

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT

2323 North Broadway, Room #107
Santa Ana, California 92706

Monday, February 23, 2009

MINUTES OF REGULAR MEETING
BOARD OF TRUSTEES

The meeting was called to order at 4:30 p.m. by Dr. David Chapel. Other members present were Mr. Brian Conley, Mr. Paul Garcia, Mr. John Hanna, Mr. Larry Labrado, Mr. Mark McLoughlin, and Mr. Phillip Yarbrough.

Administrators present during the regular meeting were Mr. Peter Hardash, Dr. Eddie Hernandez, Jr., Dr. Erlinda Martinez, and Mr. Juan Vázquez. Ms. Anita Lucarelli was present as record keeper.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Morrie Barembaum, Academic Senate President, Santiago Canyon College.

Dr. Chapel stated that Mr. Brian Conley and Ms. Lisa Woolery will be arriving late.

PUBLIC PRESENTATIONS

There were no public presentations.

APPROVAL OF MINUTES

It was moved by Mr. Yarbrough, seconded by Mr. Hanna, and carried unanimously to approve the minutes of February 2, 2009.

CONSIDERATION OF THE CONSENT CALENDAR

It was moved by Mr. Yarbrough, seconded by Mr. Labrado, and carried unanimously to approve the recommended action on the following items as listed on the Consent Calendar:

Affiliation Agreement Amendment (Renewal): Cedars-Sinai Medical Center - OTA

The board approved this agreement renewal with Cedars-Sinai Medical Center in Los Angeles, California.

Payment of Bills

The board approved the payment of bills as submitted.

CONSIDERATION OF THE CONSENT CALENDAR – (cont.)

Quarterly Financial Status Report (CCFS-311Q) for the Period Ended December 31, 2008

The board approved the Quarterly Financial Status Report (CCFS-311Q) for the period ended December 31, 2008, as presented.

Budget Transfers and Budget Increases/Decreases

The board approved the budget transfers, increases, and decreases during the months of December 2008 and January 2009.

Award of Bid #1115/Data Closets – Remediation Project

The board approved awarding Bid #1115 to Comtech Infrastructure Solutions, Inc. in the amount of \$79,576 as presented.

Notice of Completion: Bid #1091/UPS Installation at Santa Ana College

The board approved the Notice of Completion for the Uninterruptible Power Supply Installation at Santa Ana College as presented.

Donation of Fire Engine from City of Anaheim

The board approved the acceptance of donation of a 1986 HUSH fire engine from the City of Anaheim as presented.

Purchase Orders

The board approved the purchase order listing for the period December 7, 2008, through February 7, 2009.

Resource Development Items for Approval

The board approved the budgets and authorized the chancellor or his designee to enter into related contractual agreements on behalf of the district:

- Board Financial Assistance Program (BFAP) (SCC)	\$275,599
- California Construction Contracting Program – SBDC (District)	\$ 50,000
- California Early Childhood Mentor Teacher Program (District)	\$ 1,584
- Career Technical Education (CTE) Community Collaborative II (District/SAC/SCC)	\$400,000
- EMT/Nursing Continuing Education Programs (SAC)	\$227,613

PRESENTATION OF BOARD PRESIDENT’S AWARDS

Mr. Labrado recognized Mr. Daryl Yambao who in his first two semesters at SCC completed 20 units of honors classes and has earned a cumulative 4.00 GPA. He enrolled at SCC in fall 2007 as a Business Administration/Economics major. Mr. Yambao is active in the Rotaract Service Club and is a member of Phi Theta Kappa honor society. He hopes to work in the airline

industry and has applied for fall 2009 admission to UCLA, Cal State Fullerton, and Chapman University.

Mr. Yambao thanked board members for this honor. He thanked his professors, his family, and the Lord for their help and guidance.

Mr. Yarbrough acknowledged Mr. Noe J. Aparicio who is studying Biomedical Engineering and plans to transfer to UCLA to complete his Bachelors degree. He is active in the Mathematics, Engineering, Science, Achievement Program, the Society of Hispanic Professional Engineers, the Partnership for Transfer Success Program, U-Link, and the Honors Program. Mr. Aparicio is part of the inaugural cohort of SAC Student Ambassadors and volunteers with the Student Outreach office. He plans to become a scientist, researcher, leader, and one who gives back to the community.

Mr. Aparicio thanked board members for the award and his professors as role models.

Dr. Chapel presented the following representatives from the Digital Media Center with the Board President's Award: Julie Slark, Gustavo Chamorro, Jetza Torres, Norma Castillo, Jose Contreras, Jason Linnen, Sylvia Turner, Bart Hoffman, and Sharon Brown (not in attendance). He commended DMC staff for their commitment to excellence in joining technology, business, and education.

Ms. Slark, Mr. Chamorro, Mr. Hoffman, and Ms. Turner thanked board for the award and the DMC team for its commitment. Ms. Turner thanked Dr. Hernandez and Dr. Martinez for having the vision to bring the Digital Media Center into existence.

INFORMATIVE REPORTS

Dr. Eddie Hernandez (Chancellor)

Dr. Hernandez congratulated the board president's award recipients. He stated that Ms. Judy Chitlik is attending the meeting in Mr. John Didion's absence. Dr. Hernandez indicated the agenda includes presentations on the Brown Act, accreditation, and budget.

Mr. Paul Garcia (Student Trustee)

Mr. Garcia reported that students on both campuses were notified that parking fees may increase. He indicated students understand parking fees may be increased but expressed concern for their safety in SAC's Bristol & Washington parking lot at night.

Mr. Garcia stated he submitted questions relating to parking fees to staff and anticipates a response soon.

He reported his plans to attend the student rally in Pasadena on February 27.

Ms. Lisa Woolery arrived at this time.

Mr. Juan Vázquez (President – Santiago Canyon College)

Mr. Vázquez reported enrollment for both colleges has increased with SCC's enrollment being 3% over last year's figures. Course offerings have been reduced by 15%; therefore, he stated efficiency and productivity have increased. Mr. Vázquez reported class sizes have increased from 25 to 36 students per class and the campus is experiencing challenges with its parking.

Mr. Vázquez reported the college held its convocation on February 6 and Leadership Orange Education Day was held at the Orange Education Center on February 10. He invited board members to attend the Hawks golf tournament fundraiser on April 17.

Mr. Yarbrough expressed appreciation for staff seeking solutions to the lack of parking and asked to be updated on its progress.

Mr. Hanna asked if parking violations were enforced at SCC. Mr. Vázquez answered affirmatively.

In response to Mr. Vázquez' comments regarding enrollment increases and class offering decreases, Mr. Hanna commented that the unavailability of classes has been detrimental to students. Mr. Vázquez indicated the amount of students unable to enroll due to the unavailability of classes is being compiled and will be given to board members at a future date. Mr. Hanna commended staff for providing services to students within a limited budget.

Dr. Erlinda Martinez (President – Santa Ana College)

Dr. Martinez reported that SAC staff is addressing the accreditation report recommendations.

Dr. Martinez indicated the classroom building at SAC is near completion, and the college will soon be hosting a grand opening. It is anticipated classes will be held in the building during the second eight-week classes of the spring semester.

Dr. Martinez reported SAC received a grant from the U.S. Department of Education for STEM Teaching Scholars. The grant will allow SAC to work with the Santa Ana Unified School District (SAUSD) to place 50 prospective elementary, secondary, and community college teachers in math and science classes.

Dr. Martinez stated that SAC recently hosted a workshop at UCI for SAUSD counselors, career technicians, and assessment technicians.

Dr. Martinez reported that Stephanie Susaki and Ryan Gleason were honored with scholar athlete of the year awards on February 20.

Mr. Hanna asked if parking violations were enforced at SAC. Dr. Martinez answered affirmatively.

Mr. Alejandro Flores (Student President – Santa Ana College)

Mr. Flores reported that ASG plans to distribute flyers during club rush on February 25 notifying prospective donors that donations may be made online toward the summer school rescue fund. Mr. Flores met with trustees regarding the rescue fund. He emphasized the importance of trustees donating toward the rescue fund as an example to potential donors. ASG donated \$500 toward the rescue fund. Mr. Flores indicated an *Orange County Register* reporter plans to cover the rescue fund's event during club rush on Wednesday.

Mr. Flores reported ASG supports an increase in parking fees provided the following recommendations are met: parking fee does not exceed \$25, improvements to parking lots, increase in security coverage, establishment of a parking fee for motorcycles, and a \$25 required parking fee for all district facilities including satellite locations and DMC.

ASG is planning to have a guest speaker in the student lounge address student financial issues.

Mr. Brian Conley arrived at this time.

Dr. Chapel, Mr. Yarbrough, and Mr. Hanna thanked Mr. Flores for bringing student concerns to the board and encouraged the concerns to be taken to the college president. Mr. Hanna explained limits on the district's flexibility to hire additional security staff due a state law requirement that 50% of all expenditures be in the classroom. During legislative visits, he indicated board members spoke to legislators on the flexibility of the 50% law for security staff. Mr. Hanna encouraged students to contact legislators with concerns.

Mr. Yarbrough asked Ms. Lam to report on concerns SCC students may have with parking. He asked Mr. Flores to report to the board after working with the college president on students' concerns.

Ms. Tina Lam (Student President – Santiago Canyon College)

Ms. Lam distributed *The Hawk Times* and the Student Leadership Institute newsletter. She reported the student council is collecting items for a rummage sale to be held on March 17. Ms. Lam indicated ASG hosted welcome week and club rush last week where the students distributed smoke-free SCC fliers and informed students of AlertU. In response to questions about increasing parking fees, she stated, in general, students oppose an increase.

Ms. Lam reported ASG supports an increase in parking fees provided the following recommendations are met: the parking fee does not exceed \$25, smoking facilities similar to those at Golden West College's (GWC) parking lot are provided, and SCC's creative parking is eliminated.

ASG is seeking a senator for representation on the accreditation committee. Upcoming events include celebrations for African American Heritage month and Women's History month. Ms. Lam indicated 30 students plan to attend the student rally on February 27 to be held in Pasadena. She reported students are hoping to attend the march in Sacramento to rally in March against budget reductions.

Mr. Conley expressed appreciation for the students' participation in the student rally and anticipated participation in Sacramento. He indicated that the covered structures for smokers at GWC's parking lot are bus stops.

Mr. Hanna thanked Ms. Lam for informing the board of students' concerns and encouraged her to bring the students' concerns to the college president.

Mr. Morrie Barembaum (Academic Senate President – Santiago Canyon College)

Since the numbers of sections are down and FTES is up, Mr. Barembaum reported efficiency in the classroom has increased since class sizes have been raised to 36 students. He expressed concern over local merchants complaining of students parking in the shopping center parking lot. He encouraged the board and district to build a permanent parking lot at Newport Blvd. and Santiago Canyon Road.

Mr. Barembaum reported that Mary McMullin has begun preliminary work on Title 5 grants. The five-year grant would provide \$550,000 a year for 5 years. It is hopeful the grant will be ready to submit by March 2010 and, if successful, be awarded in October 2010.

Mr. Barembaum reported the senate is working on serving students, the budget, and addressing the recommendations of the accreditation commission.

Mr. Barembaum gave a brief history of the college's accreditation. Due to a change in commission policy, SCC's self-study and site visit was changed to accommodate synchronization with SAC's site visit. Last year SCC submitted an abbreviated self-study and was visited by an accreditation team in October. Although SCC received a six-year reaffirmation of accreditation and was not to have gone through another accreditation process until 2012, the college has been placed on warning status with SAC.

The chancellor and college president have established teams to address commission recommendations. Due to summer vacations, most of the work will be addressed by the end of the spring semester. Faculty will be working on completing the Title 5 grant requirements and commission recommendations. Mr. Barembaum noted the administration and faculty are taking

the commission's recommendations seriously and encouraged the board to address the commission's recommendation relating to the board's self-evaluation as quickly as possible.

Mr. Raymond Hicks (Academic Senate President – Santa Ana College)

Mr. Hicks reported that faculty is working toward addressing the commission's recommendations. Teams have been created, timelines have been established, and faculty is motivated and committed to being removed from warning status in October. Mr. Hicks asked the board to take the commission's recommendation for the board's self-evaluation seriously. He indicated the 2001 recommendation by the accreditation committee had only been partially met.

Mr. Yarbrough indicated he takes the accreditation commission's recommendation on self-evaluation of the board seriously.

Mr. Hanna expressed appreciation to the senate presidents for their comments and the faculty for taking the commission's recommendations seriously. He indicated the board plans to address the self-evaluation recommendation and urged the senate to address its recommendations.

CLOSED SESSION

It was agreed to adjourn to closed session at 5:31 p.m.

RECONVENE

The board reconvened at 7:09 p.m.

Dr. Chapel reported Mr. Yarbrough left during closed session.

Mr. Conley announced the board discussed personnel items including employees as listed on the Human Resources dockets and evaluation of the chancellor, and real estate negotiations for 2900 W. Edinger, Santa Ana, California, and 201 E. 4th Street, Santa Ana, California, during closed session.

PUBLIC PRESENTATIONS

There were no public presentations.

APPROVAL OF ACADEMIC PERSONNEL

It was moved by Mr. Conley, seconded by Mr. Labrado, and carried unanimously to approve the academic personnel docket with the attached revised page and addendum.

APPROVAL OF CLASSIFIED PERSONNEL

It was moved by Mr. Conley, seconded by Mr. Labrado, and carried unanimously to approve the classified personnel docket with the attached addendum.

PUBLIC DISCLOSURE OF COLLECTIVE BARGAINING AGREEMENT BETWEEN RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT AND CHILD DEVELOPMENT CENTERS TEACHERS ASSOCIATION (CDCTA)

It was moved by Mr. Conley, seconded by Mr. Labrado, and carried unanimously to approve the successor collective bargaining agreement with the attached revised pages with the Child Development Centers Teachers Association (CDCTA) for the period of July 1, 2008, through June 30, 2011.

BOARD TRAVEL/CONFERENCES

It was moved by Mr. Conley, seconded by Mr. Labrado, and carried unanimously to approve the submitted conferences and travel by board members.

BOARD ATTORNEY – LETTER OF ENGAGEMENT WITH BURKE, WILLIAMS & SORENSON, LLP

It was moved by Mr. Conley, seconded by Mr. Labrado, and carried unanimously to authorize the chancellor or his designee to approve the Letter of Engagement with Burke, Williams & Sorenson, LLP for professional services as presented effective February 23, 2009.

BROWN ACT PRESENTATION

Before Mr. Ronald Wenkart, General Counsel for the Orange County Department of Education (OCDE) presented information on the provisions of the Brown Act, he indicated the O.C. Sanitation District began billing public agencies such as community colleges and schools to process sewage in the northern area of Orange County a year or two ago. The various school districts' chief business officials in conjunction with the OCDE responded as a group by requesting the sanitation district negotiate such fees. Mr. Wenkart indicated negotiations are currently in the developmental stages.

Mr. Wenkart presented information on the following: purpose and scope of the Brown Act, definition of meetings subject to the Brown Act, definition of a meeting, exceptions to definition of a meeting, open meeting requirements, agenda requirements, special meetings, authorized closed sessions, sample closed session agenda items, public report of closed session action, and disclosure of confidential information.

Discussion ensued and Mr. Wenkart clarified the following:

1. The governing body of a local agency is subject to the Brown Act and any commission, committee, board, or other body, whether permanent or temporary, whether it makes decisions or is advisory, if it was created by resolution or formal action of the legislative body, is subject to the Brown Act. Advisory committees and standing committees (even if there is less than a quorum of legislative bodies) are subject to the Brown Act and require the posting of an agenda, minutes be taken, etc. The only exception is an ad hoc committee that doesn't have continuing jurisdiction and meets for a short period of time then, ceases to exist.
2. A quorum of committee members was clarified as two of the three committee members.
3. Board member A may talk to board member B but cannot bring board member C into the communication. The Brown Act requires all board discussion be in public.
4. If communication is sent to the board by the chancellor or the board's assistant, board members should reply individually (not "reply to all"). The chancellor or the board's assistant should not discriminate between board members but send communication to all board members.
5. It should be recorded in the minutes every board member's vote. If the vote is unanimous, no names are required; if the vote is 4-3, names must be recorded. This includes the vote or abstention of action taken during closed session.
6. Legislative bodies may not prohibit public criticism of the policies, procedures, programs, services, staff, or board members of the agency. Mr. Wenkart stated the public is encouraged to follow the public schools uniform complaint procedure, but the district cannot prohibit an individual from publicly speaking negatively of a staff member. An individual takes the risk of slandering a person if they make an accusation of criminal activity in public. The board president may suggest the individual temper their comments subject to liability, but the president may not prohibit the individual from addressing the board publicly. The Brown Act requires that it be made known that if the public provides any information (including their name and address), it is on a voluntary basis.

Dr. Chapel thanked Mr. Wenkart for his presentation. Dr. Chapel stated that instead of scheduling annual workshops, he encouraged board members to continually refresh their skills as other professionals do.

ACCREDITATION

Dr. Hernandez expressed concern over the district being placed on warning status by the Accrediting Commission for Community and Junior Colleges (ACCJC). He reported that the

district has contacted Dr. Barbara Beno regarding inconsistencies in the district and college accreditation recommendations.

Dr. Hernandez distributed a corrected page 5.2 (3) listing the updated taskforce members who will be addressing ACCJC recommendations. He stated the district is required to respond, write, approve, and document the process that resolves the commission's recommendations.

Dr. Hernandez reviewed the material provided to the board including the suggested activities for completion of board self-evaluation. He indicated Dr. Beno is willing to schedule a workshop with the board regarding the commission's recommendations, and staff is gathering information on other district models for board self-evaluation.

Dr. Hernandez encouraged board members to address the commission's recommendation on the micromanagement issue of board members' communication with employees.

Dr. Hernandez thanked Dr. Bonnie Jaros for creating the document entitled "Timeline for ACCJC Reports and Visits due October 15, 2009." He reviewed the timeline and noted the expediency needed in following it.

Mr. Labrado and Mr. Hanna asked that staff provide information on college districts that were placed on warning status and the process such districts followed to be taken off warning status.

Dr. Chapel expressed concern over the warning status placed on the district. He commented that Mt. San Antonio College and Ohlone College had been placed on warning status and have model plans available. Dr. Chapel asked if a board member should be appointed to serve as a member of the accreditation taskforce. Dr. Hernandez prefers staff bring recommendations to the board during public meetings for discussion.

Dr. Hernandez asked if the board recommends scheduling a workshop with Dr. Beno regarding the accreditation recommendations.

Dr. Chapel assured Dr. Hernandez that the board is serious about taking immediate action on accreditation recommendations. In addition, he stated the board will facilitate staff, be timely in decisions, expend the effort, devote the time, and do whatever is needed to meet the standards needed to remove the warning status.

Mr. Labrado stated that he did not read of a micromanagement comment in the recommendations. Dr. Martinez indicated the micromanagement issue is in the report to the colleges and has a required response by 2011. Dr. Chapel clarified that certain recommendations are required to be addressed by October 15 and other recommendations have different deadlines.

Mr. Hanna indicated that when the board met with the visiting accreditation team, micro-management was not discussed. The board's discussion with the team included the lack of

distribution of the board's self-evaluation and the self-evaluation not being included in board minutes. He asked that a presentation by a consultant be placed on the next board meeting's agenda.

Dr. Chapel asked if the board is able to make a decision on a board presenter tonight. Dr. Hernandez answered negatively, but commented that the board may recommend the chancellor seek a consultant. Dr. Chapel asked Dr. Hernandez to be clear in his directives to the board as the board does not wish to delay the process of addressing the commission's recommendations.

Ms. Woolery asked Dr. Hernandez if the board needs to have a consultant as she was not aware of micromanagement issues. Dr. Hernandez indicated the list of suggested activities for completion of board self evaluation was created by staff with the best interests of the board in mind.

Mr. Hanna asked that accreditation be placed on the agenda for discussion at the next board meeting. He questioned if the board needs to have an outside consultant make a presentation to the board as the district has Dr. Jaros who is able to act as a consultant on this issue.

Mr. Hanna stated the board takes the commission's recommendations seriously. He asked if the self-evaluation policy should be reviewed by the Board Policy Committee. Dr. Hernandez recommended the board hold open discussion at a board meeting for documentation purposes.

Since Dr. Chapel has served on an accreditation team in the past, he indicated a team usually reads the prior commission's report. He suggested the 2008 accreditation team may have been searching for resolution on the 2001 recommendations by the ACCJC.

Mr. Hanna suggested hearing from Dr. Jaros at a future date. Dr. Chapel asked if Dr. Jaros was able to address the board at this time.

Dr. Jaros thanked the board for its willingness to work on the commission's recommendations. In agreement with the chancellor, she asked the board follow staff's suggested activities for completion of board self-evaluation, not have a board member sit on a taskforce, and ask Dr. Beno to make a presentation to the board. Dr. Jaros suggested defining the commission's standard and researching how the district fell short of meeting that standard.

Dr. Jaros suggested an outcome approach to program review. She understands the board did an Association of Community College Trustees (ACCT) self-evaluation survey in 2008 and asked if the survey questions may be of use in completing this approach.

Mr. Hanna asked that accreditation be placed on the agenda for the next board meeting, and the item include defining an accreditation standard. He asked that Dr. Jaros review ACCT's survey and advise the board on the questions that meet the commission's standards in relation to the board's self-evaluation process.

Dr. Hernandez and Dr. Jaros indicated staff has not been provided a copy of ACCT's survey relating to the board's self-evaluation process.

Dr. Chapel stated that ACCT's survey fell short of the board's expectations and did not recommend its use.

Dr. Hernandez recommended the board follow the suggested activities for completion of board self-evaluation and begin the process of implementing the activities. In addition, he recommended the board choose self-evaluation survey questions and determine to whom the survey should be distributed at a future board meeting.

Mr. Labrado asked that hiring Dr. Barbara Beno be placed on the next agenda.

Mr. Hanna commented that the ACCT survey on self-assessment was an improvement over prior years' self-assessments. He presented a copy of the ACCT survey to Dr. Hernandez.

Dr. Chapel indicated the taskforce has been established; the board is energized and will provide resources to accomplish the task in a timely matter. He asked that the accreditation item be listed as an action item on the next agenda.

In response to Ms. Woolery's comment regarding micromanagement in the commission's report, Dr. Martinez stated that the word "micromanagement" was not used, but read into the record from SAC's evaluation report from ACCJC dated November 26, 2008, page 64, the following:

"The board understands its responsibilities and authority regarding educational, legal and financial matters. Board activities and actions are consistent with its policies. However, evidence was identified that indicated individual trustees are directing staff and/or requesting records of information on an individual basis and not going to the board chair and chancellor as the proper mechanism to be employed by trustees to obtain information. This diminishes the role of the district office to act as a liaison between the colleges and the governing board."

Referring to both colleges' evaluation reports from ACCJC, Mr. Vázquez encouraged board members to read Standard IV. He indicated SCC's Standard IV is found on page 39 of SCC's evaluation report and addresses an October 15 deadline for response. In addition, he stated that pages 40-42 address recommendations that have different deadlines for response.

Dr. Jaros commented that by addressing the commission's recommendations that require a response by October 15, the district will have documentation for responses to the commission's recommendations for future deadlines.

Dr. Chapel indicated the board is eager, anxious, and ready to facilitate staff to progress as quickly as possible on addressing the commission's recommendations.

QUARTERLY INVESTMENT REPORT AS OF DECEMBER 31, 2008

The Quarterly Investment Report (for the quarter ended December 31, 2008) was submitted as information.

CONSTRUCTION PROTECTION SERVICES (CPS), SECURITY COVERAGE AT DIGITAL MEDIA CENTER (DMC)

It was moved by Mr. Conley and seconded by Mr. Labrado to approve changing the hourly rate for CPS security services from \$12.40 to \$13.45 effective January 2008 through fiscal year 2008-2009, termination of CPS coverage at DMC, and retention of CPS services as a contracted security provider in the event other construction projects require security coverage beyond the capacity of in-house staff.

Mr. Hanna stated that Mr. Yarbrough indicated his questions had been answered satisfactorily.

The motion carried unanimously.

RESOLUTION #09-03 IN HONOR OF SUPERVISOR BILL CAMPBELL

It was moved by Mr. Hanna and seconded by Mr. Labrado to approve Resolution #09-03 in honor of Supervisor Bill Campbell.

Mr. Hanna indicated he wrote the resolution to honor Supervisor Bill Campbell and urged his colleagues to support it.

The motion carried unanimously.

BUDGET UPDATE

Mr. Hardash reported the state passed a budget which includes a 17-month budget plan, corrections to the 2008-2009 and 2009-2010 budget to reflect a shortage in state revenues and increased expenditures, tax revenue increases of \$12.5 billion, expenditure reductions of \$14.9 billion, borrowing of \$5 billion in lottery funds, a federal stimulus of \$7.8 billion and vetoes of \$957 million. The condition of the state budget rests on the passage of the following measures at a May 19 special election ballot: state finance, education finance, California state lottery, budget act of 2008, mental health services act, and state officer salary increases.

As a result of the state budget, Mr. Hardash reported during the 2008-2009 fiscal year community colleges will not have a student tuition fee increase or a cost of living adjustment (COLA), and will have a \$340 million deferral to July 2009, \$200 million deferral from June 2009 to October 2009, and reduced Proposition 98 funding. During the 2009-2010 fiscal year, community colleges will not have a student tuition fee increase, a property tax backfill, or

categorical program reductions, but will have 3% growth funding and a continuance of Cal Grants.

The proposed deferral of current year apportionment for January and February 2009 to July 2009 is approximately \$11 to \$13 million for RSCCD. The apportionment deferral is expected to cause severe cash flow shortages for districts. RSCCD will be forced to borrow from internal funds, the O.C. Treasury, and/or issue Tax Revenue Anticipation Notes (TRANs). The state has caused depletion of the district reserve. Mr. Hardash indicated the district may need to make an additional \$5 million in reductions and borrow funds for June 30, 2009. The current year funding concerns include a P-1 deficit to current apportionment of \$76 million statewide (approximately \$1.8 million for RSCCD).

Mr. Hardash indicated staff is evaluating the student health fees and parking fees.

Discussion ensued regarding the budget. Dr. Hernandez indicated that as the district plans for next year's budget, it must keep in compliance with the 50% law; therefore, staff will begin the process of hiring 14 additional faculty members.

If estimates are accurate, Dr. Hernandez indicated the district may need to reduce an additional \$4 to \$6 million in its budget.

If the state budget had not passed, Mr. Hanna commented that the district would be in a more difficult financial situation. Mr. Hardash agreed. However, Mr. Hardash indicated the one-time \$7.8 billion federal dollars is being used to maintain the current budget; therefore, the 2010-2011 budget is uncertain. Mr. Hardash indicated that if the state had made the reductions anticipated, it may have resulted in approximately \$20 million dollars in budget reductions for RSCCD.

If the federal stimulus bill monies had not been made available to the state, Mr. Hanna asked if the district would be able to provide the current quality of education with \$20 million dollars less. Dr. Hernandez indicated the district would provide outstanding education services to fewer students.

If the revenue provisions for the state budget do not pass on the May 19 special election, Mr. Hanna asked for the monetary effect to RSCCD. He understands these figures are not able to be provided until state budget details are released.

REVISION OF PUBLIC COMMENT FORM

It was moved by Mr. Conley, seconded by Mr. Hanna, and carried unanimously to postpone action on the revised public comment form for Rancho Santiago Community College District for further review by the Board Policy Committee.

Mr. Conley asked that the public comment form be reviewed by Mr. Ron Wenkart, County Counsel, and be sent to board members in their weekly communication from the chancellor.

BOARD MEMBER COMMENTS

Ms. Woolery thanked Mr. Hardash for the budget update and the list of district bank accounts.

Ms. Woolery asked for the type of insurance provided to the district to recover funds if needed. Mr. Hardash indicated government code requires banks that house district deposits be collateralized.

Mr. Hanna commended Mr. Flores and students for initiating the summer school rescue fund. He indicated that if the district is asked to reduce its budget by an additional \$5 million, community partners may need to be contacted to seek additional revenue.

Mr. Hanna asked if consideration had been given to non-credit students receiving student health services. Dr. Hernandez indicated the district has considered offering health services to non-credit students but decided against it due to legal regulations. Mr. Hanna asked for the cost to the district of providing health care to students.

Mr. Conley asked that Ms. Laurie Weidner or a representative from Townsend Public Affairs provide a report to the board on the Washington, D.C. trip.

After visiting Mr. George Boggs in Washington, D.C., Mr. Conley asked that the issue of the district not paying dues to the American Association of Community Colleges (AACC) be addressed at the next board meeting.

Mr. Conley asked that the board receive informational eblasts from the chancellor and college presidents.

Mr. Conley asked that invitations to special events involving state representatives be given to the board as soon as possible.

Mr. Conley asked that photos be sent to him via email that were taken in Washington, D.C.

Mr. Hanna asked for the status of approximately \$240,000 for the nursing department. Dr. Hernandez indicated he would include an update in his report at the next board meeting.

NEXT MEETING

The next regular meeting of the Board of Trustees will be held on Monday, March 9, 2009, at the District Office, 2323 N. Broadway, Santa Ana, California.

ADJOURNMENT

There being no further business, Dr. Chapel declared this meeting adjourned at 9:23 p.m.

Respectfully submitted,

Eddie Hernandez, Jr., Ed.D.
Chancellor

Approved: _____
Clerk of the Board

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
Office of the Vice Chancellor of Business and Fiscal Services

2323 N. Broadway
Santa Ana, CA 92706
(714) 480-7340

Date: February 23, 2009
To: Board of Trustees
From: Peter J. Hardash
Subject: Docket Questions

From Trustee Phil Yarbrough

6.9 Construction Protection Services, Security Coverage at the Digital Media Center (DMC)

How does this save us money? What did we budget before that was more costly?

- We are currently paying for CPS, Inc. contracted security for 128 hours of security coverage per week at the Digital Media Center at a rate of \$13.25/hr. This is about \$92,000 per year, which was budgeted for this fiscal year. We are terminating this coverage at the DMC, effective 3/2/09, so we will save about \$30,670 for the remaining 4 months of fiscal year 08-09.

If we were to re-new the CPS, Inc. contract for the same level of coverage at the Digital Media Center next fiscal year, it will cost us a minimum of \$92,000/year, plus any additional rate increase. By not continuing to provide this coverage at the DMC, we'll save at least \$92,000 in FY 09-10.

By transferring an existing part-time position from the district offices to the DMC to provide security coverage during night classes, we can replace the CPS, Inc. security coverage at the DMC during hours when students and faculty are present, without incurring additional costs.

Although there are no current needs for contracted security coverage, we are recommending that we retain CPS as a contract security provider on an as needed basis, in the event that unexpected security concerns arise which overwhelm our ability to cover with existing RSCCD Safety and Security personnel or which would lead to high overtime costs.