



San Francisco Community College District

City College of San Francisco

50 FRIDA KAHLO WAY • SAN FRANCISCO, CA 94112 • PHONE: (415) 239-3000

November 17, 2020

Dr. Stephanie Droker
President
Accrediting Commission for Community and Junior Colleges
10 Commercial Blvd., Ste. 204
Novato, CA 94949

Dear Dr. Droker,

This communication formally acknowledges receipt of your letter dated September 23, 2020, notifying us that ACCJC has placed City College of San Francisco on enhanced monitoring based on our Composite Financial Index score. As requested in your letter, I am writing to provide you with an update regarding our plans and steps to address the fiscal factors you outlined.

To address those factors, the College developed a Multi-Year Budget and Enrollment Strategic Plan (enclosed with this communication), which our Board of Trustees adopted on November 12, 2020. This Multi-Year Budget and Enrollment Strategic Plan provides an overall framework and road map for fiscal and enrollment planning for the period spanning fiscal years 2021-22 through 2024-45. The planned annual budgets for these fiscal years are designed to meet the following goals:

- Fiscal sustainability
- Long-term stability in the class schedule and delivery of services to students
- Annual enrollment stabilization between 18,000 and 20,000 resident FTES

To meet these objectives, this plan:

- Increases the College's reserve from 5.3% in fiscal year 2020-21 to 8.2% in fiscal year 2024-25
- Requires restructuring the College's delivery of programs and services to keep total personnel costs to less than 90% of overall unrestricted general fund and parcel tax expenses
- Relies on the participatory governance process to focus on programs designed to stabilize and grow enrollment at a reasonable rate consistent with the College's Vision and Mission

This plan also includes a number of key assumptions related to flat revenue levels, reductions in salary expenses, reductions in the schedule of classes, and restrictions on hiring across all employee groups. The College will revisit and revise this plan at least annually as new information and circumstances emerge.

As directed by the Board of Trustees, we will also develop and execute a separate implementation plan consistent with the Multi-Year Budget and Enrollment Strategic Plan, which we anticipate completing during December 2020. We will provide a copy to you when it is completed. I should note that the Multi-Year Budget and Enrollment Strategic Plan intentionally does not discuss the specifics of how we will achieve the budget reductions for two reasons: (1) negotiations with the appropriate bargaining units need to take place, and (2) additional participatory governance efforts will be necessary to determine specifics not subject to collective bargaining.

I am also attaching the College's 2020-21 budget, which our Board of Trustees adopted on October 22, 2020 and which results in a planned deficit of approximately \$5.5M. As we discussed, the 2020-21 budget.

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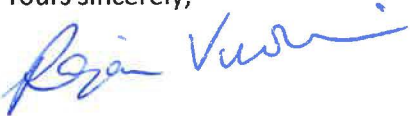
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also includes a one-time withdrawal from the Retiree Health Care Trust Fund. This transaction was approved by the San Francisco Retiree Health Care Trust Fund Board on November 16, 2020.

Our Midterm Report referred to both the 2020-21 budget and the Multi-Year Budget and Enrollment Strategic Plan but did not include those documents (the Board had not yet adopted them at that time). In light of this, please add these documents to our Midterm Report evidence.

I want to close by acknowledging that the challenges we are facing are as significant as any in our history and that the decisions we will need to make are exceptionally difficult. However, I believe that the College will emerge as fiscally sustainable while maintaining our focus on quality instructional programs and services for our students, and I am thankful for your support and guidance as we work through these challenges.

Yours sincerely,



Rajen Vurdien, Ph.D.
Interim Chancellor

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