MINUTES

SPECIAL MEETING OF THE BOARD OF TRUSTEES
SANTA BARBARA COMMUNITY COLLEGE DISTRICT

June 10, 2010

SPECIAL MEETING/STUDY SESSION
Room A218
4:00 pm

MacDougall Administration Center
Santa Barbara City College
721 Cliff Drive

The Office of the Superintendent/President, Room A 110 in the MacDougall Administration Center is the location where documents that are public records relating to any item under discussion on a Board agenda (including documents distributed with the agenda and those distributed to all or a majority of the members of the Board within 72 hours prior to a regular Board meeting or within 24 hours prior to a special or committee meeting) are available for public inspection.

Board agendas and supporting documents are also posted on the College website at http://www.sbcc.edu/boardoftrustees/.

1. GENERAL FUNCTIONS

1.1 \textbf{CALL TO ORDER}

President Dobbs called the meeting to order.

1.2 \textbf{ROLL CALL}

Members present:
Dr. Kathryn Alexander
Dr. Joe Dobbs, President
Mrs. Sally Green, Vice President
Mr. Morris Jurkowitz
Ms. Joan Livingston
Mr. Des O’Neill
Mr. Luis Villegas
Ms. Nicole Ridgell, Student Trustee

Others present for all or a portion f the meeting:
Dr. Andreea M. Serban, Superintendent/President and Secretary to the Board of Trustees
Alarcon, Ignacio, Pres Academic Senate
Alsheimer, Cornelia, IA
Dr. Arellano, Ofelia, VP Cont. Ed.
Dr. Bishop, Paul, VP IT
Croninger, Marsha, Cont. Ed

Galvan, Joan, PIO
Griffin, Leslie, Controller
Massetti, Steve, URS
McCammon, Cathy
1.3 WELCOME

President Dobbs extended a cordial welcome to all.

1.4 HEARING OF CITIZENS

No citizen expressed an interest to address the Board.

1.5 MINUTES OF THE SPECIAL MEETING/STUDY SESSION OF MAY 13, 2010.

Upon motion by Mr. O’Neill, seconded by Dr. Alexander, the Board approved the minutes of the special meeting/study session of May 13, 2010.

1.6 SUPERINTENDENT/PRESIDENT CONTRACT

President Dobbs reported that it was customary after the annual evaluation of the Superintendent/President to appoint an ad-hoc committee of the Board to review the Superintendent/President’s salary and contract. President Dobbs appointed Mr. Jurkowitz, Mrs. Green, and Ms. Livingston to bring salary and contract recommendations to the June 24, 2010 Board meeting for Board action.

Dr. Alexander stated that she believed that the special meeting that was held on June 4, 2010 was in violation of the Brown Act because she was not notified of the meeting. Dr. Serban noted that Dr. Alexander, as well as the entire Board, were provided with a legal opinion before the meeting indicating that conducting the evaluation of the Superintendent/President in closed session is legal and not a violation of the Brown Act. This legal opinion was provided in response to Dr. Alexander’s question before the meeting whether evaluations of Superintendent/President can be conducted in closed session and the legal opinion addressed the question. Other Board members explained the same to Dr. Alexander. Notification of this meeting was handled in the same manner as all Board meeting notices are handled with a meeting packet being delivered to all Board members and the agenda was posted on the website, all within the required 24 hour notice. Dr. Dobbs noted that the ad-hoc committee would discuss the salary and benefits and bring their recommendations to the next Board meeting for Board’s action.

2. BUSINESS SERVICES – Mr. Joe Sullivan

2.1 Award of Construction Contract for Generator Supported Services, EJS Construction

Upon motion by Mr. O’Neill, seconded by Mr. Jurkowitz, the Board approved accepting the bids and awarding the contract to EJS Construction, $54,000, as contained in the agenda.

Upon motion by Mr. O’Neill, seconded by Mrs. Green, the Board approved adjourning to study session.

3. STUDY SESSION

3.1 Budget

3.1.1 Communications from the State Chancellor’s Office and California Community College League regarding budget discussions and issues for 2010-11 (Attachment 1)
3.1.2 Assumptions used to develop the 2010-11 tentative budget (Attachment 2)
3.1.3 2010-11 tentative general fund unrestricted budget compared to 2009-10 projected, 2008-09 actual and 2007-08 actual (Attachment 3)
3.1.4 2010-11 Complete tentative budget (Attachment 4)
Superintendent/President Serban reported that the four items listed were all reviewed page by page at the Fiscal Committee meeting. At the study session today, key points will be highlighted and, if the Board members had questions regarding the budget, those would be discussed. Continuous communications are being received from the state about the various proposals that have followed the May revise. Fundamentally, the key message remains, as stated by Theresa Tena from the Community College League, that there is a high possibility that we will not have a state budget passed until September or later and the importance for community colleges to have cash on hand to ensure that they can pay salary and benefits in the event that a state budget is not passed. This same situation occurred in 2008-09 when the state budget was not passed until September and the college did not receive any payments from the state during July, August and September. This is one of the reasons the college should have the net reserves it has to be able to cover the months when there is no state funding available.

Highlights from the assumptions used to develop the tentative budget:

- **Revenue #6**: The deficit factor was not built into the 2009-10 budget. There will be a deficit factor for this period; however, it is not known yet what that amount will be. This amount will be built into the Adopted Budget when it is presented in September. Superintendent/President Serban was asked to explain what the deficit factor is. The System distributes the funding available to community colleges through an allocation process. If for some reason, the estimated revenues are not received at the level that was originally anticipated, the deficit factor would be a percentage reduction in allocations to community colleges and this is pro-rated proportionately throughout all of the colleges based on the FTES funding received. SBCC’s challenge is that we are more than 1,000 FTES over our funded apportionment and, on top of that, we will now have this deficit factor. We will know what this amount is once we receive our individual campus reports.

- **Expense #1c**: This relates to the implementation of the workload reduction for the credit side. If this reduction in teacher load occurs, then the overall reduction attributable to credit is approximately $1.35 million. It was also noted that as previously discussed, if the state budget received is better than anticipated, Administration will look into reducing fewer Spring sections because the credit side has been significantly impacted by the reductions that were put in place for Summer and Fall.

- **Expense #1d**: The direct cost savings from instructional expenditures that resulted from the reduction of the non-credit sections for the Summer of 2010 is about $300,000.

- **Expenses #10**: The CalPERS Board will be voting to increase the employer contribution rate. Originally the increase was to be from 9.709% to 10.2%. However, now the figure is 10.7% and this would be for 2010-11. Any amount over the 10.2% will be reflected in the Adopted Budget.

- **Transfers #2**: The transfer to the Children’s Center Fund will be $271,535 instead of the $300,000 originally estimated. Staff was able to reduce expenses to absorb the loss of revenues.

Ms. Livingston asked about the full-time faculty obligation. Superintendent/President Serban reported that this was an error made by the Chancellor’s Office and that an agreement had been reached with the Instructors’ Association and the Academic Senate. An MOU was developed and the plan is to phase in the positions that we are eligible to count.

Dr. Alexander asked about the college’s intent to fully backfill the state cuts in categorical programs. Superintendent/President Serban reported that this item had been discussed both at fiscal meetings and at a number of Study Sessions regarding the fact that categorical programs had been cut severely by the state. In 2009-10, we received one time American Recovery and Investment Act monies, but this was one-time funding. The discussion was about the need to provide an offset to categorical programs from the general fund in order for these programs to
continue, otherwise the programs would be required to absorb the cuts and the programs would not be able to function if they did. Dr. Alexander also asked about the principle of planning ahead to balance the budget using the ending balances. Superintendent/President Serban suggested that Dr. Alexander wait until the Tentative Budget was reviewed and as the budget is being reviewed it may answer Dr. Alexander’s question.

Dr. Alexander noted that she had asked at the last regular board meeting that the Board consider the question of whether the college wants to reduce the budget by cutting down on the quality of the tenure track faculty positions, as they are replaced at the parent-child workshops. This should be part of the budget principles and assumptions and this should be considered and discussed by the Board. Superintendent/President Serban reported that the College is not reducing the quality of the tenured faculty in the parent-child workshops. Information was provided again with regards to the positions teaching parenting education at the parent-child workshops.

Leslie Griffin reviewed the general fund-unrestricted budget. Ms. Griffin noted that the figures will change when the adopted budget is presented for approval as we will, hopefully, know what the legislature has done and how it will affect us. Ms. Griffin reported that when a budget is not signed in Sacramento that means that they have no legal ability to forward money to us. The college currently has appropriate reserves and we will need to plan on how those reserves will be utilized to cover monthly payroll and operating expenses if a budget is not signed.

Ms. Griffin reviewed with the Board members the general fund balance from the Tentative Budget. Noted that this page provided information on the audited actual, projected revenues, expenses & transfers and the projected ending balances. Ms. Griffin reviewed the various accounts listed in the tentative budget and provided a few highlights:

- **Bookstore:** They are expecting to generate an excess of revenue and they will be using that revenue to transfer funds out to various areas of the college. The bookstore is expected to cover their own repairs and renovations and they’re expecting to replace the roof. Acknowledged the hard work of the bookstore employees and also noted that the bookstore does provide funding to subsidize the student services co-curricular activities and money is transferred to the Foundation for use in internships and an endowment has been established for book scholarships. It was also noted that their ending balance is not cash, it is inventory, fixed assets, and reserves for building maintenance and it is not part of the undesignated excess.

- **Food Service:** Has had a turnaround and we will not have to subsidize it from the general fund. The plan is to break even and any funds over the planned revenue will be placed back into renovating the snack shops or replacing equipment.

- **Children’s Center:** There was a loss of a federal grant and the support they were getting from categorical programs has now been reduced. To keep expenses down they have reduced their hourly staff and hope to keep their expenses at a minimum, so that they don’t have to ask for any more support from the general fund than what they have this year. Dr. Alexander asked that the analysis of revenues and expenditures for the Children’s Center be placed on an Education Policies agenda for further discussion regarding the way the center is currently being running and its continuing deficit.

- **Equipment Fund:** Finishing off the Banner project and includes funding for equipment replacement and items needed from the program review process. Superintendent/President Serban noted that at one point there was a balance of $10 million in this account and as noted it is now projected to be $2 million. Moving forward we need to have an appropriate equipment replacement fund balance.

- **Bond Construction Fund:** This was presented with three years of activity. Ms. Griffin noted that all expenditures are broken down by specific project accounts so that each project can be tracked individually, as each project has its budget and expenditures. Superintendent/President Serban noted that we may not be able to spend the required 85% of the funds by November, 2011. If the money is not spent, a rational will need to be written explaining the circumstances.
• Construction Fund: With the revenues and expenditures, in this account will end up having a $1.9 ending fund balance in the 2010-11 tentative budget.
• Fiduciary Funds: Information was provided on the spending pattern for these funds.

3.2 Board Policies and Administrative Procedures

3.2.1 Recommended renumbering of previously approved Board Policies (Attachment 5)

Vice President Ehrlich reported that this document provides the schema of our policy numbering system and provides a series of explanations regarding numbering changes that will be implemented to keep the policies appropriately in order.

3.2.2 BP 6800 Safety (Attachment 6)

3.2.2.1 AP 6801 Safety Driving (Attachment 7)
3.2.2.2 AP 6802 Safety Transportation (Attachment 8)

Vice President Ehrlich reported that these items relate to safety issues. Board Policy 6800 has been approved by the Board and no changes are being recommended for this policy. However, it is being provided for context for the two procedures being reviewed. The intent of these procedures is to have a comprehensive statement available for staff that drive district vehicles and will provide the rules regarding transportation of passengers.

3.2.3 AP 4800 Salary Class Transfer (Attachment 9)

Vice President Ehrlich reported that there is no change to the policy language. However, based on discussions with appropriate consultation groups, the recommendation is that this policy be changed to a procedure.

3.2.4 BP 2340 Agendas (Attachment 10)

3.2.4.1 AP 2340 Request by Member of the Public to Place Matters on a Board Agenda (Attachment 11)
3.2.4.2 AP 2341 Request by Board Members to Place Matters on a Board Agenda (Attachment 12)

Vice President Ehrlich reported that there are no changes being recommended for the policy, it is offered as context for two new procedures that are important in order to fully provide guidelines for placing items on the agenda either by the Board members or members of the public.

Dr. Alexander noted that she had proposed an addition to BP 2340 at the last study session and her request was postponed to this meeting. Dr. Alexander suggested that the following wording be added to the first paragraph: *An agenda for the meeting shall be provided by the Superintendent/President, under the direction of the Board President.* Discussion followed this request and the consensus of the Board was that the policy remains as is and that a reference be cited to note the policy that gives the delegation of authority to the Superintendent/President. There was also the consensus of the Board that the two procedures should move forward as proposed.

3.3 Proposed Board retreat – discussion of agenda items and date

Superintendent/President Serban reported that this item was on the agenda because, based on the Board’s self-evaluation, it seemed that there was a desire on the part of some of the Board
members to have a retreat. It was suggested that this retreat be scheduled for Fall, perhaps November or December.

3.4 Discussion of proposed items for future agendas of Board meetings (regular meetings, special/study sessions, or committee meetings). This agenda item is for the members of the Board to discuss proposed or potential items for future Board meetings.

Superintendent/President Serban reminded everyone that there will be no study session in July.

Dr. Alexander asked to have placed on a future agenda an item to discuss how we can let the public know that they are welcome to the sub-committee meetings. Dr. Alexander also requested that the Board discuss the functions of the sub-committees, in particular the Education Policies Committee.

Dr. Alexander requested to discuss the way the public can give input to the Board at Board meetings. After a discussion on this matter, it was requested that this be discussed further at a future Board meeting.

Upon motion by Mr. O'Neill, seconded by Mrs. Green, the Board approved adjourning out of study session.

4. ADJOURNMENT

Upon motion by Mr. O'Neill, seconded by Mr. Jurkowitz, the Board approved adjourning this meeting. The next Regular Meeting of the Board of Trustees will be held on Thursday, June 24, 2010 at 4:00 p.m. in A211. A Study Session will be held on August 12, 2010 in A218C.

APPROVED BY THE BOARD OF TRUSTEES ON August 12, 2010

[Signature]
President, Board of Trustees

[Signature]
Superintendent/President
Secretary/Clerk of the Board