



SOUTH SEATTLE COMMUNITY COLLEGE

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October 1, 2002

Dr. Sandra E. Elman
Executive Director
Commission on Colleges
8060 – 165th Avenue NE, Suite 100
Redmond, WA 98052

Dear Dr. Elman:

Enclosed are ten copies and a diskette of the progress report for South Seattle Community College. The report responds to actions related to recommendations made during SSCC's full-scale evaluation in October, 2000.

Please contact my office if you have any questions regarding the report.

Sincerely,

Jill Wakefield, Ed.D.
Interim President

JW:ck

cc: Dr. Gayla Shoemake, Interim Vice President, SSCC



North Seattle
Community College

Seattle Central
Community College

South Seattle
Community College

SOUTH SEATTLE COMMUNITY COLLEGE

PROGRESS REPORT FOR REAFFIRMATION OF ACCREDITATION

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Actions Taken Regarding Recommendations

- 1 The college should assign full-time faculty to each program offering a degree or one-year certificate in order to provide substantive, progressive and well-designed programs of study. (Standard Two – Educational Program And Its Effectiveness; 2.C – Undergraduate Program; and Standard Indicator 2.C.7)**

In the Fall of 2001, South Seattle Community College hired a full-time tenure-track faculty member for Supervision & Management and Occupational Teacher Education Program. With that hiring, a full-time faculty has been assigned to every program offering.

- 2. Several auxiliary funded programs have accumulated significant deficits. Currently, no plans exist to deal with these deficits and surplus balances from other programs in the fund are offsetting their negative cash balances. The college needs to ascertain whether it is possible that these programs will be able to operate on a self-sustaining basis. If not, the college should consider budget transfers or other strategies to eliminate the deficits and bring revenues in line with expenditures (Standard Seven – Finance; 7.B Adequacy of Financial Resources; and Standard Indicator 7.B.8)**

During the 2001-2002 and 2002-2003 budget development processes, the college developed revenue and expenditure plans for all special revenue and enterprise fund budgets. The process included a complete review of these accounts and a determination of whether the various programs could be self-supporting. It was determined that some of the budgets had instructional components and a more thorough analysis was done to determine if some of the costs should be included in the operating budget. Approximately \$100,000 of expenditures were either transferred to the operating budget or eliminated from the various special revenue and enterprise budgets. As a result of these transfers, expenditure reductions, and more realistic revenue projections, the auxiliary programs saw improved financial performance in 2001-2002 (See table on Page 3). Most auxiliary programs generated adequate revenues to cover direct expenditures.

	2000-2001				2001-2002		
	Revenue	Expend.	Cumulative Ending Cash Balance		Revenue	Expend.	Cumulative Ending Cash Balance
SSCC Self-support Total	\$1,907,129	\$2,216,985	(\$137,694)		\$1,930,385	\$1,719,925	\$18,992

In July 2001, the Seattle Community College District Board of Trustees adopted a new policy on financial reserves and budget management. The policy states that over a five-year period, the Seattle Community Colleges will build an accumulated reserve of 5-10%. The policy also states that any deficits must be addressed by the end of the fiscal year. If, for any reason, a deficit should occur and need to be carried forward into the new year, a plan to bring the budget back into balance must be prepared and approved by the Chancellor.

The college is closely monitoring the financial activity of all auxiliary programs. Auxiliary program deficits have improved. During the 2001-2002 fiscal year, budget transfers moved existing surpluses to cover some existing deficits. While the overall auxiliary programs have positive cash balances, the following auxiliary programs still have deficits:

1. Food Service Operations/Brockey Center Operations
2. Computer Services Lab Fee
3. Cosmetology Resale

As required by District policy, the college developed the following plan to address these remaining deficits.

Food Service Operations:

During 2001-2002, the Food Service Operations staff hired an outside consultant to review the program and make recommendations on making this operation profitable. Preliminary changes are taking place. Approximately \$80,000 of expenditures were transferred to operating budgets or eliminated. Student food lab fees have been increased, food costs have been moved to the instructional budget, and staffing has been reduced. Additional strategies include increased marketing related to the \$2.8 million remodel of the cafeteria and dining facilities. The college has developed a plan to resolve this deficit situation within the next five years.

Brockey Center Operations:

During 2001-2002, the invoicing and accounts receivable process was improved allowing timelier collections of event generated revenue. In the summer of 2002, the President's Cabinet increased rental rates (rates had not been adjusted for four years) and implemented a policy regarding deposits and returns. Other strategies include more aggressive marketing and improved parking management. These efforts have enabled the Brockey Center to book more events throughout the week that will bring in additional revenue to the institution. It is anticipated that as a result of these efforts, this program will eliminate its deficit over the next two years and will then be able to contribute \$50,000 to the operating budget to help reduce the deficit in other food service operations.

Computer Services Lab Fee:

This account is where student computer lab fees are collected. These resources are used to purchase equipment and pay for the staff who assist students in lab type settings. After a detailed analysis of revenue and expenditures during the 2001-2002 budget process, a portion of the costs was transferred to the operating budget. The financial performance improved greatly during 2001-2002. The college anticipates resolving the existing deficit over the next three years. Once the deficit is eliminated, budgeted expenditures will not exceed budget revenues and a positive balance will be maintained.

Cosmetology Resale:

The cosmetology account is where the retail activity for the instructional cosmetology program is recorded. Operational costs have been reduced through staffing reductions and revenue now exceeds expenditures.

- 3. The college should improve and expand the physical facilities at the Duwamish Training Center. This would enhance student safety, improve learning environments, and expand student parking as well as project a more positive technological image (Standard Eight – Physical Resources and 8.A. – Instructional and Support Facilities Standard 8.A)**

SSCC is interested in establishing a world- class regional apprenticeship center at the Duwamish site. This vision involves new facilities, expansion of the site, and the creation of new partnerships between the college and labor, government, community based organizations, and local school districts.

As part of the 2001-2003 capital budget allocation, SSCC was appropriated \$5.4 million to construct a new permanent structure at the Duwamish site. The new 25,000 square foot Apprenticeship Training Center replaces one aging and four

portable buildings. This new structure is designed to meet the specific needs of apprenticeship training programs. Current design plans include six classrooms and four apprenticeship labs. Construction is scheduled to begin in the spring of 2003 with occupancy planned for March 2004.

To address the need for increased parking, the 2001-2002 budget included resources for leasing additional space to expand student parking. However, during the summer of 2001, the largest apprenticeship program moved off-campus, reducing the number of automobiles by over 200 at the Duwamish site. As a result there was no longer the need to lease additional parking space. Based on the current number of day and evening students, existing parking is adequate. However, the college is also researching options of acquiring property adjacent to the Duwamish site in order to expand the apprenticeship campus. This long-range discussion involves partnerships with labor, education, and other regional organizations.