

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
March 24, 2010
San Mateo, CA**

The meeting was called to order at 6:00 p.m.

Board Members Present: President Patricia Miljanich, Vice President-Clerk Dave Mandelkern, Trustees Helen Hausman, Richard Holober and Karen Schwarz, 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 Trustee Holober and seconded by Trustee Hausman to approve the minutes of the Study Session of March 10, 2010. The motion carried, all members voting "Aye."

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, District Academic Senate President Dilko and Associated Students of Cañada College (ASCC) Treasurer Kathleen Jensen. Copies of the Presidents' Executive Reports were available for distribution at the meeting and are attached to the official minutes of record.

President Morrow highlighted items in her written report, including the tenth annual President's Breakfast, the 2010 Innovators Award of Excellence, achievements of Phi Theta Kappa Guistwhite Scholar Ashley Good, and the \$100,000 grant to implement a Grove Scholars Program focusing on Career Technical Education students.

Adding to his written report, President Claire said approximately 250 people attended the ribbon cutting for the Health and Wellness Building today. Three busloads of students, staff and faculty went to Sacramento for the March in March. The Health Center will sponsor a health fair on March 30 in the Health and Wellness Building.

President Mohr highlighted items in his written report, including Cañada students who presented original research at the Honors Research Symposium and the San Mateo County Genealogical Society's move into the Cañada Library. In addition, President Mohr said two Cañada students were honored at the Phi Theta Kappa luncheon.

President Dilko congratulated College of San Mateo on the opening of the new building and said dozens of faculty attended the event. President Dilko said the Academic Senate is working diligently on revising Districtwide policies; has been discussing how it can support student advocacy at the Colleges; is collaborating with Community Education regarding possibilities for support for academic programs; received training from Tom Casey on the Brown Act; is planning a collaborative meeting with the AFT Executive Committee to discuss roles and responsibilities during changing economic times; and is beginning to look into reviewing existing Program Improvement and Viability policies and procedures at the Colleges. The Senate held an emergency meeting to discuss the June 8 parcel tax measure and there was unanimous support from faculty to support the initiative. At the last Senate meeting, President Dilko announced that she will resign at the end of the year and elections will be held for a new president. Chancellor Galatolo said he has enjoyed working with President Dilko for the past two years and said she is the quintessential professional.

Ms. Jensen said ASCC held its annual winter retreat in January, during which participants completed team building exercises, discussed goals and planned activities for spring. For spring 2010, ASCC identified community building as a goal and selected three activities to support this goal: a club mixer, participation in March in March, and Spring Fling. The club mixer was a great success, with more than 30 club officers and members participating. The annual Club Day was held on March 17. On March 22, more than 50 Cañada students, faculty and staff participated in the March in March. During the rally, some ASCC representatives met with Senator Leland Yee and others attended the hearing on the Master Plan for Education. On March 26, ASCC representatives will meet with Assemblyman Ira Ruskin to discuss cuts to EOPS and what students can do to battle the recent budget cuts.

STATEMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS

Kevin Stacy, Executive Director of Masterworks Chorale at College of San Mateo, said Masterworks recently won awards and quoted commendations from Governor Schwarzenegger and Assemblyman Ruskin. Masterworks also received a travel and tourism grant from Comcast which enabled it to broadcast more than 1,000 commercials which included the CSM logo. Attendance at concerts in March 2010 showed an increase of ten percent over March 2009. At the same time, due to the drastic budget reductions, Masterworks learned that a decision was made to delist Masterworks Chorale as a class; this amounts to a \$35,000 reduction to Masterwork's already strained operating budget. The 90-plus Masterworks students are proud to be part of the CSM community and would like the mutually beneficial relationship to continue. One recommendation is to cut budgets by fractions of percentages across a greater number of programs instead of severe cuts to a few programs. Mr. Stacy said Masterworks provides an opportunity for "edutainment," affording an enjoyable way to experience musical exploration, culture and history. Choral music participants are active in their communities, taking part in a variety of activities, organizations and events. Mr. Stacy encouraged the Board to reconsider delisting Masterworks Chorale as a class.

John Servatius, senior staff writer for *The San Matean*, said there has been discussion, particularly among District Academic Senate members, about a memorandum of understanding between community colleges and Kaplan University. There is concern that some of Kaplan's courses are suspect and will not be accepted by the CSUs. Mr. Servatius asked if the Board has had any contact from representatives of Kaplan and whether Board members have any comments about this matter. President Miljanich said this is not a forum at which the Board can engage in dialogue. She thanked Mr. Servatius for his comments.

Skyline student Michele Araica said the group "Skyline Against the Cuts" has decided to gather signatures to place *The California Democracy Act* initiative on the ballot. The initiative calls for all State legislative actions on revenue and budget to be determined by a majority vote. Ms. Araica provided a copy of the campaign flyer, which is attached to the official minutes of record.

Brenda Bennett, President of the Floristry Board at College of San Mateo, said that last October, students were informed that the horticulture and floristry programs were on a list to be eliminated as part of the budget reduction process. In November, they were informed that there were plans to eliminate the horticulture complex, including the greenhouses and green space, in order to expand the Edison parking lot. Due to the intervention of the Academic Senate and the College, the parking lot expansion is on hold while alternatives are being considered by a volunteer committee headed by Vice President of Instruction Susan Estes. Also due to support from the Academic Senate and a counter proposal by Math/Science Division faculty, chief floristry courses are being kept while horticulture classes are being put on hiatus. The horticulture program at CSM is the only such program in the County. The program has been part of the CSM campus for 60 years. The green space is used by 42 percent of the science programs, including biology and botany. Students conduct fundraising activities and do not take significant funds from the College. Students would like to retain the academic programs and the current quality of facilities. Ms. Bennett presented a petition with more than 1,000 signatures in support of the programs.

Cheryl McGuire, Irasema Carranza, Connie Oakson and Anne Martinson are alumnae of the CSM floristry program and are now successful practitioners in the industry. They each spoke about how the program was instrumental to their success and how highly regarded the program is throughout the United States. Elena Franzia, owner of Ralston Florist, employs students and one teacher in CSM's program and said students in the program are very well trained.

NEW BUSINESS

APPROVAL OF PERSONNEL ACTIONS: CHANGES IN ASSIGNMENT, COMPENSATION, PLACEMENT, LEAVES, STAFF ALLOCATIONS AND CLASSIFICATION OF ACADEMIC AND CLASSIFIED PERSONNEL (10-3-3A)

It was moved by Vice President Mandelkern and seconded by Trustee Hausman to approve the actions in Board Report No. 10-3-3A. The motion carried, all members voting "Aye."

APPROVAL OF CONSENT AGENDA

President Miljanich said the Consent Agenda consists of Board Report 10-3-1CA, Approval of Community Education Basketball League, Spring and Summer 2010. It was moved by Trustee Holober and seconded by Trustee Schwarz to approve the consent agenda. The motion carried, all members voting "Aye."

Other Recommendations

VOTE TO ELECT MEMBERS TO THE CALIFORNIA COMMUNITY COLLEGE TRUSTEES (CCCT) BOARD (10-3-1B)

After discussion about the candidates' qualifications, the Board voted unanimously for the following slate of candidates: Louise Jaffe, Santa Monica CCD; Cy Gulassa, Peralta CCD; Isabel Barreras, State Center CCD; Donald L. Singer, San Bernardino CCD; Jerry Hart, Imperial CCD; Walter G. Howald, Coast CCD; and Bob Hughlett, Cerritos CCD. This slate will be submitted as required by the April 25, 2010 deadline.

ADOPTION OF RESOLUTION NO. 10-5 IN SUPPORT OF THE LOCAL CONTROL OF LOCAL CLASSROOMS FUNDING ACT (10-3-102B)

It was moved by Trustee Schwarz and seconded by Vice President Mandelkern to adopt Resolution No. 10-5. Trustee Holober said this ballot measure was discussed at the San Mateo County School Boards Association meeting on March 22. There are only a few weeks left for signature gathering and Trustee Holober suggested that Board members might want to get petition forms and help with the process. After this discussion, the motion carried, all members voting "Aye."

APPROVAL OF PROPOSED NAMES FOR SKYLINE COLLEGE QUADS AND PATHWAYS (10-3-103B)

It was moved by Vice President Mandelkern and seconded by Trustee Schwarz to approve the proposed names as detailed in the report. Trustee Schwarz noted that the report states there are five quads but six are listed. The report will be amended to say there are six quads. After this discussion, the motion carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 10-6 AUTHORIZING ISSUANCE OF TAX AND REVENUE ANTICIPATION NOTES (10-3-104B)

It was moved by Trustee Schwarz and seconded by Trustee Hausman to approve adoption of Resolution No. 10-6. Noting that the Tax and Revenue Anticipation Notes (TRANs) are issued through the County of San Mateo and the problems in the recent past with County investments, Trustee Holober asked how these dollars are invested. Chancellor Galatolo said that previously, TRANs were issued routinely in order to make legal arbitrage; the District would simultaneously issue and reinvest the monies, typically in a fixed income instrument. The investment typically would have a duration that mirrored the duration of the TRANs, i.e. it would mature just before the TRANs and the District would liquidate and walk away with the arbitrage. Now, because of deferrals of payments by the State, the District is using the money to make payroll and other expenses and needs the liquidity provided by investing in the County comingled fund. The District must pay interest on the TRANs while waiting for State payments to which the District was legally entitled.

Chief Financial Officer Kathy Blackwood said the State informed community colleges earlier this month that they would not get paid at the end of the month. After negotiation with the State Chancellor's Office, the State agreed to release \$12 million of the March payment which will be given to those community college districts which would not be able to make payroll without it. CFO Blackwood said continual changes in when monies will be received makes planning very difficult.

Vice President Mandelkern asked if the amount of interest the District will have to pay on the TRANs is known. Chancellor Galatolo said that on short-term notes such as these, the interest rate is one percent or less. Executive Vice Chancellor Keller said that during his next executive report, he will inform the Board what the effective rate is, considering the number of months the District has to borrow. Chancellor Galatolo said the report should also consider earnings generated from the comingled fund in order to see what the net effect is.

Vice President Mandelkern said that when a similar issue arose previously, cities and special districts were able to securitize their obligations and the State paid the interest; he asked if there is a similar movement among community colleges or school districts. Chancellor Galatolo said he not aware of such a movement.

Vice President Mandelkern asked if it is anticipated that the District would keep the money in its own account or have it in the County comingled pool. Chancellor Galatolo said it will be in the comingled fund. Vice President Mandelkern asked if there is concern about the risk. Chancellor Galatolo said the amount of the proposed TRANs is a fraction of what the District has in the County fund at this time and he does not believe there are better opportunities. Executive Vice Chancellor Keller said the District diversifies to the extent it can with other local agencies. He believes the County comingled fund is still a relatively safe investment.

After this discussion, the motion to authorize issuance of TRANs carried, all members voting "Aye."

ADOPTION OF RESOLUTION NO. 10-7 AUTHORIZING INTERFUND TRANSFER FOR 2009-10 FROM CAPITAL OUTLAY FUND TO GENERAL UNRESTRICTED FUND (10-3-105B)

It was moved by Trustee Schwarz and seconded by Trustee Hausman to approve Resolution No. 10-7. The motion carried, all members voting "Aye."

APPROVAL TO TRANSFER FUNDS BETWEEN SPECIFIED CATEGORICAL FUNDS (10-3-106B)

It was moved by Trustee Hausman and seconded by Trustee Holober to approve the transfer of funds as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH CREDENTIALS SOLUTIONS FOR PARKING PERMIT MANAGEMENT SERVICE (10-3-107B)

It was moved by Trustee Schwarz and seconded by Trustee Hausman to approve the agreement as detailed in the report. The motion carried, all members voting "Aye."

ACCEPTANCE OF THE GROVE FOUNDATION CAREER TECHNICAL EDUCATION SCHOLARSHIP (10-3-108B)

It was moved by Trustee Hausman and seconded by Trustee Schwarz to approve acceptance of the grant as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF EXTENSION OF THE USE OF THE COUNTY OF LOS ANGELES CONTRACT FOR DISTRICTWIDE OFFICE SUPPLY PURCHASES (10-3-109B)

It was moved by Trustee Hausman and seconded by Trustee Holober to approve extension of the contract as detailed in the report. The motion carried, all members voting "Aye."

INFORMATION REPORTS

2010 CONTRACTOR PREQUALIFICATION UPDATE (10-3-4C)

Trustee Holober said he appreciates receiving the thorough report. He said it is good news that the pool of qualified contractors is being expanded. Rick Bennett, Executive Director of the Construction Planning Department, said there were many applicants this year and staff from Swinerton Management and Consulting helped the Construction Planning staff review the applications.

KCSM UPDATE (10-3-5C)

KCSM General Manager Marilyn Lawrence said she has been working with Vice Chancellor Harry Joel on staff reductions and will continue to work on placements. Ms. Lawrence believes she has secured \$200,000 for next year from a major donor. A contract with Sezmi is being reviewed by County Counsel. Spectrum use contracts are also

with County Counsel; Ms. Lawrence has a letter of intent from KQED to continue while other interested parties want to see a contract before committing to anything in writing. If all contracts are signed, the KCSM-TV deficit will be reduced from \$1.4 million to \$100,000.

Trustee Schwarz asked what the deficit would be if none of the contracts was approved. Ms. Lawrence said it would be approximately \$480,000. Vice President Mandelkern asked if the personnel changes are already factored into the \$100,000 deficit figure; Ms. Lawrence said they are.

Ms. Lawrence said a decision needs to be made soon about whether KCSM-TV will be part of the District's ongoing organization. She said people are reluctant to support an organization that might not exist in four months.

Trustee Holober said that while the contracts are undergoing legal review, there is still uncertainty about whether the deficit will be \$100,000 or up to \$480,000. Ms. Lawrence said she submitted the draft contracts to County Counsel shortly after the last Board meeting, and she heard today that there is still language they want to change. She added that unless the changes are major, she believes the contracts will be signed. Trustee Holober said the Board has already adopted a revenue-neutral budget for KCSM-TV and if the deficit is \$480,000, he does not believe that would change. He said he would like to hear the thoughts of the rest of the Board on how to proceed if the deficit is brought down to \$100,000.

Vice President Mandelkern said it is important to close the deals in all due haste because the longer it takes, the more likely it is that external events could disrupt the deals. He said that if a sense of urgency is lacking in County Counsel's office, there might be a need to engage outside counsel. Ms. Lawrence said County Counsel is, in general, interested in helping. However, the time it takes to get information back is long and there is always one more thing to fix. Chancellor Galatolo said that KCSM could incur large costs by hiring new counsel. He said he will confer with Ms. Lawrence and if needed will call County Counsel to discuss what can be done to expedite review of the contracts.

Vice President Mandelkern asked if there are non-general fund sources of money to bridge a short-term gap if the deficit is brought down to \$100,000. Chancellor Galatolo said sources of revenue can be identified for use as a stopgap measure. He said that if the Board sees Ms. Lawrence getting close to or achieving revenue neutral status and if the contracts do not break down, it would be helpful to give Ms. Lawrence the go-ahead so that she can give a positive message to her staff. If things break down after that, Ms. Lawrence can come back to the Board with the changes and seek a final decision. Chancellor Galatolo said that because some things in the contracts are based on activity, the only way to know whether KCSM will realize the revenues is to look at next year's year-end audit.

Trustee Schwarz asked how long the guarantees in the contracts last. Ms. Lawrence said all of the contracts are for three year terms with renewable clauses after that time. President Miljanich said there is still some risk and Chancellor Galatolo agreed, saying he does not believe the contracts would fall apart, but rather could fall short of what they intend to deliver. Trustee Mandelkern said he appreciates the potential risk but is comfortable with it. He said that even if it allows operations to continue for only one year, it is likely there will be better options a year from now than there are today. Trustee Hausman said she, too, is willing to accept the risk.

Trustee Holober said that if redevelopment funds or other non-general funds can cover a deficit in the range of \$100,000, he believes it makes sense to use those funds if it is clear that it is a kind of bridge loan rather than a new way of doing business, with the intention of getting to a point where other revenue sources are stabilized and it becomes a pay-as-you-go operation. Trustee Holober said that if the contracts do not work out, he does not support covering a \$480,000 subsidy. He also does not support use of any general fund dollars to cover a \$100,000 deficit; rather, those dollars should come from sources that cannot be spent on classroom education. Vice President Mandelkern said he supports Trustee Holober's statement and is in complete agreement with the levels he stated. Chancellor Galatolo said there is enough money in the redevelopment fund to offset one or two years of a \$100,000 deficit. Any figure beyond that would take a toll on the redevelopment fund because it has been tapped into for some child care programs and the dollars are meant to be used to replace fields and other things that are planned.

Trustee Schwarz asked for clarification on whether the Board is allowing more time or is authorizing Ms. Lawrence to move ahead. Chancellor Galatolo said he would recommend that the Board give Ms. Lawrence positive

affirmation to move forward with the plan she has, which can buy one year at a minimum. Then, in one year, the Board can reexamine and determine what has been achieved and what can be achieved. Vice President Mandelkern emphasized that it must be clear that no general fund dollars are to be used to subsidize KCSM. Chancellor Galatolo said this is understood. Ms. Lawrence said her goal is to have no deficit and she will continue to do everything she can to achieve that goal.

Trustee Schwarz said she supports Chancellor Galatolo's recommendation to allow Ms. Lawrence to move forward and revisit the situation in one year. She said her support is a vote in support of Ms. Lawrence's incredible efforts. President Miljanich said she also appreciates Ms. Lawrence's efforts and said it is clear that she has the support of the Board to move forward.

Vice President Mandelkern asked if the Board will be kept posted on the status of the contract negotiations and interaction with County Counsel. Chancellor Galatolo said the Board will be kept informed and the contracts will come to the Board for affirmation as soon as they are available.

STATEMENTS FROM BOARD MEMBERS

Trustee Hausman attended the ribbon cutting at CSM today and said there was a sense of excitement about the beautiful new facility. Trustee Hausman thanked President Dilko for her service as Academic Senate President.

Vice President Mandelkern attended today's ribbon cutting. He noted that there are 576 Fitness Center members already committed and credited Director of Auxiliary Services Tom Bauer with this excellent start. Vice President Mandelkern attended several events for organizations which affect District students:

- The Hibernian Club St. Patrick's Day luncheon; this organization awards two scholarships to County students
- The NAACP Herby Dawkins Freedom Dinner
- The Thomasians dinner
- The Skyline President's Breakfast, which was well attended and demonstrated a high level of support in the community

Vice President Mandelkern was not able to attend the March 4 Day of Action or the March in March in Sacramento, but was there in spirit with the students. Vice President Mandelkern thanked President Dilko for her service as Academic Senate President.

Student Trustee Medrano Rosales was pleased to see the impressive turnout for the Skyline President's Breakfast. She attended both the March 4 Day of Action and the March in March. A number of District students met with legislators while in Sacramento and many students are motivated and waiting to see what else they can do with regard to cuts to education. Student Trustee Medrano Rosales thanked President Dilko for her service and support and said that she also will be leaving because this is her final semester as a student in the District.

Trustee Schwarz said President Dilko has contributed much to the District in her role as President of the Academic Senate and she is pleased that President Dilko will serve in this capacity for several more months. Trustee Schwarz attended the Skyline President's Breakfast and said the video gets better every year. Trustee Schwarz noted that Skyline lost the services of Sandy Irber, who puts these events together, due to budget cuts. However, there are wonderful people in the community who love Skyline and will work to support the College. Trustee Schwarz said she has been asked if the other two Colleges have similar organizations which focus on community participation. Trustee Schwarz said the attendance at today's ribbon cutting was the largest she has seen and said it was a wonderful event. Trustee Schwarz was very impressed with an editorial in *The Skyline View* titled, "Here today, gone tomorrow." The editorial encouraged students to take advantage of the resources available on campus.

Trustee Holober said he was struck by a comment from a faculty member at a previous meeting regarding the disastrous budget cuts and calling on the Board to be part of the solution. In that spirit, Trustee Holober shared some of his recent activities. He was appointed by State Treasurer Bill Lockyer to a commission to try to save the NUMMI plant in Fremont. Members of the Commission met in Japan with the vice president of Toyota and several directors. The mission was not successful and 25,000 jobs will be lost when the plant closes at the end of March. However, right after this trip and possibly as a result of the meetings, Toyota improved the severance package to the UAW by \$28 million; tied to the package is a gag order banning public discussion of the plant closure. Trustee

Holober attended both the March 4 Day of Action and the March 22 March in March and said both were well attended. He believes that repeated mobilization is needed and can make a difference. He said that while activities are taking place at the State level, it is also possible to change things in San Mateo County. The same level of enthusiasm and effort that was shown in Sacramento needs to be repeated locally, in the form of an organized voter contact program, in order to pass the June 8 parcel tax measure. Trustee Holober said he supports the movement to pass a budget with a simple majority and suggested it be an item for discussion at a future Board meeting.

COMMUNICATIONS

None

RECESS TO CLOSED SESSION

President Miljanich announced that during Closed Session, the Board will discuss the personnel items listed as Item 1-A on the printed agenda. The Board will also hold a conference with District Labor Negotiator Harry Joel; the employee groups are AFT, AFSCME and CSEA.

The Board recessed to Closed Session at 8:00 p.m.
The Board reconvened to Open Session at 8:25 p.m.

CLOSED SESSION ACTIONS TAKEN

President Miljanich reported that, at the Closed Session just concluded, the Board considered the personnel items listed on the printed agenda and voted 5-0 to approve the actions in Board Report No. 1-A.

ADJOURNMENT

It was moved by Trustee Holober and seconded by Trustee Schwarz to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 8:26 p.m.

Submitted by

Ron Galatolo
Secretary

Approved and entered into the proceedings of the April 14, 2010 meeting.

Dave Mandelkern
Vice President-Clerk