Officials divided on VVC finances

Faculty, board member question CFO's numbers weeks before ACCJC deadline

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VICTORVILLE • Three weeks before Victor Valley College will submit its last report to avoid a possible loss of accreditation, school administrators still appear divided about the progress the college has made in meeting accreditation standards.

Interim President/Superintendent Peter Allan said in a special board meeting Monday that he was confident the college would meet the three recommendations made by the Accreditation Commission for Community and Junior Colleges, which include plans to reduce its projected $3.5 million budget deficit.

But VVC Vice President and Chief Financial Officer G.H. Javaheripour said that employee groups had taken “baby steps” in their negotiations and that “prayers” were necessary as the final report deadline approaches.

“To use a sports analogy, you have about seven seconds left, you’re six points behind and you’re 50 yards out,” Javaheripour said. “And you take a ‘Hail Mary’ pass to the end zone and you’re hoping one of your guys catches that ball.”

Javaheripour detailed the cost-cutting measures the school has already made and outlined the college’s plans for cuts, including the “elephant in the room” of salary and benefit negotiations with each of the campus’ employee groups.

He said that the school’s union representatives had side-stepped negotiations to cap salaries and benefits for the last two years despite the fact that the caps were recommended by both the Fiscal Crisis and Management Assistance Team and the ACCJC. He called step-and-column salaries and health benefit premiums that continue to rise each year “natural budget inflators.”

“What I reported to you is not the absolute, hands-down remedy, or answer to (the ACCJC’s) request,” Javaheripour said. “It’s a starting point. ... If we’re a praying people and we believe in some higher authority, then that’s what we have to think through.”

Javaheripour said he hoped the ACCJC committee would “be pragmatic” and take into consideration factors that have delayed further union negotiations. He recalled that school President Dr. Christopher O’Hearn stepped down in May, and that the former vice president of human resources recently retired. The school also just put into place new negotiating teams that include its chief financial officer for the first time, Board President Lorrie Denson said.

In the board’s regular Sept. 10 meeting, Academic Senate Vice President Claude Oliver presented an eight-year compilation of the district’s budget, which has caused employees to question the college’s projections for a structural budget deficit and the ultimate need to cap salaries and benefits. The school has millions of dollars in a Guaranteed Investment Contract which it has withdrawn from many times in recent years in order to stave off a deficit. The projected GIC balance was $26.6 million, according to budget documents.

“How does a district with a total budget of $51,928,048 and total reserves of $55,733,521 start a school year in financial trouble?” asked Oliver in his published report.

Newly appointed trustee Brandon Wood said that the board had received differing “credible reports” from the college’s CFO and the Academic Senate. Javaheripour said that the numbers presented to the board by Oliver were erroneous and included combined funding reports.

“That Mr. Wood would question the integrity and the capacity of me and my staff, not only is it annoying, but very offending,” Javaheripour said. “I would have expected that the board would have inquired of me instead of making a public statement questioning the numbers from my office.”

Wood said that he did not mean to offend Javaheripour and that the budget doubts needed to “be aired” publicly in order to bring more unity and understanding among the employee groups. Javaheripour said Oliver was “murkying the water in order to avoid the elephant in the room.”

Allan said using the reserve funding is a dichotomy the college faces because the California Education Code states that college reserves may be used to balance its budget, however, the FCMAT team and the ACCJC have both suggested that the college not rely on the “one-time revenue." He said that recommendation six by the ACCJC was the direct result of the FCMAT team being asked to come to the school by the college's CFO. FCMAT is the ultimate authority in the state on school budget analyses, Javaheripour said.

When Monday's meeting ended, Board President Lorrie Denson said in an interview that she was as "confident as she could be" that the college would meet the ACCJC's expectations.

VVC was first placed on "probation" by the ACCJC in 2011, and the community college has already received extra time to reach the ACCJC's two-year deadline, she said. The ACCJC team will visit the campus in November to interview school officials, including Allan and Javaheripour, to determine if they will clear its probationary status or be placed on "show cause."

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