SANTA BARBARA COMMUNITY COLLEGE DISTRICT

Board of Trustees
Study Session
October 13, 1994

MINUTES

All Board Members were present. Ms. Jennifer Hammervold participated in the meeting and will be sworn in at the October 27, 1994, Board Meeting as the Student Trustee.

A. Call to Order

The meeting was called to order at approximately 4:08 p.m.

B. Budget

1. FTEs Projections (1994-95)

The Superintendent/President reviewed the projections for credit (9,024+2.29 percent over 1993-94 and noncredit 2,006 -5.2 percent from 1993-94). Total FTEs for the College for 1994-95 are projected to be 11,030. Funded FTEs are 10,571 leaving a balance of 459. Approximately 4.35 percent of the FTEs will be unfunded. The District may qualify for basic skills funding should those funds be available. The decline in the Continuing Education Program is because $130,000 was provided for the Continuing Education Program last year but that has been reduced from the 1994-95 budget; thus, a slight reduction in FTEs. Enrollment is strong and positive; this is due in part to the marketing effort and also seen as a natural return after the increase in fees.

2. 1993-94 Shortfall, 1994-95 Assumptions Regarding Income and Steps to Balance the Budget

One page was distributed to the Board of Trustees providing an overview of the difference between the adopted and revised budgets. The reason for the change was the anticipated shortfall in local property taxes. The District is receiving approximately $700,000 less than was assumed when the budget was adopted; $300,000 is due to 1993-94 shortfall and the remaining $400,000 is due to the shortfall in 1994-95. The Superintendent/President reviewed the fact that the budget has been cut by $370,000 and with other actions taken, the projected deficit for 1994-95 is now $78,766.

The Superintendent/President felt that the Board upon examining the budget had to consider whether to direct the Superintendent/President to make further cuts or to stabilize the budget as is. The Superintendent/President offered five reasons for his recommendation why further budget reductions were not in order at this time.

ė The campus has been preoccupied with short budget reductions over the last two/three years.
We are starting a process--redesign--that will take a long-term look as to how efficiencies might be obtained. To spend time determining how to cut the budget further at this time will deter energy from the central project and place too much of an emphasis on the negative fiscal situation.

Dr. Mertes stated that information from the Department of Finance indicates the current fiscal situation is looking positive. The Superintendent/President cautioned, however, that both the significant gap in the state budget between expenditures and assured revenue ($3 to $4 billion), the fact that property tax revenue has not yet been collected and that this is pre-election and, thus, positive assessment led to the conclusion that limited credibility should be attached to that factor.

The College can take other actions to control expenditures; specifically, maintain the freeze on positions, not expend certain equipment money allocated, etc.

Potential Income - there is the possibility that the income from out-of-state and foreign students will be greater than was anticipated in the budget.

There was a general concurrence that maintaining focus on the reengineering effort was in the best interest of the College. The 1994-95 budget will continue with a projected deficit at $78,000+.

3. Medical Benefits, Waiver Status Report, 1994-95

The Superintendent/President reviewed the shift in the number of waivers from 1993-94 to 1994-95 and stated that though some change had occurred there has been a relative level of stability in regard to the staff remaining on waivers.

The Superintendent/President reviewed the situation that occurred in the area of health benefits; specifically, that in the last negotiations it was agreed that there would be an increase in health benefits effective the 1994-95 year. This was in anticipation of an increase in the cost of these health plans.

What took place was that the amount of money per person was increased and the health benefit costs were reduced by approximately 10 percent. This resulted in payments in excess of the cost of the health benefits. Not counting the dental plan, payments have cost ranges from approximately $540 for those who were single to over $1500 for those with families. Individuals who are on waivers received approximately $800. To assure that individuals would not move from waivers into a health plan for fiscal reasons, both CSEA and IA agreed with the District that the waivers would be increased by $800. This brought the amount for individuals on waivers to be above any group and, thus, not an incentive for individuals who could qualify waivers to seek a health insurance plan to receive more revenue. From the figures, this appeared to work quite well.

The Superintendent/President indicated that negotiations would be occurring with the various groups starting in January. The District's position will be that the amount provided for the health benefits will not exceed the cost of the mandatory coverage.
C. **Reengineering**

The Superintendent/President reviewed the visit by consultant, Mr. John Marrazzo, that occurred on October 10-12 on campus. He indicated that approximately 50 campus leaders representing faculty, administration, classified staff and students had participated in these sessions. The primary purpose behind these sessions relates to the fiscal situation of the District and the need to seek ways by which the College can continue to provide high quality services yet effect savings. At this point, the reengineering concept offers the most hope for achieving that end.

The general feeling of participants is positive. There is hope that the potential in applying technology and staff suggestions will result in improvements of key college processes.

There is a bit of uncertainty as to exactly how we will proceed; however, the College Planning Council will be the steering committee, and specific planning will occur while the College staff continues to educate itself regarding the concepts and methodology for the redesign/reengineering effort.

D. **Charter College Concept**

The Superintendent/President reviewed his letter sent to Dr. David Mertes highlighting the primary reasons for pursuing the idea of the charter college. In addition, he conveyed feedback from Dr. Mertes regarding his response to the letter of inquiry. Dr. Mertes stated that he has been discussing with his senior staff the concept of a charter college and that they were close to discussing this on a consultative level with leaders of various state organizations. Thus, there is some possibility that the option will be available at the State level.

The fact that this is only at the exploratory stage was emphasized. At present there is no capability for the College to become a charter college even if there was a unanimous conclusion that this was in their best interest. Enabling legislation is not in place.

It was noted that a discussion had been held with the Academic Senate and there were obviously concerns with the proposal. In the discussion that followed, it was emphasized that to bring this before the Board would ideally have the consensus of the groups that constitute SBCC. Certainly, there would be no submittal to the Board without faculty support. The Superintendent/President stated that he would be continuing the discussion of this through the College Planning Council. Board Members had a full understanding of what was taking place on the campus and that perhaps in the future, they would be faced with making a decision on this matter.

E. **Discussion of Report from the Production/Publications Task Force**

The Superintendent/President stated that it was his intent to proceed on the recommendations that were made by the Publications Task Force. The when and how of implementation are continuing to be discussed. Recommendations make sense on both the functional and cost standpoints. We will proceed in a way that is responsive to individual employees and what is best for the District.

F. **College View Showing**

The Board of Trustees adjourned to the Forum of the Business/Communication Building to see the CD Rom publication prepared by staff of Santa Barbara City College to be
displayed through College View—a system that provides information to high schools and foreign countries to individuals who are interested in higher education.

In the Forum, Dean McLellan introduced the concept, recognized the work of Victoria Noseworthy, Armando Segura and other staff members who have worked on the project. He stated that SBCC is the first community college to have a full display available to students. Dean McLellan then proceeded to highlight the various pieces of the SBCC presentation. It was evident from the demonstration that individuals who view the SBCC CD Rom will be impressed with the setting philosophy and the opportunity available at SBCC. The Board Members acknowledged the excellence of the presentation and congratulated the staff on the quality of work that was done.

G. Continuing Education

1. Community Service Offerings

The Board was presented with an approach that will be followed in the Continuing Education Division for community service classes; specifically, holding those classes in business locations, health clubs, and other organizations within the community. Such efforts will be cost effective and will be seen as a way of meeting the needs of the College and serving a greater portion of individuals in our community. In addition there may be opportunities for generating revenue. The Board stressed that it was important that all businesses be given an equal opportunity to participate and that no company be provided with a favored response that could give them a business edge.

2. Organization to Provide Education Services to the Business Community

The Superintendent/President reviewed the structure that had been set up to coordinate both the credit and noncredit and the Foundation activities related to servicing the business community and conducting fundraising. The Board understood this and responded favorably to it.

3. Contract Education Program with Hello America, Inc.

The Superintendent/President outlined the program that will be followed through the Continuing Education Program with Hello America, Inc. This is a contract education program in which Hello America, Inc. will advertise in Italy and will provide opportunities for groups of approximately 15 individuals to come to the United States for study and recreational purposes. The Board was supportive of this approach.

H. Miscellaneous

1. Pacific Basin Institute Proposal

Board members discussed this proposal made by the Pacific Basin Institute. The Superintendent/President indicated that it would be his responsibility to establish criteria and work with the departments to affirm their support for it as well as that of the International Education Committee. The matter would then be presented to the Trustees for review.
2. **Election**

   It was acknowledged that the Board election will be held on November 8.

3. **Accreditation Standards**

   There was a discussion regarding the National Policy Board on Higher Education Institutional Accreditation. This is a new group that is responding to federal government demands regarding standards in higher education and seeking to define the role of accreditation commissions. The review took place of the major principles that are being advocated by the group.

4. **Co-Curricular Budget**

   It was reported that the budget will be a matter of review for the College auditor. Also, the membership for the Co-Curricular Budget Committee has been changed to include more students.

5. **Academic Affairs Program Review Procedures**

   The Superintendent/President reported that through the Academic Senate and the Office of Academic Affairs an improvement in the program review procedures has taken place.

6. **Sculpture Garden**

   The Superintendent/President discussed where on campus sculpture might be located. Action to follow will include tentative identification of locations for sculpture as well as a process to review a photograph of the sculpture and get approval of at least four Board members before a commitment is made to place a piece on campus.

7. **Library Hours**

   The Board discussed a proposal that had been developed between the Friends of the Luria Library, the student body and Mr. Luria. They are evaluating the Library being open on Saturday or Sunday for one semester; one third of the funds will be provided by the Friends of the Luria Library, one third by the associated students and one third by Mr. Luria.

8. **Birthday Celebration for Miss Dorothy Taylor**

   Board members suggested that a resolution be made for Miss Taylor.

The meeting adjourned at approximately 8:00 p.m.

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Peter R. MacDougall  
Superintendent/President  
Secretary/Clerk to the Board of Trustees