
UPDATES:

President's Forums

New Employee?

The Strategic Plan?

\$5.8 Million?

Process?

The Rest of the Story

New Date for Board Meeting

April 3, 2003

THE 2003/2004 EXECUTIVE

Lizz Lindsay
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Frank Cosco
VICE-PRESIDENT (04)

Perry Taylor
TREASURER (03)

Colleen van Winkel
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Cheryl Draper (04)

Vinit Khosla (04)

College gets more money
College keeps to its plan
College cuts classes
College keeps surpluses
College has changed
Whose college is it?

President Dorn's Forums

At his forums last week, the College President reported that through his good work the College had been allotted an additional \$565,000 by the Ministry, which, when tuition and saved severance are factored in, amount to \$1.071 million in useable money for the College. That's good. We congratulate the President on his success and appreciate his work.

However, there's the rest of the story.

The President also reported that about half of this was to be used for "restoration," and half for "strategic areas." This begs the question of what exactly is "non-strategic" about what is being cut? When referring to this money, the Ministry's funding letter stated, "It is anticipated that this funding will assist VCC in mitigating some of the reductions in developmental programming in 2003/04." Splitting it in two, with half going to substantially new programming does not sound like mitigation. When asked, the President said he and the Ministry were each aware of what the other was doing.

He also reported that the surplus-creation part of the budget was continuing. That means even after posting \$1 million for severance, paying off the deficit and delivering instruction the College will have a combined surplus of about \$1.3 million in 03/04.

He also reported that the College was planning to under produce student FTEs. We estimate that underproduction as a factor of about 7 or 8 percent, around 600 FTEs.

So we are left with better news, but not as good news as it could have been. The cuts are still massive, they are still in our view unnecessary for 03/04. And, the College is still planning on using tuition fees and tax monies to create overly large surpluses instead of delivering education and training.

Almost an Administrator?

Perhaps the budget of our finance department is too high.

It has come to our attention that the College engaged the services of a financial consultant in 01/02 and again in 02/03. This person was paid \$161,313.20 in 01/02. (We don't have the total for 02/03 yet.) That's a significant amount of money. The person who is the titular head of Finance, Trish Pekeles, got \$99,480 for the same year, Vice-Presidents got between \$97 and \$110 thousand, and the President got \$159,436. Why would the College be spending more on a consultant than on its president at the same time as it tried and couldn't succeed in hiring a Vice-President of Finance, a post that is still vacant?

The Legitimacy of the Strategic Plan

Recent events have made it abundantly clear that this administration and this board do not [a) like; b) want to continue; c) support] what we have been doing for the past thirty years. They have a different idea of what we should be doing. They believe so strongly in it that they are prepared to cut valued services and classes more deeply than necessary in order to fund their vision.

Was any of this made clear during last year's discussions of the "strategic plan? Does anyone think Education Council would have endorsed the plan if the College's hidden agenda had been made clear? Even in those areas favoured by this administration, are people happy knowing their new funding is coming from cuts to their colleagues? We think not.

In the view of the VCCFA this plan was endorsed on incomplete information since no one knew that the administration was going to cut some programs so deeply and so quickly in order to favour others and no one knew that the College was prepared to use its budget problems as a screen.

What happened to the \$5.8 million problem?

The so-called "\$5.8 million problem" is no longer talked about. That is because it was not and is not a real number. It was a construct of real deficits, pessimistic projections and surplus-cushions.

Is this the way the higher tuition of our current students and the taxpayer's money should be used?

In fact the College is clear that it is building surpluses to give itself more flexibility in the future. "We must generate surpluses to pay down our deficit of \$2.3 million and to invest in future stability." (March 6th, Dale Dorn memo to constituency groups). That same memo shows a \$400,000 projection for "new initiatives" and \$911,000 as an additional overall surplus, a combined surplus of \$1.3 million *after* the deficit has been paid-off. Of course the

College should pay its deficit down as fast as necessary. The President has chosen not to ask for any amortization so it's not clear whether this could have been handled more gradually.

VCC is choosing not to deliver instruction in order to build its surplus

On March 18th Dale Dorn stated at his forums that the College wouldn't be delivering its full quota of student FTE. Since he's added 276 with the extra funding we project the new level of underproduction at about 600 FTE.

Is this the way the higher tuition of our current students and the taxpayer's money should be used? Shouldn't the main job of a college be delivering instruction by whatever means it can and not creating surpluses.

Process? What Process?

What is Education Council's Advice?

How can it receive due consideration?

Does the Board want to know?

Almost lost in all this number crunching is the question of due process. In February the College gave Education Council a bare-bones educational "plan" in the form of department/program list with target student FTEs beside it. It offered little rationale for why programs had to be cut besides "financial reasons". Even the hoary "\$5.8 million problem" was mentioned as late as the February meeting. Council had to rush to form a subcommittee in order to provide advice. They did so at their March 4th meeting. It states:

The educational advice to the College Board from Education Council is to do everything possible to save VCC's unique programs whose elimination or reduction would be an irrevocable loss to the educational enterprise within VCC and to the community at large.

To do everything possible to save these programs before they are lost irrevocably. Now, if you thought the source of the problem was outside of VCC how could you vote against such a motion (as did Deans Goodwin, Ash, Sandy and a faculty rep)? If you knew that the cuts were driven by an administrative plan as the three Deans must have known, then such a vote becomes more understandable.

In any event this advice is before the Board on Thursday, April 3rd. How can the Board consider it and actually decide if they want to take any action if, on the same evening, they are going to vote on the budget which drives the cuts?

No public draft of the 03-04 budget

The last budget projection made public came out of the February Finance sub committee of the Board meeting. President Dorn then sent a letter on March 6th to constituency groups that had some different projections. Then the Ministry's funding letter came on March 11th and the President's email went out on the 13th and he held forums on the 18th.

The Finance Committee is meeting in a closed session on March 24th presumably to see the newest draft of the budget and we have been told this morning that the Board intends to vote on it at its meeting on April 3rd.

You be the judge. Does that sound like a considered, open process?

College Board Meeting
Thursday, April 3, 2003
6pm
Room 240
City Centre Campus

Be a Witness to this Board and Administration's Actions

President Dorn in Sing Tao and Ming Pao

Noticed half page ads in both papers this past weekend and on Monday, the 24th. It's good that VCC is trying to make its presence more substantially-known in the Chinese-speaking community. The ads take the forms of open letters under the President's picture and over his signature. They essentially want to get out the message that the College is fine and going to continue to do fine. Some paraphrases of what the ads say:

- ◆ "we are concentrating our energy to evolve new programs"
- ◆ "VCC will continue to be a leader"
- ◆ "VCC will promise to offer ESL education, more than other BC post secondary colleges"
- ◆ "our training is the most cost-effective when compared to other colleges whether public or private"
- ◆ "our career training programs provide students with skills that satisfy employers' expectations"
- ◆ "VCC can no longer stay the same, it needs to build a new position that considers long term finances and planning"

The rest of the story....

Such ads are long overdue to promote our College and are accurate as far as they go. However, they seem to indirectly give the administration, board and government credit for doing a good job. They hide the fact that by September 2003, VCC's much lauded ESL programming for immigrants will be cut to 1370 FTEs, that's down from 2300 in 01-02.

That's a drop of 930 student FTE, 40% from the levels we had as recently as March of 2002.

About half of that is due to a drop in government funding (i.e. the envelope funding of NDP years) and half due to the plans of our administration and board. Those cuts are what created the need for the ad in the first place.