

**Minutes of the Regular Meeting of the Board of Trustees
San Mateo County Community College District
August 13, 2014, San Mateo, CA**

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

Board Members Present: Vice President Patricia Miljanich, Trustees Richard Holober, Dave Mandelkern and Thomas Mohr, Student Trustee Rupinder Bajwa
Vice President Miljanich said President Schwarz regrets that she is unable to attend the meeting

Others Present: Chancellor Ron Galatolo, Executive Vice Chancellor Kathy Blackwood, 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

None

MINUTES

It was moved by Trustee Holober and seconded by Trustee Mandelkern to approve the minutes of the regular meeting of July 23, 2014. The motion carried, all members voting "Aye."

STATEMENTS FROM EXECUTIVES

Chancellor Galatolo announced that President Obama has appointed Skyline College President Stanback Stroud to the President's Advisory Council on Financial Capability for Young Americans. The Council, established in June 2013, advises the President and Secretary of the Treasury on how to build the financial capability of young people at an early stage of their lives in schools, families, communities, the workplace and through the use of technology. Chancellor Galatolo congratulated President Stanback Stroud on her appointment.

President Stanback Stroud said she is pleased with her appointment to the President's Advisory Council and will travel to Washington, D.C. to participate. She said Skyline College will host the District's Opening Day event tomorrow. The Second Annual Success Summit will be held at Skyline College on September 26; the keynote speaker will be Dana Bloom, Vice President and General Manager of New Markets for Stella & Dot. Seventy-five students from Mexico are taking classes at Skyline College as part of the SEP-BÉCALOS-SATANDER UNIVERSIDADES Program. President Stanback Stroud introduced Aaron McVean, the new Dean of Planning, Research and Institutional Effectiveness at Skyline College. President Stanback Stroud asked that this meeting be adjourned in memory of Cal Robinson, Professor of Business, who passed away recently.

College of San Mateo President Claire congratulated President Stanback Stroud on her appointment to the President's Advisory Council. He said College of San Mateo welcomed approximately 400 new students to the campus yesterday. The College is considering extending Welcome Day for new students. Today, the College welcomed a number of new faculty members; one-half of the faculty hired were previously adjunct faculty members. A new initiative at College of San Mateo focuses on professional development and the budget is being augmented for this purpose.

Cañada College President Buckley said the campus was closed on the evening of July 24 due to a fire caused by a downed power line. The fire spread to Interstate 280 and caused the College to lose all electricity. Facilities and Public Safety staff evacuated the campus. The College held a celebration for Lead groundskeeper Joel Rivas who retired after 34 years of service. The National Science Foundation has extended funding for the Scholarship Program at Cañada College. Scholarships go to academically talented, financially needy students working to transfer to a four-year institution to complete an undergraduate degree in an engineering, math or science major. President Buckley said he and others attended the MexIAm Cultural Festival in San Francisco at the invitation of Dr. Andrés Roemer, the Consul General of Mexico in San Francisco. The Middle College High School at Cañada College is expanding from 82 to 110 students this year. President Buckley provided invitations to the Board for the ACCEL San Mateo County Conference on September 12. ACCEL is the County's AB 86 collaborative for adult education. For the District, Gregory Anderson, Vice President of Instruction at Cañada College, has been the lead and has been working with the Vice Presidents of Instruction at the College of San Mateo and Skyline College. Last Monday, an orientation was held for 68 new incoming

international students, which is a record number. Jing Luan, Vice Chancellor of Educational Planning and Services, said there were close to 500 international applications for the fall 2014 semester and there will be close to 200 new international students Districtwide. International students attending the Colleges come from approximately 120 countries; 65% come from Asia, one-half of whom come from China. Vice Chancellor Luan has been elected to be the Chair of Study California, an organization composed of colleges and universities in the State with the goal of promoting international education.

Executive Vice Chancellor Blackwood said the District's financial team has closed the books and is preparing the budget for presentation to the Board in September. Executive Vice Chancellor Blackwood has been appointed to serve on the national Community College Advisory Board for Nelnet, the company which services the District's payment plan for students.

District Academic Senate President Bennett said flex day activities on the day of the District's Opening Day event will include a review of Appendix G presented by the Performance Evaluation Taskforce and the second annual Districtwide curriculum meetings. President Bennett congratulated President Stanback Stroud on her appointment to the President's Advisory Council.

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 (14-8-1A)

It was moved by Trustee Mandelkern and seconded by Trustee Holober to approve the actions in Board Report No. 14-8-1A. The motion carried, all members voting "Aye."

APPROVAL OF CONSENT AGENDA

Vice President Miljanich said the consent agenda consists of Board Reports:

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| 14-8-1CA | Authorization to Execute an Agreement with Computerland for Microsoft Campus License Agreement for 2014-2017 |
| 14-8-2CA | Approval of Community College League of California (CCLC) and California Community College Athletic Association (CCCAA) Membership Dues, 2014-15 |
| 14-8-3CA | Denial of Claim against the District by Interstate Grading & Paving, Inc. |

It was moved by Trustee Mandelkern and seconded by Trustee Mohr to approve the items on the consent agenda. The motion carried, all members voting "Aye."

Other Recommendations

APPROVAL OF RESOLUTION NO. 14-12 AUTHORIZING THE ISSUANCE AND SALE OF 2014 GENERAL OBLIGATION REFUNDING BONDS (14-8-100B)

It was moved by Trustee Holober and seconded by Trustee Mohr to approve adoption of Resolution 14-12. Trustee Mandelkern noted that the amount discussed for refinancing at the July 23rd Board study session was approximately \$117 million, while the amount specified in Resolution No. 14-12 is not to exceed \$150 million. He asked if rates have changed or if the purpose of the change is to provide a cushion. Chancellor Galatolo said the purpose is to provide a cushion. The motion carried, all members voting "Aye."

ACCEPTANCE OF GRANT AWARDS FROM NATIONAL SCIENCE FOUNDATION FOR CAÑADA COLLEGE (14-8-101B)

It was moved by Trustee Mohr and seconded by Trustee Holober to accept the grants as detailed in the report. The motion carried, all members voting "Aye."

APPROVAL OF APPOINTMENT TO BOND OVERSIGHT COMMITTEE (14-8-102B)

It was moved by Trustee Mandelkern and seconded by Student Trustee Bajwa to approve the appointment as presented in the report. The motion carried, all members voting "Aye."

INFORMATION REPORT

UPDATE ON COLLECTION OF STUDENTS ACCOUNTS RECEIVABLE (14-8-1C)

Executive Vice Chancellor Blackwood provided a brief history of changes in student fees, eligibility for Board of Governors waivers and District procedures regarding non-payment of fees. In 1995, the District implemented telephone registration and started dropping students for non-payment. In 2005, partially to increase enrollment, the District stopped dropping students and only placed grade and transcript holds. In 2009, the District started placing registration holds for students who owed more than \$200; stepped up collections procedures and notifications to students that they owed money to the District; and started sending former students' accounts to collections agencies. In 2012, the District started dropping students for non-payment and added a payment plan.

Executive Vice Chancellor Blackwood said the payment plan allows students to pay the costs over the semester, typically over four months. The cost to students to participate in the plan is \$20 per semester. Enrollment in the plan is over the internet and is secure, simple and quick. To notify students about the new drop policy and payment plan, the District has used emails, text messages and phone calls; the District's web page, presentations to students and faculty; posters; and buck slips. Students are instructed on how to avoid being dropped, i.e. enroll in a payment plan; complete the FAFSA; pay before the drop date; or have a third party payer.

Executive Vice Chancellor Blackwood said the District first contracted with Sallie Mae to service the plan but had problems with the call center. Higher One bought Sallie Mae but retained Sallie Mae's personnel. The District subsequently contracted with Nelnet and has received significantly fewer complaints.

Executive Vice Chancellor Blackwood said the District's FTES peaked in June 2010 and has decreased since then while, at the same time, student fees have increased. Nonetheless, the Accounts Receivable amounts have decreased dramatically, going from nearly \$3.8 million to \$2.6 million since the new policy was implemented. Comparison of aged Accounts Receivable shows that the amount owed one year out has decreased by 44% and the amount owed two years out has decreased by 67%. The amount owed three to seven years out has decreased by a lesser amount (20%) because the District has less control over these accounts. The District books an allowance for bad debt each year and writes off against it at the end of six years. A five-year rolling average is used; consequently, changes due to the new plan are not yet reflected.

For the future, Executive Vice Chancellor Blackwood said the District will:

- create better communication of costs to out-of-state (not international) students, who represent the largest percentage of uncollected revenue.
- create a special hold for students who return after former debt has been written off.
- create an efficient mechanism to alert students who register after the start of classes that their registration is not complete unless they pay their fees at the same time or enroll in a payment plan
- assess the impact of requiring some payment upfront from students enrolling in a payment plan

Trustee Holober asked if students who have not paid their debt and return to the District after seven years are aware that their bad debt has been written off. Executive Vice Chancellor Blackwood said the District does not communicate this information to students; however, they can see on WebSMART that they no longer have a debt. She said the District must make sure that the write-off of the debt does not also eliminate the hold.

Trustee Mohr asked Executive Vice Chancellor Blackwood if she knows how the District compares with other community college districts in the State in terms of collection of accounts receivable. Executive Vice Chancellor Blackwood said she does not know how the District compares, but she is aware that many colleges went through the same cycle of not implementing drops and subsequently re-implementing them. She said some schools have harsher policies than the District and some are more lenient.

Trustee Mandelkern asked when the District receives payments from Nelnet. Executive Vice Chancellor Blackwood said Nelnet pays the District as soon as it collects money from students. She said the District uses a third party vendor because the vendor has the legal authority to deal with students' bank accounts.

Student Trustee Bajwa asked about the communication to students regarding the drop deadline. Jennifer Hughes, Vice President of Student Services at College of San Mateo, said the District reaches out to students who have approaching

deadlines through emails, text messaging and telephone calls. She said the District also reaches out to students who have been dropped. Student Trustee Bajwa asked if there is a method to contact incoming freshmen who may not yet know about WebSMART and the District email accounts for students, and also if there is communication with the local high schools regarding this issue. President Claire said he is actively working with a group of high school principals. He said they know which students will be coming to District Colleges and he will make sure that the important points raised by Student Trustee Bajwa are addressed.

Trustee Holober asked if there is coordination between collection of fees and student aid lenders or grantors. Executive Vice Chancellor Blackwood said students who will receive financial aid will most likely have completed the FAFSA. The policy states that students who have completed the FAFSA will be not be dropped for non-payment even if they are not yet sure whether they will receive financial aid.

COMMUNICATIONS

Vice President Miljanich said that since the last meeting, the Board received an email from a member of the public regarding a change in programming at KCSM and a letter from a member of the public regarding problems with a vending machine in the San Mateo Athletic Club. Both pieces of correspondence were referred to staff who subsequently provided responses.

STATEMENTS FROM BOARD MEMBERS

Trustee Mohr congratulated President Stanback Stroud on her appointment by President Obama. He said he attended the luncheon for new faculty at College of San Mateo today; he said it is inspiring to see the energy they bring to both teaching and student life. Trustee Mohr discussed the importance of the Colleges in terms of student debt and also in terms of the quality of the programs offered. He said student debt totals \$1.2 trillion in the United States and makes up 7% of the entire federal debt. A recent survey by the Institute for College Access and Success, which sampled 500 people between the ages of 20 and 30, found that: 27% said they have difficulty buying necessities; 73% put off saving for retirement; 30% experience a serious impact on choosing a career and pursuing post-graduate education; 47% put off starting a business; 29% put off marriage; and 43% delayed starting a family. Of those who earned an Associate Degree, 38% graduated with some debt. Of those who earned an Associate Degree from a for-profit school, 90% graduated with some debt. In addition, 58% of all student debt belongs to the lowest quartile of families in the United States.

Trustee Mandelkern congratulated President Stanback on her well-deserved appointment by President Obama. He said he attended the San Mateo County Labor Council Annual Dinner which was interesting and entertaining. He also attended the luncheon at CSEA's State convention in Sacramento, along with the educational opening session with a speech by Lieutenant Governor Newsom. Trustee Mandelkern said he looks forward to the Districtwide Opening Day event tomorrow.

Student Trustee Bajwa said he attended the Statewide Student Trustee Workshop in Burlingame over the past weekend. Students were briefed on the role of student trustee and how to go about their duties. At the workshop, Student Trustee Bajwa was elected Director of External Affairs for the California Community College Association of Student Trustees. Student Trustee Bajwa said the next District Student Council meeting is being planned and the Council will appoint a student member to the Bond Oversight Committee before the Committee's September meeting.

Trustee Holober congratulated President Stanback Stroud on her appointment to the President's Advisory Council.

Vice President Miljanich added her congratulations to President Stanback Stroud. She said she appreciates Trustee Mohr raising the issue of student debt. She said she considers this to be a social justice issue. She said she tries to make sure students know about the District's Colleges and that they do not end up with large debt by enrolling in some of the heavily advertised for-profit colleges.

RECESS TO CLOSED SESSION

Vice President Miljanich announced that during Closed Session, the Board will:

1. consider the personnel items listed as 1A, 1B and 1C on the printed agenda
2. hold a conference with agency labor negotiator Eugene Whitlock; the employee organization is CSEA
3. hold a conference with legal counsel regarding one case of potential litigation as listed on the printed agenda

Vice President Miljanich said the next meeting of the Board will be a Study Session on September 10 at 6:00 p.m. in the District Board Room.

The Board recessed to Closed Session at 7:16 p.m. and reconvened to Open Session at 9:00 p.m.

CLOSED SESSION ACTIONS TAKEN

Vice President Miljanich 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 items listed as 1A, 1B and 1C.

ADJOURNMENT

It was moved by Trustee Holober and seconded by Trustee Mandelkern to adjourn the meeting. The motion carried, all members voting "Aye." The meeting was adjourned at 9:02 p.m. in memory of Professor Calvin Robinson.

Submitted by

Ron Galatolo, Secretary

Approved and entered into the proceedings of the September 10, 2014 meeting.

Patricia Miljanich, Vice President-Clerk