diligently to not end up there

Timing

- Board 1st read of budget – May 12th
- Program suspension – May 16th
- Budget Approval – June 9th
- Position impacts
 - Private – after April 28th
 - Public – after June 9th



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The floor is yours