

College Council Minutes- DRAFT

June 23, 2015

2:00 pm

Rm 216, LTC

College Council Members: Luz Aguirre, Diane Boynton, DJ Singh, Elizabeth Dilkes Mullins, Fred Hochstaedter, Wendy Bates, Scott Gunter, Francisco Tostado, Kevin Haskin (for Loran Walsh), Lyndon Schutzler (non-voting), Paola Gilbert, Larry Walker, Michael Gilmartin, Stephanie Perkins, Suzanne Ammons, Walter Tribley, Joe Bissell, ASMP Rep.

Absent: Loran Walsh,

Guests: Susan Kitagawa, David Brown, Jon Mikkelsen

1. Minutes:

- a. **June 9, 2015** Larry motioned to approve the minutes and Mike seconded; the minutes were approved with none opposed and two abstentions due to absence (Francisco and Kevin).

2. Board Policies: None presented.

3. Information Item:

- a. **Program Review School of Nursing (Exec. Summary – Laura Loop):** Laura provided a thorough review of the MCCSN program including the following key points (see also Nursing Program Review-ppt presentation):
 - Established in 1982-partnership between MPC and CHOMP upon endowment of funds by the Maurine Church Coburn Charitable Trust.
 - This Career and Technical Educational Program provides four semesters of transferrable nursing coursework and leads to a AS degree in nursing.
 - 1300 plus graduates since 1984 and between 70-84% of graduates are working in Monterey County which helps with high nurse vacancy rates in local hospitals.
 - Funded by equal contributions from MPC and CHOMP, plus state and private grants. Nursing faculty are CHOMP employees and a Nursing Steering Committee comprised of MPC and CHOMP administrators, meet 3 times per year.
 - The program's NU building and IC (2nd floor) facilities are currently undergoing roofing and exterior renovations.
 - In 2007, a grant from CHOMP provided a Clinical Simulation Center and in 2011, a private donation provided for a manikin and software upgrades. The MPC-CHOMP students are experiential learners, involved technologically while also training students in a hands-on environment without patient risk.
 - MCCSN is the only program in our region accredited (nationally) through the Accreditation Commission for Education in Nursing. CSUMB is anticipating becoming accredited in early 2016.
 - Challenges include finding clinical faculty to fill in for third semesters since the enrollment and faculty numbers were reduced in fall 2009.
 - In the last 10 years, nursing faculty numbers have nearly doubled, however, faculty hires have not kept pace with the growth in the state's pre-licensure nursing programs. Also, The faculty vacancy rate remains one of the highest reported in the last six years.
 - Also a challenge is lack of funding for student stipends or modified wages; most graduates need to work as soon as possible after graduations and it is a hardship for them to forego employment in order to complete a residency.

- According to the Board of Nursing 2013-14 Annual School Report, 14% of 2014 graduates were unable to find employment within 12 months, compared to 28% in 2009-10; this trend indicates a resurgence of new graduate demand.
- The nursing program is expensive when analyzed by FTES/FTE ratio due to the standard student-to-instructor ratio of 8:1 to 10:1 in the clinical setting. Funding is augmented by state Chancellor's Office grants and several smaller grants and endowment. The main trust fund administered by Community Hospital Foundation-Maureen Church Coburn Charitable Trust has outlived its original duration (to 2006) due to prudent investment and augmentation.

Laura thanked members of the support team Heather Faust and Jon Knolle.

4. Action Items:

- a. **Custodial Supervisor Job Description (2nd reading – Dr. Tribley):** Dr. Tribley presented this position for a 2nd reading, and invited questions, indicating modifications were made to the job description to make it more flexible.

Mike motioned to approve the position, and Larry seconded; the position was approved with none opposed and no abstentions.

- b. **Director of Child Development Center (2nd reading - Mike Gilmartin):** Mike presented this position, indicating it was extended from an eleven month position to a twelve month position.

Mike motioned to approve the above position and Francisco seconded; the position was approved with none opposed and no abstentions.

- c. **Tentative Budget 2015-16 (2nd reading- Rosemary Barrios, Joe Bissell, Dr Tribley):** Joe reviewed the presentation and explained the budget indicating it is much the same as last presentation. He began with the Summary of All Funds indicating that each of the nine primary funds (plus three sub funds) requires separate tracking of receivables, assets, liabilities, revenues and expenses--essentially similar to maintaining the books for twelve companies. Joe explained the following key points and invited questions:
- All funds start out with a beginning balance, add in revenue and subtract expenses for the ending fund balance (\$64.8 in revenue and \$67.8 in expenses).
 - The Board is not actually approving revenue, whereas it is the funding allocation for the expenses based on the revenue which is approved.
 - The UGF is where most of the district's day-to-day operating budget is and is the fund where we have the most flexibility/control although many rules apply.
 - RGF is restricted by outside agencies (state, donors) and funds must typically be spent in the year in which they are allocated.
 - Special Revenue funds are designed to be self-balancing, the intent that revenue be sufficient to pay expenses. Exceptions occur as with the Child Development Center, where recent modifications to the program have reduced the necessary contribution from the GF.
 - Student Center (bond funded) charges a \$10 fee to students and is restricted.
 - Parking fund- revenue's use is restricted by ed. code to Parking only.
 - Debt Service – only outstanding loan is a balance on the Student Center, with a remaining balance of approximately \$80K after next year.
 - Capital Projects: the \$850K revenue is the scheduled maintenance and instructional equipment fund.

- Bond Fund – remainder of Measure I funds of approximately \$9M. The District is in a wait and see position with regards to whether there will be a facility bond passed by the state which could provide additional funding towards the district's remaining projects (PSTC and Music).
- Self Insurance – \$1.7M is the District's medical funding and represents what Alliant and the District believe to be an adequate fund balance. This fund was previously combined with WC and OPEB funds and separated out for 15-16.
- OPEB - \$4M to fund post-employment benefits for early retirees. Actuarials conducted suggest a funding level of approximately \$11M. Principles of Accounting and GASB indicate that this liability be recorded on an accrual basis (record the expense when incurred), rather than as you go. GASB recommends an irrevocable trust where interest earnings far exceed current earning, thus helping build the fund. The decision was made not to place the funds in a trust due to the state's practice of deferring payments to the District which creates cash flow problems.
- WC – four-five files remain with \$71K as the anticipated ending balance.
- Fiduciary – funds for which MPC fulfills the role as banker.

The Governor and Chancellor caution all that while the May Revision is very positive for community colleges, the State budget remains precariously balanced and faces the prospect of deficits in future years. The District is receiving the following as outlined on page 3:

UGF total - \$6,006,494

- Ongoing - \$2,020,115
- Ongoing/Designated - \$426,503 (hire three faculty positions)
- 1-time - \$3,559,876 (*use cautiously and as appropriate for one-time purposes*)

Restricted

- Maintenance/Instructional Equipment - \$841,632
- Student Equity Planning - \$330,000
- Student Success Programs - \$620,000

Joe reminded the group that all community colleges experienced financial cuts and workload reductions in 2009-10 and 2011-12 and none have been able to return to previous levels. A review of MPC's 2010-11 and 2014-15 enrollments reflect a decline of 1179 FTES or \$4.3M from the State (computational revenue without stability or state shortfall monies). Rules and regulations for Lifelong Learning and Repeatability courses have impacted MPC in particular due to the community it serves as compared to districts which serve a proportionately higher number of high school graduates. In 2015-16, MPC is eligible for restoration and growth up to \$1.5M, but must plan any growth wisely. While the District has done several things to address the changes in regulations, for 2015-16, the budgeted (not actual) structural deficit is \$3,115,798. New monies will offset revenue shortfalls. In years 2011-12, 12-13, and 13-14, the Actual Structural Deficit (ranging from \$1.1 to \$1.7M) cost the District approximately \$4.3M in one time funds, which could have been better spent elsewhere.

The 2015-16 Budget has no one time funds budgeted to offset the deficit and will need to use the Planning and Resource Allocation process to ID appropriate expenses, eliminate contingencies and use ongoing revenue and one time funds appropriately. Joe reminded all of the loss of Prop 30 revenue, and increases in expenses such as PERS/STRS, ACA expenses (ACA tax is 40% tax on benefits paid in excess of \$10,200 per employee). He also suggested we examine where efficiencies can be found such as in the area of cap load

ratio (space use), data systems, class sizes and scheduling. The 2015-16 Tentative Budget is prepared without the assumption of incorporating the discussed efficiencies above. Members discussed how to best educate multiple areas about efficiencies, and some of the reports provided to AAAG and division chairs. Access to necessary data remains a challenge and a cumbersome process.

The Tentative Budget is scheduled for Board presentation on June 23. Diane called for a motion on this second reading of the Tentative Budget. Mike motioned for approval, Francisco seconded the motion. The motion carried with none opposed and no abstentions.

College Council recommends the 2015-16 Tentative Budget –DRAFT be forwarded to the Board by the President/Superintendent for its consideration and approval.

5. Information Items:

a. Classified Positions:

- i. Campus Security Officer (Dr. Tribley):** Art St. Laurent provided a review on the replacement of this position, funded through the Parking Fund.
- ii. Technology Specialist – Humanities (Michael Gilmartin)** Diane provided a review on the replacement of this position.

6. Discussion Items:

- a. New Monies – Resource Allocation-** Diane called for a subsequent meeting (June 30, 2pm) to begin planning activities in conjunction with the Planning Resource Allocation Process and development of the 2015-16 Final Budget. For the meeting we will review (1) Resource Allocation for 2015-16 State Funds, (2) President’s Planning Assumptions 2015-16, (3) CC recommendations to the President Fall 2013.

Dr. Tribley offered to assist with a template (straw man) with the focus on using ongoing funds (\$2M) for increased ongoing costs in area of STRS/PERS, and ACA. We must also examine budgeted but not filled positions to determine what positions are needed at this time. Lastly, a mid year budget analysis would monitor progress and allow for adjustment based on information known at that time.

7. Meeting Calendar:

- a. Next meetings: Tentative Budget work to balance over summer? CC meets for Final Budget August 11 and August 25.**

8. Campus community comments

Items for future meetings:

- Campus forums to discuss Ed Master Plan and Resource Allocation**
- Technology Bond**
- Auditing courses: exploration of opportunities/challenges**
- Policy/process for reorganization**