The meeting was called to order at 6:04 p.m.

**Board Members Present:** President Karen Schwarz, Vice President Patricia Miljanich, Trustees Richard Holober, Dave Mandelkern and Thomas Mohr, Student Trustee Rupinder Bajwa

**Others Present:** Chancellor Ron Galatolo, Deputy Chancellor Jim Keller, Skyline College President Regina Stanback Stroud, College of San Mateo President Michael Claire, Cañada College President Larry Buckley, District Academic Senate President Diana Bennett

**Pledge of Allegiance**

**DISCUSSION OF THE ORDER OF THE AGENDA**

President Schwarz said that, in order to accommodate a scheduling conflict, there was a request to hear item 14-1-1C, Report on Faculty/Staff Housing Occupancy Limits, after Statements from the Public on Non-Agenda Items. There were no objections from the Board.

Chancellor Galatolo said Executive Vice Chancellor Blackwood is active in the Mentor Program of the Association of California Community College Administrators (ACCCA). He introduced mentee Lyndsay Maas, Controller at Santa Barbara City College, who was present at the meeting.

**MINUTES**

It was moved by Trustee Holober and seconded by Trustee Mandelkern to approve the minutes of the meeting of August 13, 2014. The motion carried, with President Schwarz abstaining and all other members voting “Aye.”

**STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS**

None

**REPORT ON FACULTY/STAFF HOUSING OCCUPANCY LIMITS (14-9-1C)**

Barbara Christensen, Director of Community/Government Relations, distributed a payoff schedule for the College Vista and Cañada Vista housing projects. She invited Board comments and questions on this and on any information contained in the written report that was included in the board packet.

Trustee Holober said he understands the changing conditions leading to leniency in terms of the number of years residents may stay in the rental units. However, he said it is important that faculty and staff know clearly that the housing is a limited time opportunity and there will be a move-out date. Ms. Christensen said residents are being informed of the limits. She said the Housing Endowment and Regional Trust (HEART) of San Mateo County will be conducting home buying workshops for the District. She said that out of the original 44 residents, 26 have purchased a home and others have committed and/or are looking with real estate agents.

Vice President Miljanich, who serves on the Board of Directors of the Educational Housing Corporation, said there have been discussions at meetings about many issues, including the overall state of the economy, whether different employment positions require different amounts of time to save for a down payment on a home, and whether residents are demonstrating obvious efforts to purchase a home.

Trustee Mandelkern asked if terms and conditions will continue to change over time based on market conditions and demand. Ms. Christensen said market conditions and demand are monitored and changes may be made accordingly.

Trustee Mandelkern asked if current residents, along with the 90 people on the waitlist, represent a mix of individuals from the three Colleges and asked if there is sufficient interest to develop a project at Skyline College. Ms. Christensen said she has not examined the waitlist or the list of residents by College. She said the waitlist is based on location and on the number of bedrooms desired. She said she believes there is enough demand for another
housing project but perhaps one that is not as large as the two current projects. Ms. Christensen said a survey of faculty and staff would be conducted before pursuing a third housing project.

Trustee Mohr asked under what circumstances people are charged rent at market rates. Ms. Christensen said that employees who own a home outside of the Bay Area and move here are given 18 months at below market rate rents to sell their home and acquire a new one. If they do not sell the home, they will be charged market rate rents after the 18 month period expires.

NEW BUSINESS

APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (14-9-1A)
It was moved by Vice President Miljanich and seconded by Trustee Holober to approve the actions in Board Report No. 14-9-1A. The motion carried, all members voting “Aye.”

Other Recommendations

PUBLIC HEARING OF THE 2014-15 FINAL BUDGET (14-9-100B)
It was moved by Trustee Mandelkern and seconded by Vice President Miljanich to conduct the public hearing. The motion carried, all members voting “Aye.” President Schwarz declared the public hearing open at 6:17 p.m.

Executive Vice Chancellor Blackwood expressed appreciation to the following individuals who participated in preparation of the budget report: Rachelle Minong, District Budget Officer; Raymond Chow, Chief Financial Officer; Jim Butterfield, Grants Analyst; and Anita Leong, Controller. Executive Vice Chancellor Blackwood presented an overview of the budget, including information on budget assumptions; Fund 1 revenues and expenses; community-supported vs. state revenue limit status; increased categorical funds; resource allocation; PERS and STRS increases; the Retirement Trust Fund; and other issues such as accreditation, the Measure G parcel tax, Redevelopment Agencies, reserves, and the 50% Law.

Following Executive Vice Chancellor Blackwood’s report, President Schwarz asked for public input. Hearing no public questions or comments, President Schwarz declared the public hearing closed at 6:40 p.m.

ADOPTION OF THE 2014-15 FINAL BUDGET (14-9-101B)
It was moved by Vice President Miljanich and seconded by Trustee Mandelkern to adopt the final budget as detailed in the report.

Vice President Miljanich asked if the retirement fund investment is well-protected and also asked how the District compares with other community college districts with regard to covering retirement costs. Executive Vice Chancellor Blackwood said the funds are invested in the stock market. She said a Retirement Board of Authority, which meets on a regular basis, oversees the funds and advises on risk assessment. She said there are specific rules that the District follows and an actuarial study is completed every other year. Executive Vice Chancellor Blackwood said funding of retirement expenses varies widely around the state. She said she believes that, in general, the District is doing well in comparison with other community college districts.

Trustee Mohr said he appreciates the clear and concise budget and said the narrative reads well. He said he respects the balance brought to bear on the allocation model as it considers goals and needs by campus rather than simply by FTES. Executive Vice Chancellor Blackwood said District staff have had extensive discussions with the Presidents’ Cabinets at the Colleges regarding the allocation model. Chancellor Galatolo commended the supportive nature of the Presidents and how well they work together.

Trustee Mandelkern asked for an update on the issue of losing Corporation for Public Broadcasting (CPB) funding for KCSM-TV. Executive Vice Chancellor Blackwood said grants from the CPB have decreased because the federal government determined that the LocusPoint transfer-in does not qualify as a District contribution. However, no
additional funds are being provided by the District and it is hoped that the station will be sold before this issue becomes a budgetary problem.

Trustee Holober asked for verification that KCSM-FM no longer receives funding from the District, as stated in a current fundraising drive. Executive Vice Chancellor Blackwood said the District no longer subsidizes KCSM-FM but the station receives some indirect support, such as payment for utilities.

Trustee Holober noted the excess income over expenses for the San Mateo Athletic Club (SMAC) and said it seems to be building reserves of more than $2 million. He asked if any of the excess income is going back to the unrestricted general fund and, if so, where it is shown in the budget report. Executive Vice Chancellor Blackwood said the SMAC Income Statement on page 81 shows that approximately $300,000 is provided by SMAC to the general fund and is used to pay expenses that College of San Mateo would otherwise have to carry. Trustee Holober asked if a reasonable level of reserves has been determined for SMAC. Executive Vice Chancellor Blackwood said Vice Chancellor Tom Bauer has been instructed to make sure the reserve levels are appropriate given that they will be used to replace instructional equipment at SMAC. Trustee Holober said it would be helpful for the Board to be informed about the dollar amount considered appropriate; Vice Chancellor Blackwood said this will be provided at a future meeting. Vice Chancellor Bauer said the cost of the instructional equipment was $1.5 million when purchased five years ago. He said there are additional costs associated with maintenance/repair of the pool. In response to a question from Trustee Mohr, President Claire discussed how the funds will be used by the College, including overhead expenses incurred because this enterprise operation is centered at the College. President Claire noted that this is one-time money and, therefore, cannot be used for ongoing operations.

Trustee Holober said dollar amounts for “Classified Salaries” and “Employee Benefits” for SMAC are shown on pages 38 and 39 of the report. He said the expenses are actually management fees paid to a vendor and he believes it is misleading to readers who would assume that the expenses are for District employees. He asked if this method of showing expenses would comply with generally accepted accounting principles. Executive Vice Chancellor Blackwood said the vendor hires employees and incurs the expenses on behalf of the District. She said this is a budget rather than a financial statement and the intent is to give the best picture of how much money is going to salaries and benefits, whether the payments go through MediFit or the District. Vice President Miljanich said it could be misleading to the reader if salaries and benefits were listed as management fees. Board members participated in an extensive discussion about ways in which the issue might be addressed. Chancellor Galatolo suggested that a footnote be added to the SMAC Income Statement clarifying the management fee and what it includes. All Board members agreed and also requested that the payment arrangement be explained more fully in the narrative. Executive Vice Chancellor Blackwood said the Board will be sent copies of amended pages and the amended budget will be posted online.

After this discussion, the motion to adopt the 2014-15 Final Budget as amended carried, all members voting “Aye.”

**MIDDLE COLLEGE UPDATE AND EARLY COLLEGE OVERVIEW (14-9-2C)**

Chancellor Galatolo said this report on the Middle Colleges and Early College is a follow-up to a discussion at the Board Retreat in February of this year. He said staff is seeking dialog with and direction from the Board on whether and how to proceed with pursuing the concept of Early College.

**Middle College Update**

Cañada College President Buckley discussed the values of a Middle College experience, including introduction to the resources of the College; support services; an academic experience with no diversions; developing family understanding; a coordinated education experience provided by high school and college faculty; and a “Total Learning Environment.” President Buckley provided a list of essential facts about the Cañada College Middle College High School:

- program has grown to 110 students in 2014-15, up from 63 students in 2013-14
- 61% female / 39% male
- student success rate is eighty percent; the college-wide rate is seventy percent
- 63% of students continue at Cañada College in the summer or fall terms after high school graduation
average student taking nine units; the college-wide average is 6.7 units (Education Code provides a waiver of enrollment fees up to 11.5 units per semester)
80% of all classes taken were UC/CSU transferable
70% of incoming students state that their goal is “only” to complete their high school diploma
from the class of 2014, 10 graduates went to UCs; 9 to CSUs; 3 to private California universities; 6 to out-of-state universities; and 6 to California community colleges

Noting the growth in program enrollment, Trustee Holober asked what the demand would be if there were unlimited seats available. President Buckley said unlimited growth is not possible because federally recognized middle colleges are not allowed to exceed 150 students.

Trustee Holober asked if the fee waiver is automatic or income-based. President Buckley said it is automatic according to the Education Code.

Trustee Mohr asked if the funding process has changed for the Middle College at Cañada College. President Buckley said the Sequoia Union High School District opted not to accredit the Middle College High School as a separate high school within the district and, therefore, they received reduced funding from the State. Consequently, there was a reduction in the amount provided by the Sequoia Union High School District beginning last year. Cañada College provides approximately $38,000 more than it did previously, largely for books and staff expenses.

Trustee Mohr asked if parents are clear about the criteria for admission to the program, e.g. level of responsibility of the student, etc. President Buckley said the criteria are clear and the high school district conducts targeted recruitment and orientation.

Vice President Miljanich asked if Middle College students remain engaged in activities at their high schools. President Buckley said some students do but many become involved in student activities at the College as well. Trustee Mandelkern asked if students are permitted to participate in College sports. President Buckley said students are not eligible to play on College teams; however, they may continue to participate in high school sports as long as they remain in good academic standing.

President Schwarz said she is a proponent of the Middle College High School program. She said she has heard from peers that high school counselors often do not recommend the program to their students. President Buckley said information is reaching students as there were 300 applications for the 110 available spots. Trustee Mandelkern said he believes it is beneficial to give students options and this program is a viable option for some students.

College of San Mateo President Claire said the San Mateo Middle College High School (MCHS) is in its 17th year. It has won numerous awards and has served as a model site for other middle college programs. The goals of MCHS include: helping students prepare for college and/or a career; exposing students to career opportunities and courses; providing support services needed to be academically successful; giving students a solid foundation for life as a college student; emphasizing that college can serve all students; and giving underrepresented students an opportunity to pursue higher education. Because the San Mateo Union High School District opted not to accredit MCHS as a separate high school within the district, MCHS is no longer grant funded. The San Mateo Union High School District funds all of its employees and College of San Mateo funds one part-time classified staff position. President Claire provided the following facts about MCHS:

- 425 students have graduated from the program
- approximately two-thirds of graduates continue their education at one of the District colleges
- 57 students are currently in the program, representing all high schools in the San Mateo Union High School District and Half Moon Bay High School.
- students may participate in sports and other activities sponsored by their home high school
- in addition to taking the required high school classes, students are enrolled in at least seven college units each semester
- overall MCHS student success rate is higher than College of San Mateo students in the same demographic
- overall GPA for MCHS students is 3.1 and the course completion rate was 81%
- MCHS sponsors extracurricular activities and service learning opportunities that are tied to the curriculum
President Schwarz said she has attended middle college high school graduations and the stories told by the graduates are very touching. She said she believes it is a worthwhile program.

Skyline College President Stanback Stroud said there has been a demand for some time for a middle college high school at Skyline College. She said development and implementation were delayed because of budgetary constraints during the economic downturn. She said she is pleased that the Board has given support for the program and has included it in its goals and values. She said she is confident that there will be an entering class in fall 2015. President Stanback Stroud introduced Mary Gutierrez, Dean of Language Arts/Learning Resources, and Ray Jones, Director of Middle College who have visited other schools and studied various models while working on the development of a program for Skyline College.

President Stanback Stroud said that one of the distinctions between the middle college program at Skyline College and the programs described by Presidents Buckley and Claire is that the high schools partnering with Skyline College are not community-supported and cannot simply fund a middle college high school. She said a creative model has been developed that will allow the high schools to receive Average Daily Attendance (ADA) funding and will require the College to make more of an investment, especially initially.

President Stanback Stroud said the students whom the Skyline College program would attract are those who are academically talented but are disconnected from their high schools and need some intervention, similar to students in the successful Jump Start summer bridge program. The goal is for students to graduate with a high school diploma and also to have earned some units toward an associate degree, career/technical certificate and/or transfer.

Vice President Miljanich asked if there is a high interest level at the high schools. Dr. Jones said the response has been overwhelmingly positive. He said a meeting with the high school districts’ superintendents is scheduled for the end of this month.

Vice President Miljanich asked if transportation is expected to be an issue. President Stanback Stroud said transportation is always an issue and was identified as such at the Success Summit. She said work on this issue is ongoing and one possibility is creation of a shuttle from BART. She said the College also communicates with SamTrans regarding scheduling.

Trustee Mohr asked President Buckley what geographical area students in the program come from. President Buckley said the single largest group are students who are eligible to attend Menlo-Atherton High School.

Trustee Mandelkern said he is pleased that a middle college high school program will begin at Skyline College. He noted that the target is to enroll 100 students and asked about the thought process that led to this number. President Stanback Stroud said the College anticipates having two sections of high school students with 25 to 30 students in each section for both eleventh and twelfth grades, resulting in 100 to 160 total enrollment.

Student Trustee Bajwa said he is excited about the program. He said the College ambassadors will bring information about the middle college high school programs when they visit the local high schools. Student Trustee Bajwa asked if the program will target students in alternative high schools, such as Thornton High School in Daly City. President Stanback Stroud said the program will target a mixture of high school students and may include those at alternative high schools.

Trustee Holober, noting that the Skyline College program will be different than the programs at the other Colleges, asked if the curriculum will be different. President Stanback Stroud said the difference will be mostly in terms of the students who are targeted and, therefore, services might need to be different. She said the funding also will be different because the partnering high schools are not community-supported. Teachers who are credentialed in high school areas will be hired as District employees.

President Schwarz asked how students will be made aware of the program and how they will be selected to participate. President Stanback Stroud said that both the college and high school typically play a critical role in selecting students for middle college programs. She said staff have been working with the high schools and will meet with the superintendents to discuss the program, including the funding model. She said the next steps are
making agreements, forming a steering committee and task forces for specific areas, and conducting community forums and parent education workshops. President Schwarz asked where the program will be housed. President Stanback Stroud said Vice President Sarah Perkins is working on assigning space for classrooms, faculty offices and an office for the director of the program.

**Early College Overview**

Chancellor Galatolo said he believes strongly in providing a seamless vertical integration of education. In 2001, the District successfully produced the first University Center at Cañada College, providing a seamless transition from community college to a four-year degree. This was followed by enactment of Assembly 1440, which enabled community colleges and the California State University to collaborate on the creation of baccalaureate degree transfer programs. If Governor Brown signs Senate Bill 850, baccalaureate degrees will be offered on community college campuses for the first time.

Chancellor Galatolo said Early College can be another method to provide a seamless vertical integration of education. It typically targets underserved populations and often is based on a theme such as allied health or STEM. It requires a partnership with a high school and students simultaneously earn a high school diploma and college units. It blends the curriculum and integrates the high school and college experience. The support structure of an early college leads to student achievement. Chancellor Galatolo said Early College can provide an opportunity for higher education to many young learners who never believed they would have that opportunity. He said Early College is not a new concept and many community colleges in California are currently partnering with high schools to offer some form of Early College.

Trustee Mandelkern asked what the distinction is between Middle College and Early College, e.g. would courses be delivered at the high schools rather than having students come to the community college campus. Chancellor Galatolo said an Early College might be housed at the high school but also could be at a new location which is in close proximity to an underserved population. He said the main distinction is with the students who are targeted. Although there can be overlap, Middle College students are typically disconnected from their high school for various reasons, while Early College students are largely those whose objective is simply to earn a high school diploma. President Stanback Stroud added that Early College tends to connect with students earlier, typically in middle school or ninth grade rather than eleventh grade. Chancellor Galatolo said he eventually would like to expand vertical integration to any student who thinks he/she can benefit; however, successful Early College models initially address the broader needs of underserved populations who typically do not go to college. Chancellor Galatolo said it is five times more likely that middle or upper class students will go to college than students in underserved populations.

Trustee Mohr said there are approximately 240 Early College programs in the United States and approximately 20 in California. He suggested that the Board be provided readings so that they can study various models and students served. He also suggested that some Board members might be interested in visiting schools in the Bay Area that are offering Early College programs. Chancellor Galatolo said California community college districts participating in programs are: Mission College, Contra Costa College, College of the Canyons, College of the Redwoods, Los Angeles Trade Technical College, Berkeley City College, Evergreen Valley College, Fresno City College, Gavilan College, City College of San Francisco, and Laney College. Trustees Mandelkern and Holober said they would be interested in receiving reading materials and in visiting other schools.

Trustee Holober asked if Early Colleges fall under Education Code provisions as do Middle Colleges. Chancellor Galatolo said he believes there is more flexibility and latitude for Early Colleges.

President Schwarz asked where the Superintendent of the Sequoia Union High School District stands on the concept of an Early College. Chancellor Galatolo said Superintendent Lianides realizes that the student population in his district is growing and that there are significant unmet needs in certain areas. He is exploring the possibility of a new high school which might be an Early College High School. Trustee Mandelkern asked if the new school might be a charter school. Chancellor Galatolo said Superintendent Lianides indicated that he would like it to be another high school in his district and not a charter school.
Trustee Mandelkern asked if there is interest among districts other than the Sequoia Union High School District. Chancellor Galatolo said he has had some conversations over the years with superintendents of the San Mateo Union High School District, including Tom Mohr, Sam Johnson and Scott Laurence. He said the growth in the South County is precipitating Superintendent Lianides’ interest at this time. He said he is hoping to develop strong relationships in the North County with the new Middle College at Skyline College and build from there.

President Schwarz asked if there is interest in looking at the entire County. Chancellor Galatolo said the motivation is different for community-supported vs. state revenue limit districts because of the way the schools would need to be funded. He said it will be years before a County-wide program could become a reality.

Vice President Miljanich said she is wholeheartedly supportive of exploring the concept of Early College but believes the Board needs input from others regarding various models. She agreed that it would be helpful to read about existing models. Chancellor Galatolo suggested that the Board also consider meeting jointly with the Sequoia Union High School District Board of Trustees. President Schwarz said it is important to ascertain the goal of the Sequoia District, i.e. whether it is to help students earn a high school diploma or to further their education as well. Vice President Miljanich said the Sequoia District has a problem with students dropping out and she hopes a goal is to catch those students by offering something different. Trustee Mandelkern said there is a large segment of underserved students in the Sequoia District who do not even have a reference point for college. Vice President Miljanich said it is important to address these students early rather than waiting to see what happens when they arrive on campus.

Trustee Holober said it appears that the Board is interested in learning more about Early College. He said early decision points should include whether an Early College would be a charter or non-charter school and what the funding would be. Chancellor Galatolo agreed that the framework would need to be set early with the Sequoia District and the College District would need to make its expectations clear. He said he will ask Superintendent Lianides to explore a joint meeting with the two Boards of Trustees.

STATEMENTS FROM BOARD MEMBERS
Trustee Mohr said it is a pleasure to see the District budget laid out clearly and responsibly. He said he is pleased that the 2014-15 budget provides extraordinary opportunities for the District. He said he appreciated President Claire’s comments about how the College will use the money from the Enterprise Fund.

Trustee Mandelkern said it was a pleasure to attend the District Opening Day event; he said he was pleased that leaders from each of the bargaining units were represented.

President Schwarz said she was a volunteer worker at the Foundation’s golf tournament and it was very successful. She said she was sorry that she was unable to attend the Opening Day event.

RECESS TO CLOSED SESSION
President Schwarz said that during Closed Session, the Board will consider the personnel items listed as 1B on the printed agenda. The Board will also hold a conference with Chancellor Galatolo regarding labor negotiations; the employee organizations are AFT, AFSCME and CSEA.

President Schwarz said the next meeting of the Board will be a regular meeting on Tuesday, September 23 at 6:00 p.m. in the District Board Room.

The Board recessed to Closed Session at 9:10 p.m.
The Board reconvened to Open Session at 11:01 p.m.

CLOSED SESSION ACTIONS TAKEN
President Schwarz announced that at the Closed Session just concluded, the Board voted 5-0 to approve the personnel items listed as 1B on the printed agenda.
ADJOURNMENT
It was moved by Trustee Mohr and seconded by Trustee Holober to adjourn the meeting. The motion carried, all members voting “Aye.” The meeting was adjourned at 11:02 p.m.

Submitted by

Ron Galatolo, Secretary

Approved and entered into the proceedings of the September 23, 2014 meeting.

Patricia Miljanich, Vice President-Clerk