SEATLLE COLLEGES

Guiding Principles for Strategic Budget Reductions and Future Planning

May 11, 2020

The outbreak of Covid-19 pandemic has drastically changed financial realities for Seattle Colleges. The federal CARES Act funds are timely in helping students and colleges offset some of the unexpected expenses incurred in order to respond the pandemic; Seattle Colleges, however, faces looming budget cuts, most likely in the range of 10%-20%.

To help prepare for budget uncertainties for FY 20-21 and future years, the Executive leadership and the chancellor have asked the Board of Trustees to pass Operations Continuation Resolution that extends the current budget for additional three months. In the meantime, we must start future planning and prepare for scenarios sooner than later. For this reason, Seattle Colleges chancellor has decided to form a Strategic Budget Reduction and Future Planning Task Force, and b) to create a set of Guiding Principles for helping make system-wide strategic decisions on budget reductions and future investment.

1. **Strategic Budget Reduction and Future Planning Task Force**

The looming budget shortfalls, from declining enrollment and state cuts in allocation, are likely to surpass the scale of 2008. To meet the shortfalls, regardless of the size and severity, we will have to make difficult and transformative decisions, and these decisions must be made with the best thinking and input of all stakeholders, including students, union partners, administrative leadership, and the Board of Trustees.

For this reason, the chancellor is formulating a Strategic Budget Reduction and

Future Planning Task Force, charged with the task of reviewing all relevant financial data and making recommendations on reducing operational cost, raising efficiency, and identifying opportunities for future investment. In this unprecedented time, we must clearly understand that students, businesses, and taxpayers expect Seattle Colleges to be a powerful solution to the mounting problems our City and County are facing. While we strategize to address short-term internal challenges, we must be outwardly and future facing.

The Task Force will include

1. Vice chancellor for Academic and Student Success (co-chair)
2. Vice president of Instruction (SCC) (co-chair)
3. The vice chancellor for Finance and Operations
4. Vice president of student affairs (NSC)
5. Vice president of administrative services (SSC)
6. Director of human resources (SCC)
7. Dean of workforce development (SSC)
8. President of AFT-Seattle (or designee)
9. President of AFT-SPS (or designee)
10. Chief Steward of Classified Union (or designee)
11. Chair of College Council (NSC)
12. Chair of College Council (SSC)
13. Chair of College Council (SCC)

The Task Force will meet twice a month (or as needed) virtually or in-person when the conditions allow. It will focus on sharing college and district-wide financial information and identifying broad and high-level measures for cost-cutting and future investment, rather than making decisions on specific personnel or programmatic matters that fall under the responsibilities of assigned administrators. Using open and inclusive deliberations, the Task Force will make advisory recommendations to the Chancellor’s Executive Cabinet, the chancellor and the Board of Trustees who bears the ultimately fiduciary responsibility and governance authority.

1. **Guiding Principles for Strategic Budget Reductions**

Budget reduction is more than an exercise of cutting expenses; it is imperial that we preserve the core of Seattle Colleges and protect its long-term viability. Strategic preserving and future planning will require difficult and complex deliberations and decision-making. The following principles and priorities are developed to guide the decision making:

1. **Prioritize** students and student learning.
2. **Preserve** the core of Seattle College: teaching and learning and critical support services.
3. **Protect** Seattle Colleges strengths and long-term viability.
4. **Remain true** to our mission, goals, values and obligations to the external community.
5. **Apply an equity lenses** in all discussions and building consensus.
6. **Make decisions in the best interest of the system**, based on real data and merit, not on advocacy for a specific group, program, or campus.
7. **Disinvest** in non-critical programs or infrastructure and **invest** in critical programs or infrastructures that generate revenue and serve community needs.
8. **Comply with** mandates of external agencies.
9. **Fulfill contractual** obligations.

Like most higher education institutions across the country, Seattle Colleges has faced declining resources and budget reductions nearly every year for the last decade.  Unfortunately, the current pandemic will make this round of cuts much more painful and difficult. We are asked to come together and lean onto our collective discipline, best thinking, and creativity to build a budget and a future investment plan that not only addresses budgetary shortfalls, but more importantly repositions us to be a more viable system beyond the Covid-19 pandemic.

Thank you for your commitment.