

SOLANO COMMUNITY COLLEGE DISTRICT
GOVERNING BOARD

UNADOPTED MINUTES
Special Board Meeting
June 24, 2009

1. CALL TO ORDER

The special meeting of the Solano Community College District Governing Board was called to order at 7:00 p.m., on Wednesday, June 24, 2009, in the Administration Building, Room 626, Solano Community College, 4000 Suisun Valley Road, Fairfield, California 94534-3197, by Board President A. Marie Young.

2. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

At the request of Board President Young, Dr. Robert Jensen, Interim Superintendent/President, led those present in the pledge of allegiance to the flag of the United States of America.

3. ROLL CALL

Members Present:

A. Marie Young, President
Denis Honeychurch, Vice President
Sarah E. Chapman
James M. Claffey
Pam Keith
Rosemary Thurston
Lillian M. Nelson, Student Trustee
Tom Henry, Special Trustee
Dr. Robert Jensen, Interim Secretary

Members Absent:

Phil McCaffrey

Others Present:

Ross Beck, Director of Public Relations, Marketing and Communications
Richard Christensen, Ed.D., Director, Human Resources
Jay Field, Vice President, Technology and Learning Resources
Robin L. Steinback, Ph.D., Vice President, Academic Affairs
Lisa J. Waits, Ed.D., Vice President, Student Services
Judy Spencer, Executive Coordinator, Superintendent/President and Governing Board

4. APPROVAL OF AGENDA

Board President Young advised that Dr. Jensen updated Agenda Item 8.(b), Tentative 2009-10 Budgets and Proposed Date and Location for the Public Hearing and Adoption of the Official Budgets for 2009-10, beginning at page 14. There are no substantive changes. Copies are available at the press table.

Moved by Trustee Claffey and seconded by Trustee Thurston for approval of the Agenda as amended. The motion carried unanimously.

5. COMMENTS FROM MEMBERS OF THE PUBLIC

Board President Young recognized Ms. Monica Brown, a resident of Solano County, who requested to comment on the work of Dr. Jensen on behalf of the College. Ms. Brown began by thanking Dr. Lisa Waits' office for making contact with her relative to her request at the last Board meeting for someone to come and speak to her kids about attending Solano College. Ms. Brown commented that when Dr. Jensen came on board, it was like a breath of fresh air, and "I felt comfortable that we were going in the right direction." She asked Dr. Jensen that after he goes back to "watching the whales" that he think of us once in awhile. Ms. Brown thanked Dr. Jensen for coming to Solano College and wished him well.

Board President Young thanked Ms. Brown for her comments.

Board President Young recognized Ms. Lisa Romero and Dean Mère Morinec from the Health Occupations Division, who requested to speak on immigrants who once worked as nurses and are filling up special Solano Community College classes. Ms. Romero distributed a copy of the June 18, 2009, Times-Herald article that featured thirty-two international students who are taking a ten-week SCC nursing class in Fairfield this summer that will allow them to take an exam and return to their nursing profession. This is the first time Solano College has offered such a class geared specifically for international nursing students. "We didn't realize we would get such an overwhelming response," Dean Morinec said. Each student in the class has worked as a nurse or doctor in his/her native country, most for many years. They immigrated from Russia, Mongolia, Ukraine, Moldova, Armenia, Azerbaijan, China, Yeman, Nepal, and Canada. Once these students are eligible to take the exam and get their nursing license, they can help fill the state's nursing shortage.

Board President Young thanked Ms. Romero and Dean Morinec for their comments.

Board President Young recognized Ms. Terri Pearson-Bloom, Chief Negotiator, Head Softball Coach, and P.E. Instructor, who requested to comment on Measure G. Ms. Pearson-Bloom began by stating how much she appreciated Dr. Jensen during his time at Solano College and the ability to get to know him and learn from his style of leadership. She said to Dr. Jensen, "You have helped our school tremendously and we appreciate all that you have done."

Ms. Pearson-Bloom commented that she appreciated the Board putting a hold on the Measure G projects in order to evaluate them before any more money is spent, but asked that the Board take

one step further and actually utilize a Board meeting to walk through the facilities that have been built to get a better perspective of their investment and changes that have been made to every part of the campus, as well as Vallejo and Vacaville. Ms. Pearson-Bloom suggested that when this tour occurs that there be a Dean or faculty member present to identify the changes, as well as a representative from Kitchell CEM to give an update of the status of the project relative to construction. There needs to be an accounting of where we are with the Bond projects, together with an accounting of the punch lists that are still open, or old, and/or completed. Ms. Pearson-Bloom also suggested that there are going to be budget decisions for consideration next year, and information where millions and millions of dollars in facilities should be considered before staffing and program cuts are considered. As an example, Ms. Pearson-Bloom stated that the athletics fields cost \$4 million, but if there is no maintenance staff to maintain them, thousands and thousands of dollars will be thrown away. Ms. Pearson-Bloom asked that the Board keep these suggestions in mind as they move forward in their Bond decisions.

Board President Young thanked Ms. Pearson-Bloom for her comments.

6. CONSENT AGENDA – ACTION ITEMS

Human Resources

- (a) Employment – 2008-09; Employment 2009-10; Gratuitous Service; Approval of Classified Job Description

Moved by Vice President Honeychurch and seconded by Trustee Keith to approve the Consent Agenda as presented. The motion carried unanimously.

7. ITEMS REMOVED FROM CONSENT AGENDA

There were no items removed from the Consent Agenda.

8. NON-CONSENT AGENDA ITEMS – ACTION ITEMS

Administrative and Business Services

- (a) Authorization to Submit the Five-Year Construction Plan (2011-2015), Final Proposal Plans (FPP) for Building 100 Revised, and Building 1200 New, to the State Chancellor's Office, and Request for Funds for the Capital Outlay Projects, Resolution No. 08/09-41

Dr. Robert Jensen reminded the Board that this item was pulled from the June 17, 2009, Board agenda. Both he and Mr. Tom Henry visited the State Chancellor's Office with a number of concerns. After that visit, the State Chancellor asked two of his facilities staff members to meet with our staff. As a result of those meetings, it was clear the five-year plan needed to be revised and centered around the Theater and Library and some adjacent facilities.

Mr. David Froehlich, Director of Facilities, presented the Five-Year Construction Plan. It is a requirement to update and resubmit it to the state for potential funding. Further, each Final Project Proposal (FPP) is required to be updated annually. Rather than pursuing funding for only

a modernization project, the District's strategy for Building 100 is for a complete reconstruct/rebuild of the building. Even though it did not receive any funding in the past funding cycle, it is important to keep this project in the state's funding queue. In order to improve the chances for funding on this project, the local match is suggested to be increased to fifty percent.

New this year is a Final Project Proposal (FPP) for Building 1200. Based on the extent of structural and building components needing repair, staff is recommending that this project be submitted under a health and safety application in order to enhance its potential for future funding. Sufficient local funds do not exist to address all of the issues that the building presents. Funding requested is \$12.5 million with no local match.

Mr. Froehlich thanked Dr. Jensen and Mr. Henry for their assistance with the state. Dr. Jensen responded that when you go for a safety health designation you go to the top of the list, but the limitation is you can't expand the building. You must stay inside the same footprint. It is not an opportunity for a backdoor approach to change structure. It will all be new, but you can't expand or make the project bigger. If a state bond is not passed, and we can't wait it out, alternative measures will have to be considered.

Dr. Jensen stated that we increased our contribution to the Library to 50%. The state normally requires 20%, but if we are willing to go higher we move farther up on the list with more flexibility. Using state dollars leverages the remaining Measure G funds, but this match needs to be taken into account when reviewing the remaining Measure G funds available for other projects. The Library is not a safety issue; therefore, it can be torn down with an envisioned totally new facility.

Vice President Honeychurch commented that he liked the idea of replacing the Library and that a remodel with change orders would most likely be a push for total cost, not withstanding that a remodel almost always has surprises.

Trustee Thurston asked when the College turned down a Library from the state. Mr. Froehlich stated in 2007 to the best of his knowledge. Dr. Jensen reported that it did not go through the Solano sausage machine (Shared Governance Council or FABPAC), nor was it presented to the Board. Dr. Jensen commented that this should not be the case in the future.

Moved by Vice President Honeychurch and seconded by Trustee Thurston to approve the authorization to submit the Five-Year Construction Plan (2011-2015), final proposal plans (FPP) for Building 100 revised, and Building 1200 new, to the State Chancellor's Office, and request for funds for the capital outlay projects, Resolution No. 08/09-41. The motion carried unanimously with the following roll call vote:

STUDENT TRUSTEE ADVISORY VOTE –Lillian M. Nelson concurred.

AYES – Trustee Keith, Trustee Chapman, Trustee Thurston, Trustee Claffey, Vice President Honeychurch and President Young

NOES – None

ABSENT – Phil McCaffrey

(b) Tentative 2009-10 Budgets and Proposed Date and Location for the Public Hearing and Adoption of the Official Budgets for 2009-10

Ms. Susan Rinne presented the tentative 2009-10 budgets and proposed date and location for the public hearing and adoption of the official budgets for 2009-10.

The public hearing on the official 2009-10 budgets is tentatively scheduled for the Board meeting of September 2, 2009, in the Board Room of the Solano Community College District, 4000 Suisun Valley Road, Fairfield, California. The Board adoption date is also tentatively scheduled for the Board meeting of September 2, 2009, in accordance with CCR, Title 5, Section 58301. These dates are subject to change contingent on the final passage of the state budget. Upon the state's budget adoption, the District has 60 days to adopt its 2009-10 budgets.

Ms. Rinne gave a PowerPoint presentation on the 2009-10 Tentative Budget that covered the following information:

State Budget Proposal Updates as of June 16, 2009

2008-09 – Current Year

- Defer \$115 million in apportionment payments from fiscal year 2008-09 to 2009-10.
- \$85 million in unallocated cuts to be applied to categorical programs and/or general appointment.
- \$42.1 million shortfall in local property tax with no backfill.

2009-10 – Budget Year

- Increase student fees to \$26 per credit unit effective fall 2009.
 - (Raises \$80 million in revenues that are to be used to mitigate cuts to categorical programs and general apportionments.)
- Assume community colleges will receive \$130 million in federal stimulus funds to backfill cuts (one-time funds).
- Eliminate 3% enrollment growth, cut of \$175.2 million.
- \$116.7 million shortfall in local property tax, with partial backfill of \$63.3 million.
- \$193 million in categorical program cuts. Cuts vary by program from 0%-62%.
 - (Provides categorical flexibility for districts.)
- An unallocated \$120 million reduction to community college general apportionment in lieu of \$120 million reduction originally proposing to lower the funding rate for Physical Education courses to noncredit rate.
 - (\$70 million of this reduction is then backfilled with new revenues.)
- The state updates are proposals and require action
- State leaders are planning to wrap up the budget deal by June 30 in order to avoid a cash shortfall in July.

Tentative Budget Assumptions

What is included in SCC Tentative Budget:

1. 2008-09 Growth will be funded at 2.0%.
 - \$838,559 in growth revenue funded at \$827,658 due to deficit from the state.
 - 183.7 FTES funded growth
 - FTES base for 2009-10 for growth funding is 9,368.79

2% growth is still funded as of P-2 and SCC may receive a minor increase if all districts do not grow to maximum growth levels.

2. 2009-10 Growth is currently budgeted at Zero.

The 2009-10 budget approved by the state in February 2009 included 3% growth. The May Revise proposal reduced this to 1%. The June 16th update from the league eliminates growth funding and redirects the dollars to offset the property tax shortfall.

3. Deficit Factor for 2008-09 = \$609,704 (Based on P-2)
 - Reflects the net impact of the property tax shortfall and state apportionment deficit in 2008-09.
4. Deficit Factor for 2009-10 = \$706,514
 - Reflects the net impact of the property tax shortfall, state apportionment deficit, and apportionment backfill with new fee revenue and redirected growth dollars.
5. COLA for 2008-09 and 2009-10 = \$0.
6. Enrollment fees at \$20.00 per unit = \$2,740,300.
 - For every \$1 the state raises the fees, the District will gain \$.02 in the General Fund Unrestricted Revenue.
7. Audit Adjustment for the 2007-08 fiscal year
 - Decreased the 2008-09 beginning fund balance by \$1,275,400 of which \$1,808,627 is due to the FTES special audit.
8. Non-Resident Tuition
 - Estimated at 2008-09 actuals -\$425,000.
9. Lottery
 - Estimated at \$110 per FRES - \$1,030,500.
10. Interest
 - Estimated at \$100,000; \$70,000 less than 2008-09.

Expenditure Assumptions

Include the following:

- Reductions previously discussed on the “things and people” version 12.
- New contract agreement with Superintendent/President.
- Increase in utilities of 5%.
- Salary enhancements for employee units as approved by the Board.
- Additional instructional supplies for the Vallejo site.
- Contribution for unfunded retiree benefits.
- 5% increase for HealthNet (Health and Welfare provider).
- Original estimate of the site cleanup at the California Medical Facility (CMF).
- 2nd Year of approved cost for the ERP Banner Recovery Project.
- Step increases for all qualified employees.

Co-Curricular Programs

- Plan for co-curricular programs to reduce their support from the General Fund Unrestricted by 50% in 2009-10 and 50% in 2010-11.
 - Theater, SBDC, Community Services budgets reflect this plan.
 - Contract Education self-supporting in 2008-09 and 2009-10.
 - Program Developer position put back into the budget.

Tentative Budget Assumptions (What is not included)

1. State FTE’s repayment and possible rebenching of FTES (working with the state on repayment plan/schedule).

The audit adjustment for the 2007-08 year is reflected in the 2008-09 estimated actual. Depending on information for the repayment plan/schedule, actual payment could be spread over multiple years, or offset by current expenditures in budget for cost of recovery.

2. Potential impact on the General Fund if categorical funding is reduced or up to 62% (\$343 million statewide).
 - A reduction of up to 62% in categorical represents a loss of approximately \$700 thousand to \$1.2 million to Solano.
 - Tentative budget reflects same funding rate at 2008-09 less prior year carryover.

SCCD is analyzing and developing plans to account for this reduction. The current proposal from the state provides categorical flexibility for districts. District would be able to redirect funds from any of the categorical programs subject to the reductions to support any other categorical program funded in the state budget. The flexibility would apply to fiscal years 2009-10 through 2012-13.

2009-10 General Fund Summary

	UNRESTRICTED	RESTRICTED	COMBINED
Revenue	\$50,669,773	\$8,026,359	\$58,696,132
Expenditures	\$51,311,368	\$8,026,359	\$59,337,727
Excess (Deficit) Revenues over Expenditures	(\$641,595)	\$0	(\$641,595)
Unaudited Beginning Fund Balance	\$3,214,513	\$0	\$3,214,513
Estimated Ending Fund Balance	\$2,572,918	\$0	\$2,572,918

Components of Ending Fund Balance

- Estimated ending fund balance \$2,572,918
- 5% of unrestricted expenditures for contingency reserve \$2,565,568
- Undesignated estimated fund balance \$7,350

Planned Deficit Spending

Two major expenditures are one-time assumptions: CMF cleanup estimated at \$900,000. The ERP Banner Budget Recovery Project cost \$261,000.

Interim Fiscal Services Director Rinne identified the following “other funds” with revenue, expenditures, excess (deficit) revenues over expenditures, audited beginning fund balance, and estimated ending fund balance for the bookstore fund, revenue bond fund, and capital outlay fund.

The District is monitoring two-year plans for co-curricular programs to be self supporting. Positions on the “things and people” reduction will be evaluated against the budget once the final numbers for the state are known. Staff is working to establish Vallejo Center status with the state. Still in process is the CMF clean-up alternative funding source.

Ms. Rinne concluded her PowerPoint presentation with a Watch List as follows:

- Categoricals: Significant cuts may eliminate some programs and services and/or impact the General Fund.
- P.E. and Recreation Classes: If state budget reductions are not generated from shifting the rate of reimbursement for these classes from credit to noncredit, the reductions come to the District in the form of a reduction to the General Apportionment.

A full and complete copy of the PowerPoint presentation is available for review in the Office of the Superintendent/President and the Office of the Director of Fiscal Services.

Trustee Chapman inquired, with the condition of the economy of the past few years, if there has been thought given to going out for bid for some of the outstanding projects yet to be completed,

in particular the CMF project. Dr. Jensen stated that the quote we have is not absolute. The agreement was we would return the site to the same condition we found it in. We have done core samples to determine the extent of the “dirty dirt” and are in the process of getting bids on how to mitigate the project. Dr. Jensen assured Trustee Chapman we are exploring all alternatives to get the project down to the least expensive mitigation possible, and reiterated that the number we are using in the budget is an estimate only.

Moved by Trustee Keith and seconded by Trustee Thurston to approve the tentative 2009-10 budgets and proposed date and location for the public hearing and adoption of the official budgets for 2009-10. The motion carried unanimously.

Board President Young stated she presented Dr. Jensen and Mr. Henry eight pages of questions on the Tentative 2009-10 Budgets prior to the special meeting which were answered to her satisfaction. *A full and complete reporting of the questions and answers are available on the Solano College Web site at www.solano.edu (Governing Board – Minutes – Special Meeting – June 24, 2009 – Appendix A).*

Dr. Jensen clarified that the budget presented tonight can be changed by September. Clearly there will be future cuts, and certificated and classified could be part of those cuts. We avoided cuts in 2008-09, but we won't be able to avoid them in 2009-10. There are no guidelines in place, and no decisions have been made, but the campus community needs to be aware of the serious situation for the budget for 2009-10.

Dr. Jensen thanked Ms. Rinne for her efforts on a fine presentation of the budget to the Board.

Academic Affairs

(c) Augmentation to the Enrollment Growth Grant for Associate Degree Nursing Programs

Máire Morinec, Dean of Health Occupations Division, presented the Augmentation to the Enrollment Growth Grant for Associate Degree Nursing Programs. This grant augmentation will provide student support services, including assessment and tutoring, in addition to other support services such as a Student Success Specialist designated for the 32 additional nursing students in 2009-10. This augmentation will provide funding to continue the nursing skills lab upgrades with funds earmarked to purchase additional equipment for use in the nursing skills lab. It will also provide additional funds for the orientation and professional development of faculty, leading to improved teaching skills, increased retention of nursing students, and improved NCLEX pass rates. The total amount of the augmentation is \$48,867. Dean Morinec stated, given the state's economy, that potentially the augmentation may vaporize, but it is worth putting in for it.

Dr. Jensen reported that we have started the hiring process for four nurses, i.e., two categorically funded positions and two general fund positions. We will probably not be filling one of the two categorical positions. It would not make sense to have someone quit a job and only later have to tell them we can't use them.

Moved by Vice President Honeychurch and seconded by Trustee Keith to approve the Augmentation to the Enrollment Growth Grant for Associate Degree Nursing Programs in the amount of \$48,867. The motion carried unanimously.

(d) Agreement Between City of Dixon and Solano Community College District to Provide Computer Software Training for Contract Education

Ms. Deborah Mann, Program Developer for Contract Education and Community Services, presented the agreement between the City of Dixon and Solano Community College District to provide computer software training for Contract Education. The City of Dixon will compensate the District for all educational services rendered at a flat rate of \$3,100.00. Copies of the agreement are available in the Office of the Superintendent/President and in the Office of Contract Education and Community Services.

Moved by Trustee Keith and seconded by Vice President Honeychurch to approve the agreement between the City of Dixon and the SCCD to provide computer software training for Contract Education in the amount of \$3,100.00. The motion carried unanimously.

9. INFORMATION ITEMS – NO ACTION REQUIRED

(a) Measure G Bond Project Summary by Grouping

Dr. Robert Jensen stated his great concern about Measure G and how important it was for the Board to see the original scope of the Bond Measure, what we have done, what work is left to be done and how much money there is to finish what needs to be done. Dr. Jensen commented he believes it is Dr. Laguerre's intention to hold a Measure G workshop for the Board which will allow for more detail.

Dr. Christensen stated that staff took an extremely comprehensive look back through the records of Measure G. As part of an overall Measure G Program funding review with re-prioritization recommendations during a proposed Board workshop, staff has analyzed the original 2003 Bond Project list and budgeting to provide a snapshot comparison with our current progress/expenditures. Projects were placed in categories to provide a perspective for the types of areas affected. Dr. Jensen was clear that he wanted the listing of all the projects in language easily understood. The difficult part of the work was putting together the footnotes.

Vice President Honeychurch expressed his interest in knowing what happened with the plan to replace the Library that never happened. Dr. Jensen again stated those kinds of decisions should be made by the Board, and they weren't. Dr. Jensen was clear that staff is in place that won't be making those decisions on the Board's behalf without informing the Board accordingly.

Dr. Jensen thanked Mr. Froehlich and Dr. Christensen for their hard work on the Measure G summary by grouping. Dr. Jensen reminded the Board to be judicious and to "leverage the bucks" where possible.

Board President Young thanked Dr. Jensen for suggesting the format used and suggested it would be good to continue with the same format for continuity.

Trustee Chapman stated that somehow we need to be made aware of safeguards that should be in place so things don't get out of control like they have in the past. She asked if there is an architect of record. Mr. Froehlich responded that the District doesn't have an architect of record and that Kitchell CEM has been the overseer of the Bond projects. Each Bond project goes out for bid and the bid recipient selects their own architect for the projects. It is well known that Kitchell CEM has had their problems with turnovers, which have been a part of the problems we have incurred, and when you compound the issues with four presidents in a short period of time, you have the "perfect storm."

Mr. Froehlich commented that the District is better organized now with better records and affirmed that what has happened in the past will not happen in the future. The next step is a Measure G workshop for the Board, which will clearly identify where we are with both time and money and clear cut explanations of what is on the wish lists, to give the Board an opportunity after hearing all the arguments to come up with a new day and plan for Measure G.

Mr. Henry commented that the comments made by Ms. Terri Pearson-Bloom should be incorporated into a future Measure G workshop.

Trustee Chapman expressed concern for projects yet to be signed off on. Mr. Froehlich stated that there are clear cut steps for filing a notice of completion. Even after the contractor has pulled his "tent away", we have at least a one-year warranty and we are making sure the contractors are honoring their warranties. Dr. Jensen stated it is fair to say there are still some disputes for change orders that are pending and they may have to go to arbitration.

10. ADJOURNMENT

There being no further business, the meeting was dedicated to Dr. Robert Jensen for his service to Solano Community College and adjourned at 8:20 p.m. There was applause and a standing ovation from the audience in gratitude for the service rendered by Dr. Jensen. This was Dr. Jensen's last official meeting with the College. Board President Young extended sincere thanks to Dr. Jensen was "keeping us afloat."

RDJ:js

SPECIAL BOARD MEETING MINUTES.06.24.09.FINAL

A. MARIE YOUNG

APPROVED
DR. ROBERT JENSEN

SOLANO COMMUNITY COLLEGE
DISTRICT GOVERNING BOARD
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BOARD PRESIDENT

INTERIM SECRETARY

SCCD Board minutes are summarized per *SCCD Board Policy 1045 and 1046*. To listen to the full deliberation of the Board, please contact the Office of the Superintendent/President within thirty (30) days.