



TO: ALL STAFF

From: Dr. Cheryl Marshall, Chancellor

Date: March 28, 2018

First, I want to congratulate all of the employees who decided to take advantage of the Supplemental Early Retirement Program (SERP) offered by the District in February. The total number of participants in the SERP was 118, with 61 of those being faculty and the rest classified and managers. While we project that the SERP will garner the District around \$5.4 million in mostly one-time savings over a five-year period, I am also cognizant of the loss of institutional knowledge and irreplaceable expertise that leaves with our employees. I hope that we all take time over the next few months to download the stories and wisdom of our coworkers as much as possible. Remember what John Wooden said, “It’s the little details that are vital. Little things make big things happen.” To honor all of our retirees, the District is planning a reception before the Board Meeting on May 22, 2018. Just a little thank you with cake and punch, but I’m betting on a few special moments to come from all of that brainpower and history in one place!

If you remember, one of the major reasons the Board of Trustees decided to offer a SERP was to help reduce the District’s on-going structural deficit. While the 2016-17 summer shift of FTES gave us some time to problem-solve, we have not been able to recapture enrollments at the level we enjoyed in 2015-16. This means that we are still projecting a yearly structural deficit of over \$5.6 million. Complicating this situation is the Governor’s Proposed Budget, which recommends changing the essential pieces of the funding formula that has been in place for many years. In January, the Governor proposed to base future community college funding on the standard FTES (50% of formula), but also on a “Student Success Incentive Grant” (25% of formula) that would focus on student completion, and a “Supplemental Grant” (25% of formula) that would be based on the number of low-income students that the District enrolls.

Obviously, changing the funding formula in this way could potentially result in significant modifications in how we practice enrollment management and do business. On the positive side, I was asked to be a member of the California Community Colleges Chancellor’s Office CEO Student Focused Funding Formula Workgroup which was tasked with developing thoughtful recommendations on the formula from those of us in the field. The Workgroup has given its recommendations, but at this point there are no guarantees about what we’re going to see in the May revise of the proposed budget. Now, more than ever, we need to be flexible and original.

One way I think our District can accomplish that is by continuing to grow our internal talent via the NOCCCD Leadership Academy. I couldn’t be more pleased with this inaugural group that

will soon complete their year full of development and learning. I'd like to thank our Interim Professional Development Director Amita Suhrid for putting together an incredible year of experiences for our employees, including meeting with key stakeholders around the region, traveling to Sacramento to learn about advocacy, and collaborating with District colleagues to construct innovative solutions to problems. Applications for the next cohort are being accepted through April 6 at www.nocccd.edu/leadership-academy.

We are definitely up against some challenges, but I think with consistent dialogue, trust and a dedication to put students first, the North Orange County Community College District will emerge better than ever.

Cypress College Minds. Motivated.
School of Continuing Education Change. Cultivated.
Fullerton College Excellence. Elevated.
NOCCCD Greatness. Achieved.