

District Shared Governance Council (DSGC)
March 1, 2010
Minutes

Members Present: Co-Chairs Patty Dilko and Jing Luan, Diana Bennett, Connie Beringer, Jenny Castello, Denisse Gonzalez, Cliff Heap, Teeka James, Martin Partlan, Rita Sabbadini, Stephanie Samuelsen

Members Absent: Linda Allen, Megan Eznekier, Yraes Guerrero, Ray Hernandez, Charles Jones, Virginia Medrano Rosales, Marsha Ramezane, Steffi Santana, Rene Sully

Others Present: Kathy Blackwood, Stephani Scott

The meeting was called to order at 2:24 p.m.

Review and Approval of Minutes

This item was postponed because there was not a quorum.

Statements from the Public on Non-Agenda Items

None

Information Updates

District/College budget update

Chief Financial Officer Kathy Blackwood said the State legislature passed a budget package which is on the Governor's desk. It is anticipated that the Governor will sign this budget. The proposal defers the entire March payment from the State to community colleges until April or May. The District would get extra property tax dollars which would probably have to be paid back to the County in December, but which would help with the cash flow situation.

The Legislative Analyst's Office (LAO) has issued a report on education proposals in the budget; highlights include:

- There is still disagreement about the interpretation of Proposition 98 funding requirements.
- If the legislature were to raise taxes, virtually all of the added revenue would go to schools.
- The LAO recommends raising student fees to \$40/unit and using the additional funds to support enrollment growth and reverse the proposed negative COLA.
- The LAO rejects the Governor's proposed cuts to EOPS and part-time faculty compensation and the accompanying increase to CTE.
- The LAO agrees with the Governor's proposal to add EOPS, Fund for Student Success and Basic Skills to the list of programs subject to flexibility provisions; the LAO also recommends adding Financial Aid Administration to this list.
- The LAO recommends suspending the full-time faculty obligation.
- The LAO recommends modifying or suspending the "50 Percent" law.

CFO Blackwood said that in the past, few of the LAO's recommendations have been followed.

Professor Dilko said the State Academic Senate opposes elimination of the 50 Percent law but has been discussing its potential modification. CFO Blackwood said the Association of Chief Business Officials recommends including expenditures on counselors and librarians as part of instructional costs so that districts have more ability to hire faculty who provide direct support services to students. The LAO also recommends including librarians and counselors if the 50 Percent law is not eliminated.

Professor Partlan asked if there is any news on cuts for the 2011-12 fiscal year. CFO Blackwood said there is nothing yet.

Professor James said some part-time faculty have heard that the District will stop paying for office hours. CFO Blackwood said that while the funding source for office hours has been cut in half, this is a negotiated item which must be honored.

Parcel Tax, General Obligation Bond (G.O. Bond)

CFO Blackwood said the Board of Trustees has been exploring both a parcel tax initiative and a general obligation bond. A parcel tax requires two-thirds voter approval and is for a flat dollar amount per parcel for a limited duration. The funds may be used for operations. A general obligation bond requires 55% voter approval and is for a dollar amount per \$100,000 of assessed valuation of a property. Proceeds can be used only for capital projects. The results of a voter survey showed positive results for both measures. CFO Blackwood said both measures would require a campaign in order to pass.

The Board will hold a public hearing on a parcel tax initiative on March 10 and if they choose to go forward, the initiative will be on the June 2010 ballot. The parcel tax initiative would ask voters to approve \$34 per parcel for four years and would bring in approximately \$6 million per year. Senior citizens would be exempted from the tax. There is no movement at this time on a general obligation bond.

Ms. Samuelsen asked who was polled in the survey. Vice Chancellor Luan said 1,300 households were polled, split between the parcel tax and general obligation bond.

Professor James asked how much a campaign will cost and who will pay for the campaign. CFO Blackwood said she does not know how much a campaign would cost. A campaign committee would be formed and would conduct fundraising.

District Strategic Planning Visioning

Vice Chancellor Luan said the District Strategic Plan was developed in a different era and the District is now faced with changes such as budget cuts, which have an impact on other activities, programs and services. When the Strategic Plan was being developed, Vice Chancellor Luan said it would be a living document. As such, Academic Senate presidents, College presidents, Classified Senate presidents, researchers and others have attended the monthly District Strategic Planning Committee meetings to discuss progress on the eleven priorities which were identified for 2008-2012. It was suggested that a visioning process be conducted to think about where the District and Colleges want to go. The District Strategic Planning Committee will engage an experienced external facilitator to help with the visioning process at the District level. The Committee will continue the process at each of its meetings throughout the semester and by the end of the term, should have a more cohesive and collective vision for the next phase of the Strategic Plan.

San Mateo County Community College Foundation

Foundation Executive Stephani Scott introduced Carrie Ridge, Director of Development. Ms. Scott said the Foundation, founded in 1966, is an independent 501©(3) organization. The Board of Directors has 22 members, including community philanthropists, alumni, retired faculty and two members of the District Board of Trustees. Chancellor Galatolo and the three College Presidents are ex-officio members.

Ms. Scott said the Foundation is responsible for fund development and fund stewardship. Fund development includes identifying and pursuing fundraising strategies and is carried out pursuant to priorities identified by the Chancellor and College Presidents. Fundraising strategies include events, campaigns, alumni outreach, cultivation/friendraising, and the Planned Giving Program. Planned gifts make up most of the major gifts received and the largest percentage of assets.

Fund stewardship includes the establishment, management and renewal of scholarships, as well as management of program funds and endowed funds. Endowed funds are restricted for a specific use.

Investment strategies consider risk tolerances, spending practices and valuation practices. Investments are overseen by the Board of Directors, an Investment Committee and Investment Counsel.

The economy has affected the Foundation. There is a higher demand for need while, at the same time, grantor endowments, investments and donations are down. This means less money for scholarships, programs and operations. The Foundation is responding by:

- streamlining fundraising, including reprioritizing and using more volunteers
- alumni outreach, including reaching out to previous Tuition Assistance Program (TAP) donors
- general outreach, using both the Foundation's database and social networking technology
- using best practice resources, including the Network of California Community College Foundations and the Foundation for California Community Colleges

Ms. Scott said the anticipated payout for this year is \$350,000 for scholarships and \$300,000 for programs. She said that 70% of every dollar raised through the annual campaign goes to scholarships and the President's Innovation Fund and less than one-third goes to the Foundation's general fund for operations.

Ms. Scott emphasized that plans and actions should always assume fluctuations in the economy. Active endowment management previously focused on preserving principal and spending the remainder; the emphasis has shifted to maintaining intergenerational equity; smoothing for market conditions; and concentrating on competitive positioning.

Professor Partlan asked how much the Foundation is supported by the District budget. Ms. Scott said the Foundation reimburses the District for about \$120,000 worth of the Foundation employees' three combined salaries (approximately one-third of the total). Ms. Scott said the amount of reimbursement will increase each year until the Foundation is self-sufficient.

Professor James asked if scholarships are available for part-time students; Ms. Scott said they are. Professor James asked for examples of in-kind donations in addition to cars. Ms. Scott said these donations include baskets for the Arts and Olive Festival and gifts for raffles and silent auctions. Professor James asked if donors also give gifts of services. Ms. Ridge said there are such gifts and Ms. Samuelsen added that many of the donations for the Arts and Olive Festival are for services.

Regarding the \$300,000 which goes to programs, Ms. Sabbadini asked if these programs are specified by the donors. Ms. Scott said some programs are specified by donors and others are determined by working with the College presidents regarding use of funds at their sites. Ms. Sabbadini asked if there are programs which are currently being sponsored. Ms. Scott said there are and they include nursing, the Presidents' lecture series, and the Hermanos/Hermanas and Kababayan programs.

Review and Approval of Minutes

At this time, it was determined that a quorum was present. It was moved by Professor Partlan and seconded by Professor Bennett to approve the minutes of the meeting of February 1, 2010. The motion carried, all members voting "Aye."

Closing Remarks

None

Statements from Council Members/Agenda Building

Professor Partlan asked if DSGC members should follow up in any way on the delineation of functions. Vice Chancellor Luan said Council members are not responsible for this activity. Vice Chancellor Luan will convene a committee which will look at the process and functions; the document will then go back to the College Councils to review and address the accuracy of the functions. After that process is complete, Vice Chancellor will brief the DSGC.

Adjournment

The meeting was adjourned by consensus at 3:38 p.m.