

From: **Pima Community College, Office of the Chancellor** <[chancellor@pima.edu](mailto:chancellor@pima.edu)>  
Date: Tue, Apr 28, 2015 at 11:58 AM  
Subject: Finance update  
To: #Pima-All

Colleagues,

I am writing to update you on Pima Community College's finances, as the new fiscal year arrives July 1. As is true throughout higher education, PCC faces a variety of economic challenges. Our response integrates strategic planning into budgeting and resource allocation. Below are brief updates on topics of most interest to employees.

To learn more, please read Executive Vice Chancellor Dr. David Bea's [in-depth analysis of our finances](#), which includes information on:

- How revenue losses will be partially offset by Board actions and property taxes
- Expenditure limitation planning
- Planned expenditure reductions over the coming years
- Budget planning criteria

### **FY2016 Budget Reductions will Minimize Impacts on Jobs**

We can meet our first year goal of decreasing \$2.5 million from the annual budget with a minimal impact on jobs. We are planning to save money and improve our organizational flexibility by holding positions vacant and/or eliminating vacant positions. Make no mistake: Achieving significant savings through a hiring freeze likely will result in increased workloads for some employees. But as I have said before, the last thing we want to do is to let people go. The planned expenditure reductions are also predicated on hitting enrollment targets, which highlights the criticality of improving our student recruitment, retention and success [For more details, [read Dr. Bea's analysis.](#)]

### **Compensation**

Unfortunately, our current financial challenges have negated our ability to fund salary increases this year. The Governing Board in April suspended the current Step Progression Plan system and employee task forces are preparing recommendations for revising performance evaluation and salary increase processes, as the College recognizes the need to find new ways to provide increases to employees. These may include one-time increases for attaining certain goals, different salary schedule structures, or other methods.

Everyone appreciates your ongoing development efforts under the current Step Progression Plan process. Some of these achievements may be considered in the future plan adopted by the College, so employees who are compiling submissions for this year's Step Progression Plan are encouraged to complete the process. Completed plans will be processed and placed in the employee's file to be incorporated in the new plan. The Faculty SPP deadline for submissions was March 27, 2015; all submitted plans have been processed. The Non-Exempt Employee SPP deadline is June 1 and the Exempt employee SPP deadline has been extended to May 15.

### **Other ways we are saving money**

We are looking to reduce at least two campus president positions, and eliminate two other District Office administrator positions through consolidation. These changes are expected to contribute significantly to the targeted savings in the upcoming budget. Other money-saving plans include reductions in one-time reserves for Fiscal Year 2015 strategic initiatives; and reductions in capital project expenses for life-cycle replacement.

### **Staff Work Schedule Survey**

Creative solutions and ideas will be critical to our future success. As such, I invite you to complete a [brief survey](#) regarding the feasibility of allowing employees, if they wish, a reduced work schedule, at reduced pay while keeping their health benefits.

### **Students First initiative**

With PCC in the midst of many major projects, it's easy to lose sight of our most important investors, our students. The Students First initiative is a way for us to make the everyday experience of our students a little better. As first unveiled in yesterday's @PimaNews, the College has created an email, [studentsfirst@pima.edu](mailto:studentsfirst@pima.edu), so that you can share the ways you make a difference in students' lives, and suggest improvements in customer service and the overall student experience. Responses will be published in various Pima publications.

### **A new PCC**

Let me conclude with a few words about the past and the future. Please know that I appreciate how challenging the last 18 months have been for all of us. In many ways, we are creating a new Pima Community College, and the process can be contentious and stressful.

The all-College meeting March 27 was pivotal because it focused us on our North Star, our reason for existence: our students. The meeting launched frank discussions among employees regarding a variety of important topics.

The dialogues initiated at the meeting are ongoing, and have yielded a wealth of suggestions from you regarding ways to make the College better. The [Great Ideas](#) and Campus Leadership surveys launched by Dr. Bea have exceeded expectations. In the Great Ideas survey alone, we have received over 1,000 suggestions for increasing revenue or reducing expenses. We will be tracking the ideas and forwarding some to appropriate departments for review and follow-up.

We appreciate your ideas and passion for improving PCC. Your insights make it clear that by working together and thinking things through, we can successfully meet any challenge. Thank you, and be assured that the result of your dedication will be a premier higher-learning institution of which students, employees, and the community will be proud.

Lee D. Lambert,  
Chancellor