

From: Jason Beardsley, Interim Vice President, Academic Affairs

Subject: Enrollment/Budget Efficiency Update
Board of Trustees Meeting, August 1, 2023

Chair Snell, Vice Chair Quinones Perez, Superintendent/President Dr. Jeffery, distinguished Trustees, my fellow administrators, faculty, and staff, and students as well as Santa Monica community members, I appreciate this opportunity to briefly report on recently proposed changes to the 23-24 schedule of classes in response to a recommendation from the DPAC Budget Subcommittee, as recently reported to the Board of Trustees.

That recommendation was to strive for a nearly \$5 million dollar savings by increasing the efficiency of the 2023-2024 class schedule to 100% from a currently projected level of roughly 87%. The basic efficiency concept in that recommendation is that if we could serve the same number of projected students but with fewer course sections, then we could preserve our enrollment and revenue while meeting our budget obligations—and all of that *without* harming students in the process.

Although 100% efficiency may seem like a daunting goal, and it is, the fact is that SMC has met such a benchmark in the past, and even exceeded it. In the 19-20 academic year, even as our enrollment declined and the pandemic set in, SMC's FTES to WTH ratio—our measure of efficiency here—was 98%. Around the turn of the last decade, SMC's schedule efficiency ranged from 95% to 104%.

Over the last three years, however, we have witnessed a decline in the overall efficiency of the schedule of classes. In response to lagging student demand as we emerged from the pandemic, former Vice President Bradley Lane cut the 2022-2023 weekly teaching hour budget by 10%, albeit with the caveat that Academic Affairs would agree to open new sections in response to clear student demand. By the end of that academic year, the actual net decrease in weekly teaching hours was a fraction of the originally planned 10% cut—at roughly -2%. However, the *enrollment* decreases in 22-23 kept going, outpacing the reductions in WTH. Students just didn't return in as great a number as we had hoped, and on-ground sections struggled to fill even as the college made a determined effort to return to in-person operations.

As a result, in the 22-23 academic year, the average enrollment per course section decreased for another year, the overall course section fill-rate followed, and the efficiency rate plunged to roughly 79%, one of the lowest in recent SMC history, and an unsustainable one.

Now in the 23-24 academic year, we face unprecedented budget challenges as indicated by Vice President Bonvenuto's recent presentation to the Board. Our college is grappling with a budget shortfall of significant magnitude, one that calls for extraordinary action to maintain our financial stability in the upcoming academic years, including 24-25 and beyond.

It is crucial to note that our department chairs have been aware of the impending need to tighten

the schedule since the spring of 2022. From that point forward, we have been engaging in discussions and assessments to address the challenges ahead. More recently, with the realization that financial difficulties loom due to recent salary agreements, Academic Affairs has been transparent in signaling to department chairs that the schedule may be impacted. Along the way, we respected the DPAC Budget Subcommittee's recommendation process and timeline.

Since the July 2023 Board of Trustees meeting, Academic Affairs has diligently and proactively engaged department chairs to explore potential reductions to the 23-24 schedule of classes.

Twice, we have held extensive meetings with department chairs, devoting multiple hours to open and constructive discussions. These sessions have provided a platform to exchange ideas and perspectives on how best to optimize the schedule without compromising students' degree completion pathways. Moreover, Academic Affairs has committed to meeting individually with each department chair to provide personalized guidance and support as they navigate the complexities of managing their respective department's schedule and enrollment strategy.

In these meetings, department chairs have been provided with various tools and resources to help them approach the task holistically. Our aim is to empower them to take a comprehensive view of their schedules and to account for the essential issue of students' timely degree completion. By considering factors such as degree timelines and program maps alongside such indicators as course fill-rate, the number sections offered, and the variety of scheduling patterns used, we can better align our offerings with the requirements of our student body.

Presently, our fall 2023 schedule includes 1070 unique courses and more than 2770 course sections. There are currently more than 23,000 open seats in fall 2023 credit and noncredit courses even as more than 71,000 seats have been taken. Overall, enrollment is up, and we should celebrate that fact. While it may seem discordant to be talking about tightening up the schedule even as enrollment increases, the fact is that this tightening is a conventional and appropriate part of managing an effective schedule of classes, but a practice that the pandemic put on hold as we waited for new trends to become salient.

We see those trends now; on-ground class sections are in many places filling faster than their online counterparts. Students are back in stronger numbers, and it is necessary and appropriate for the college to provide students with the schedule that matches their demand—to shift resources away from courses that are clearly unpopular to other courses that are clearly in demand. While we acknowledge the importance of offering diverse academic opportunities to our students, we must also be mindful of maintaining a responsible and efficient allocation of resources.

Of course, as we shift weekly teaching hours into the areas of greatest demand, we must do so without harming students' degree progress. Department chairs have been equipped with the tools to pursue such a strategy and will have Academic Affairs' support as we attempt a more efficient schedule for the 2023-2024 academic year.

As we move forward with these measures, I wholeheartedly believe that our collective

commitment and dedication to a student-centered schedule will lead us to overcome the challenges we face. By working together, embracing innovation, and placing students at the core of our decision-making, we can emerge stronger, more resilient, and continue to provide the unparalleled education that defines Santa Monica College.

That concludes my report, and I would be happy to take any questions.

Thank you.