

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
November 12, 2008
San Mateo, CA**

The meeting was called to order at 1:36 p.m.

Board Members Present: President Richard Holober, Vice President-Clerk Karen Schwarz, Trustees Helen Hausman, Dave Mandelkern and Patricia Miljanich, and Student Trustee Virginia Medrano Rosales

Others Present: Chancellor Ron Galatolo, Executive Vice Chancellor Jim Keller, Skyline College President Victoria Morrow, College of San Mateo President Michael Claire, Cañada College President Tom Mohr, and District Academic Senate President Patty Dilko

Pledge of Allegiance

DISCUSSION OF THE ORDER OF THE AGENDA

None

MINUTES

It was moved by Vice President Schwarz and seconded by Trustee Hausman to approve the minutes of the Regular Meeting of October 29, 2008. The motion carried, all members voting "Aye."

PRESENTATIONS TO THE BOARD BY PERSONS OR DELEGATIONS

None

STATEMENTS FROM EXECUTIVES AND STUDENT REPRESENTATIVES

Executive Reports were presented by Skyline College President Morrow, College of San Mateo President Claire, Cañada College President Mohr, Executive Vice Chancellor Keller, and District Academic Senate President Dilko. Copies of the Presidents' Executive Reports were available for distribution at the meeting and are attached to the official minutes of record. Chancellor Galatolo said there will be no student report tonight; there will be reports from both Cañada College and College of San Mateo at the December meeting.

President Morrow:

- There was a lively debate at Skyline on November 3 between supporters and opponents of Proposition 8. The debate remained peaceful with help from Student Trustee Medrano Rosales, Vice President Lori Adrian and others. Video footage and a slide show are posted on YouTube and can be viewed via the *Skyline View* website.
- Skyline Phi Theta Kappa Chapter President Ashley Good won second place in the national Phi Theta Kappa Essay Contest on "Affluence and Sustainability: A Paradox of Abundant Energy."
- The "2nd Annual Hip-Hop Educational Conference: Rock the School Bells," will be held November 17-22; specific events are listed in President Morrow's written report.

President Claire:

- Author and anti-death penalty activist Sister Helen Prejean will be the speaker at the President's Lecture Series on November 21.
- KCSM's "Spotlight!" television series, featuring films by high school students, was the subject of an article in the October 9 issue of the *San Francisco Chronicle*.
- The 12th annual CSM Jazz Festival will be held on November 14. The festival features performances by 16 high school jazz ensembles, along with a performance by CSM's Monday evening jazz ensemble with special guest artist Wayne Wallace.
- President Claire distributed the introductory issue of the CSM Library's newsletter, *The Bulldog's Bookcase*.

President Mohr:

- The Budget and Planning Committee will meet at least weekly and will forward recommendations on where to implement cuts if any are needed. There will also be an all-College meeting with District Chief Financial Officer Kathy Blackwood on November 18.
- E-Counseling, the new online counseling service developed by Counselor Karen Olesen, is now available and is proving popular with students.
- College Night and Transfer Day were recently held and were very successful. The transfer rate has increased significantly, and President Mohr will provide data to the Board.
- The Women's Golf Team claimed the Central Valley Conference championship.

Executive Vice Chancellor Keller:

The Legislative Analyst has provided an analysis of the current budget situation. In general, the analysis concurs with the Governor's economic and budget estimates. The analysis offers suggestions on how to distribute burdens; the most dramatic suggestion regarding community colleges is to increase student fees to \$26 effective January 1, 2009 and to \$30 effective July 1, 2009. The District will continue to keep the Board apprised as developments occur.

President Dilko

- Four representatives from the District attended the State Senate Fall Plenary Session over the past weekend: President Dilko; Eileen O'Brien, Counselor and CSM Academic Senate Vice President; Sandra Hsu, Biology Instructor and Skyline College Academic Senate Vice President; and Dave Clay, English instructor and Cañada College Academic Senate Vice President. Michael Young also attended as the President of the State Student Senate. Cañada College forwarded a resolution asking local senates, in collaboration with their business offices, to conduct a cost-benefit analysis of student learning outcomes and assessment as they are being implemented through the accreditation process; this resolution did not pass. Another resolution, incorporating the concept of looking at the true costs of implementing SLOs and assessment, did pass. Neither of these recommendations denied that looking at SLOs is good, but noted that the process is cumbersome and should be examined. A third resolution passed which asks the local senates and business offices to look at the full cost of the entire accreditation process.
- The State Chancellor's Office issued an advisory asking colleges to implement immediate changes in the way they use hours by arrangement (hours which faculty members feel students should dedicate outside of the classroom, in addition to homework). The State Senate has asked that the order to act immediately be rescinded, allowing colleges to develop reasonable alternatives to the way they ask for reimbursement.
- The State Academic Senate has affirmed its opposition to including the attainment of student learning outcomes as an aspect of individual faculty evaluations.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

None

NEW BUSINESS**APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (08-11-1A)**

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve the actions in Board Report No. 08-11-1A. The motion carried, all members voting "Aye."

RATIFICATION OF 2008-2009 CONTRACT RE-OPENERS AS MODIFICATIONS TO THE CONTRACT BETWEEN THE DISTRICT AND THE AMERICAN FEDERATION OF TEACHERS (AFT), LOCAL 1493 (08-11-2A)

It was moved by Trustee Miljanich and seconded by Trustee Mandelkern to approve the ratification. The motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 08-13, INCREASING THE EMPLOYER'S CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT (08-11-3A)

It was moved by Trustee Miljanich and seconded by Trustee Hausman to approve adoption of Resolution No. 08-13. The motion carried, all members voting "Aye."

APPROVAL OF COMMUNITY SERVICES CLASSES, SPRING/SUMMER 2009 – CAÑADA COLLEGE, COLLEGE OF SAN MATEO, AND SKYLINE COLLEGE (08-11-1B)

It was moved by Trustee Mandelkern and seconded by Trustee Hausman to approve the Community Services classes as listed. The motion carried, all members voting “Aye.”

APPROVAL OF SUBCONTRACT WITH SAN FRANCISCO STATE UNIVERSITY (08-11-100B)

It was moved by Vice President Schwarz and seconded by Trustee Miljanich to approve the subcontract as outlined in the report. Trustee Mandelkern asked if Cañada receives funds or if it is simply a pass-through arrangement. President Mohr said the College does receive funds which pay for the director at the University Center and for use of space. After this discussion, the motion carried, all members voting “Aye.”

REVISION OF RULES AND REGULATIONS SECTION 2.09, DISTRICT SHARED GOVERNANCE PROCESS (08-11-101B)

It was moved by Vice President Schwarz and seconded by Trustee Hausman to approve the proposed changes as outlined in the report. Vice President Schwarz said she appreciated that the Rules and Regulations are being reviewed and updated, and also that all constituencies are included in the governing process. Trustee Mandelkern requested that future reports containing revisions include tracking of changes. Barbara Christensen said tracking is normally provided, but there were many versions of Section 2.09 before final agreement by the District Shared Governance Council, making tracking very difficult. After this discussion, the motion carried, all members voting “Aye.”

INFORMATION REPORTS

REPORT ON APPRENTICESHIP PROGRAMS (08-11-1C)

President Claire explained that College of San Mateo has apprenticeship programs with the electrical workers and sprinkler fitters unions and, until recently, had a program with the plumbers and pipefitters union. Apprenticeship programs must have a Local Education Authority, which in California can be either adult schools or community colleges. The Local Education Authority acts as fiscal agent for the programs and makes sure of compliance with all rules and regulations.

Apprenticeship programs are five-year cohort-based programs. Curriculum is approved by College of San Mateo and adheres to national standards. The programs are monitored by the Division of Apprenticeship Standards and the State Chancellor’s Office. All classes are held off-site and are taught by working journeymen. College of San Mateo’s relationship is primarily of a fiscal nature. The Joint Apprenticeship Training Council (JATC) exerts local control, including fiscal oversight.

The apprenticeship programs are funded by Montoya funds which are separate from apportionment funding. Montoya funds cover only part of the training costs of the programs. Costs covered by the apprenticeship programs include facilities, the training director, equipment, supplies, and support personnel. The cost not covered by the programs is for the adjunct faculty, who are College of San Mateo employees and on the College’s payroll. Montoya funds come from the State Chancellor’s Office to the District. After reimbursing the College and District for direct costs and overhead (11-12% of the total apprenticeship revenue), the remaining amount is allocated to the apprenticeship programs based on pro rata share. The revenue that an apprenticeship program generates through Montoya funds is then matched against cost for adjunct faculty for that program. If the cost for the adjunct faculty is less than the revenue generated, the District will send a refund to the program, and if the cost for the adjunct faculty is more than the revenue generated, the District will invoice the program.

President Claire provided a brief recent history of the programs. In the early 1990’s, in response to an Internal Revenue Service ruling about employer-employee relationships, the method of payment for apprenticeship instructors was changed from independent contracts to adjunct faculty employed by the College. Also in the early 1990’s, the Sheet Metal program, the largest of the apprenticeship programs, moved to Foothill College. In the late 1990’s, the sprinkler fitters were running a deficit due to double class bookings; the Dean of Technology warned the training director that the continued use of this practice would cost them money, but they chose to continue the double bookings. In 2001-02, the District and College share of revenue was reduced from 30% to 18%. In 2003, the apprenticeship director resigned and was not replaced, enabling the District and College share to be further reduced to approximately 12%. In 2003, the College and District completed a comprehensive review of apprenticeship finances and, as a result, the electrical workers and plumbers were given refunds while the sprinkler fitters were sent an

invoice. The sprinkler fitters did not pay the invoice. There was not consistent attention paid to the programs due to significant movement of personnel within the programs and the College. In fall 2007, with the increase in faculty pay, options for cost reduction were developed with the apprenticeship programs. In fall 2008, the plumbers left College of San Mateo.

President Claire listed the following problems associated with the apprenticeship programs:

- Decrease in true Montoya funding vs. increase in adjunct faculty costs per hour
- Pay inequities within the trades
- Inclusion of office hours
- Required negotiation with AFT on any change in apprenticeship instructor pay or status
- Cohort model and enrollment fluctuations

Chief Financial Officer Kathy Blackwood described recent College and District efforts to address the problems. She met with training directors and fiscal managers of the JATCs and gave an accounting of all amounts owed back to 2003, providing financial statements as backup. She also discussed with them the ongoing deficits. During discussions, options were developed which would deal with the deficits but would not involve additional payments by the JATCs:

- Contract out instruction to the JATCs; instructors would no longer be on College of San Mateo's payroll
- Create a new salary schedule within AFT so that the journeymen instructors are not earning significantly more than they would on their regular pay schedule
- Change the curriculum to reduce costs

The plumbers wanted to contract out the instruction, but AFT was unwilling to enter into discussions on this item. The plumbers then suggested giving the instructors a different salary schedule, but AFT was not willing to discuss this. At this point, the plumbers felt they had no choice but to leave even though their relationship with the College was a good one. They chose to move to Foothill College as it has a different salary schedule for these instructors. The District released the Montoya funds to Foothill and the students started there in August 2008. The plumbers paid their 2007-08 amount and have committed to paying their past due amounts over the next several years.

Neither the electrical workers nor the sprinkler fitters were willing to change the curriculum. Neither has made a payment on the prior amounts due, including 2007-08. The total balance owed from the three programs is over \$300,000.

President Claire said there are only two possible long-term solutions:

1. The pay structure for apprenticeship instruction must change to bring instruction costs in line with economic realities, or
2. The apprenticeship programs must accept the fact that Montoya funding is truly supplemental and can no longer fund 100% of teaching costs.

Immediate actions that can be taken include (1) adjustment to curriculum to include more lab hours; (2) improved communication with programs; (3) renewed collection efforts with remaining programs; and (4) monitoring of class sizes.

President Claire asked for questions or comments from the Board. Trustee Hausman said the District must draw the line somewhere and asked what the advantages are of keeping the programs. President Claire said that if the programs can be run without deficits, they are good relationships to have, and they provide students an opportunity to earn certificates or degrees.

Trustee Mandelkern said he has seen advertisements for an apprenticeship program at the Adult School of the San Mateo Union High School District and asked if this program was previously with the District. President Claire said it was not.

Regarding the decision by the plumbers to move their program to Foothill, President Holoher asked if the District gave them an ultimatum or a deadline by which to pay. CFO Blackwood said the District did neither of these; the plumbers preferred to stay and the District wanted them to stay, but it was not in the financial best interest of the plumbers to stay. After the decision was made, the District did everything it could to help with a smooth transition to Foothill. Regarding the current year, President Holoher asked if the two remaining programs are paying any ongoing costs which exceed what the District is getting from Montoya funding. CFO Blackwood said statistics are not yet available which show how many hours the programs are generating. The District has given the programs a preliminary budget based on the number of students they projected. The programs wait for the District to bill them rather than pay on a periodic basis. President Holoher asked if there is a verbal understanding with the two remaining programs that they must cover some costs and that they will be billed. President Claire said he has met with both the electrical workers and the sprinkler fitters and they do understand that they will be responsible for some costs, and also that they owe past amounts and need to start paying.

Vice President Schwarz asked President Claire for clarification on the following items:

1. Is it correct that he has talked with the sprinkler fitters about their past due amounts and about the cost of double class bookings, but that they continue to double book? President Claire said this is correct.
2. Is it correct that the electrical workers seem more open to discussion but still have not paid their past due amounts? President Claire said this is true, but he is confident that they will pay.

Vice President Schwarz said she believes the situation cannot go on much longer, given that discussions have taken place and invoices have been sent. Trustee Hausman added that it appears the programs are being subsidized. Trustee Miljanich agreed, adding that if the programs are not making some attempt to pay, she does not believe the District can continue to permit the subsidization to continue. Trustee Miljanich asked if direction from the Board was being sought. President Claire said it is. Vice President Schwarz said she would like to see some attempt at good faith on the part of the programs that they will start catching up on what they owe. Regarding a change in salary schedule, Vice President Schwarz said it is a matter for negotiations and the Board cannot force the issue.

Vice President Schwarz asked what apprenticeship programs are at Skyline. CFO Blackwood said there are a very small number of apprentices that come through the automotive technology program. They are embedded in existing classes and the program is almost invisible. The program gets a very small amount of Montoya funding which gets absorbed in the total program dollars.

Trustee Mandelkern said he sees value in being partners with the programs and believes they benefit students; however, in the current fiscal environment, he believes the Board would be remiss in its responsibility if it does not make an attempt to collect payment or at least work out a payment plan with the programs. He said the conversations have been going on for some time but no money has changed hands except payment by the plumbers for the most current invoice. Trustee Mandelkern asked if Foothill has a special salary schedule for the apprenticeship program instructors. CFO Blackwood said they have different schedules for several groups, including the apprenticeship and child care programs. Trustee Mandelkern asked if Foothill faculty was also represented by AFT. CFO Blackwood said they are not; they are represented by the Faculty Association, which is independent. Trustee Miljanich asked if the District negotiating team will make it known that the District is at a competitive disadvantage and that programs have been lost, and more may be lost, because other districts' contracts are more favorable. Vice Chancellor Harry Joel said meetings have been arranged with the union but have been unproductive. Trustee Mandelkern asked if the District will address the issue in the upcoming negotiations; Vice Chancellor Joel said it will.

Chancellor Galatolo asked if there is any disagreement with the programs regarding the amounts of the outstanding balances. CFO Blackwood said there has been little conversation with the sprinkler fitters as they have been non-responsive. The electrical workers completed a review by their auditor and seemed to be in agreement. During at least one meeting, the directors of all three programs agreed that they owed money. Chancellor Galatolo suggested asking the sprinkler fitters to reaffirm the amount they owe to make sure it is in agreement. Trustee Miljanich asked what leverage the District has to convince them to pay now when they have not done so up to this time. Chancellor Galatolo said the leverage is that the programs are still active at the College and the District could say it will no longer conform and that it will not help with a transition to another location as it did with the plumbers.

President Holober noted that negotiations with AFT are based on information regarding revenue and expenses rather than on a program by program basis. There are other programs that operate in the red but are continued because of the totality of delivering education to the community. President Holober said he recognizes that the apprenticeships are different because there is a partnership with another fiscal partner. President Holober asked if the District carries other debt, such as student loans. CFO Blackwood said that amount is very small. President Holober said his primary concerns are the current bills, whether the programs acknowledge costs beyond the money that is received from Montoya funds and are prepared to cover those costs, and whether they are willing to work out a plan to retire their old debts. President Holober said that if the priority is to collect the old debt rather than making sure current costs are paid, the programs will probably have to leave because of the size of the outstanding debts.

Trustee Mandelkern said he likes the idea of participating in the programs and thinks there is logic to them fitting into the general vocational programs of the District, but they are different in that a third party delivers the training and the instruction does not take place on the campuses; there is also the added problem of trying to change salary schedules, etc. Trustee Mandelkern asked that President Holober clarify his position, asking if he believes the District should continue the apprenticeship programs at the risk of having to subsidize them as it does other programs that may not be on a strictly breakeven basis with tuition vs. expenses. President Holober said he would like to see the programs stay and believes there should be differentiation between the \$300,000 past due amount and the current costs the District needs to recover. This is especially true in light of the fact that there was a period of time during which no effort was made to collect the debt as it continued to grow. Trustee Miljanich commented that the program directors are savvy and, even during this time, knew there were costs the programs needed to cover and had the expertise to project the costs.

President Holober asked if the District knows how much money is coming from Montoya funding and has the ability to bill the programs accordingly. CFO Blackwood said that at the end of each semester, the District knows how many hours the programs have generated but only in late February does the District get a first look at the report from the State on how much they will fund per hour. Traditionally, the District waits until the year closing before issuing the invoices. President Holober asked if the programs have been billed for the last academic year; CFO Blackwood said they were billed in July. President Holober then asked if they have paid these bills, and CFO said only the plumbers have paid. President Holober suggested that if they have not paid by a particular date, perhaps March, they should be told that the District considers this a symbol that they are not aware of the financial problem and that they must pay or look elsewhere for their programs.

Trustee Mandelkern said it appears that the Board is in agreement that:

1. current amounts should be collected as they become due;
2. a payment program should be worked out for the past due amounts; and
3. the District should not provide a subsidy going forward.

Chancellor Galatolo said the discussion had provided helpful direction to staff.

STATEMENTS FROM BOARD MEMBERS

Vice President Schwarz said she watched an airing of KCSM's "Spotlight!" and found the discussion by students whose films were shown to be particularly interesting. She also saw Trustee Mandelkern on Peninsula TV giving his presentation to the Board of Supervisors at their November 4 meeting. Vice President Schwarz said she appreciates that the Board is being included in emails to all District employees regarding the budget and other matters.

Trustee Hausman, noting that it is becoming more difficult for students to gain acceptance at State universities because of budget problems, asked how the District might be affected. Vice President Schwarz asked how the guaranteed transfer program will be affected. Phyllis Lucas-Woods, Vice President of Student Services at Cañada College, said transfer agreements will remain in place, but it is not clear if the universities will have space to accommodate the students.

President Holober displayed the award which the District received from the Housing Leadership Council. Trustee Mandelkern and President Holober commended Barbara Christensen for her leadership in the housing program. President Holober said he received a mailing from Mt. San Antonio College regarding the overwhelming approval of

their bond measure. Chancellor Galatolo said the most school bond measures were approved in the recent election and he will provide more detailed information to the Board.

COMMUNICATIONS

None

RECESS TO CLOSED SESSION

The Board recessed to Closed Session at 3:15 p.m.

The Board reconvened to Open Session at 4:20 p.m.

CLOSED SESSION ACTIONS TAKEN

President Holoher reported that, at the Closed Session just concluded, the Board considered the personnel items listed on the printed agenda and voted 4-0 to approve the actions in Board Report No. 1-A; Trustee Miljanich had to leave the meeting and was not present for the vote. The Board also held a conference with Agency Labor Negotiator Harry Joel.

ADJOURNMENT

It was moved by Vice President Schwarz and seconded by Trustee Mandelkern to adjourn the meeting. The motion carried, all members present voting "Aye." The meeting was adjourned at 4:25 p.m.

The next meeting of the Board will be held on December 10 at 6:00 p.m. in the District Board Room.

Submitted by

Ron Galatolo
Secretary

Approved and entered into the proceedings of the December 10, 2008 meeting.

Karen Schwarz
Vice President-Clerk