

# REPORT ON THE CURRENT AVAILABILITY OF RESOURCES REQUIRED TO SUPPORT THE INSTITUTION

## Background

In response to the February 4, 2016, letter from the Higher Learning Commission, this report provides information about how Rock Valley College continues to meet the Criteria for Accreditation as outlined in Core Component 5.A as it deals with the consequences of loss of State funding during the current budget impasse.

## Current Cash Situation and Specific Financial Challenges

Rock Valley College continues to regularly monitor revenues and expenditures, maintains discussions with the Board of Trustees through regular meetings and Board committee meetings (e.g., finance and operations committees), and communicates with the College community about the current financial challenges of the institution. Because of the College's strong budgeting process, it has been able to pay expenses, including payroll, vendors, and other essential expenses and services to date within the 2016 fiscal year. While in the past, the College has operated on a zero balance budget, the loss of revenue from the State for this fiscal year will lead to a deficit budget. In order to continue to pay expenses throughout the fiscal year, the College projects that beginning in March 2016 it will need to draw from its reserves, pending approval from the Board of Trustees.

## Cuts in Full-time, Part-time, or Adjunct Faculty or Staff

Rock Valley College implemented several budgetary restrictions in the fall to cut costs where ever possible with as little direct impact to students and student learning as possible. For example, non-contractual, non-critical travel was reduced and a 5% decrease in operating budgets across campus was implemented.

### Recent Cuts

In addition to these budgetary restrictions, the College eliminated 44 positions, 30 of which were filled at the time of this reduction in force in December of 2015. While the positions eliminated represented the various levels of the organization, all of the positions eliminated at that time were non-union, non-faculty positions.

### Immediate Future

No further cuts in staff are expected in the remainder of FY16. However, positions that become open will be evaluated to determine level of priority before being subsequently posted and filled. Faculty positions continue to be prioritized in this process with those areas having high student demand having greatest priority. Furthermore, as part of the normal continuous improvement process, academic programs that have persistently had low enrollment and community education opportunities that are not self-sustaining will be considered for elimination.

### Effect of Cuts on Classes

Reduction in force that was implemented in December of 2015 had no direct impact on the delivery of classes this Spring. At this time, it is anticipated that any impact on Fall classes would come from normal

schedule and program adjustments made as a result of addressing enrollment patterns and regional economic need.

### **Impact of the Financial Situation on Educational Materials, Maintenance, and Safety on Campus**

While budgetary restrictions and cuts were implemented in Fall 2015, the impact of these restrictions and cuts did not directly or adversely impact that availability of educational materials that support curriculum in the short term. Nonetheless, a continuation of impasse would burden replacement cycles, such as those for technology (e.g., computers, projectors, servers) and equipment and materials for lab sciences and career and technical education (CTE) programs. Budget managers will continue to prioritize academic needs to minimize any impact on students and student learning.

In addition to the general budgetary restrictions and cuts, the Plant Operations and Maintenance division of the College lost two full-time employees in December's reduction in force, and this division is adjusting work load to compensate as much as possible for this loss. However, the regular cleaning of the facilities, including classrooms and other learning spaces, has been outsourced for several years and continues as it had prior to the reduction in force and the State's budget impasse.

Public Safety continues to provide a safe learning environment for Rock Valley College students.

### **Data and Expectations for Fall Enrollment**

A naïve forecast of Fall 2016 enrollment indicates a 3% decline, with an approximate 4% decline for the fiscal year. The annual budget is based on a specified enrollment goal, which will be based on this forecasted decline.

### **Other Information**

#### **The Loss of Map Funding**

In Fall 2015, Rock Valley College covered the cost of MAP grants. The College was not able to continue doing so in Spring 2016 nor will likely be able to as the impasse continues.