

**AGENDA and NOTES
Consultation Council
Thursday, August 19, 2010
Chancellor's Office, Rm 3A and B
9:30 a.m. to 2:00 p.m.
1102 Q Street, 3rd Floor
Sacramento, CA 95811**

Prepared by Melinda Nish, President, CCCCIO Executive Board

1. July 15, 2010 Meeting [Summary](#)

No changes to the meeting summary

2. State Budget [Update](#)

Erik Skinner presents. Reaction to August 4 budget proposal. Details were favorable for colleges, relatively speaking and including 2.2% enrollment growth, rejection of negative COLA, some restorations and augmentations (\$35 mill for categorical, etc).

Reimbursable state mandates are new. Proposal is to establish a financing mechanism by which local education agencies can access reimbursement payments (via selling a debt vehicle such as bonds with the collateral being the future state payment for the mandates, and then financing agency makes a cash payment to the colleges/schools). This is a creative way to free up some one-time funds. Not a windfall but would allow some money back in local accounts. Not enacted into law, but strong likelihood it will be.

A number of key mandates were suspended for one year 2010 – 2011, including recycling programs and specifying interactions between CCC's and local police agencies. Districts don't have to do these and the state will not reimburse the district for performing these activities.

Suspension is one of the worst options. For example, during one year the district will do nothing as the mandate is suspended, but in a year it may be reinstated and then the program must be reinstated, which could be more costly. Repeal may be better.

Erik feels there will be a hypersensitivity concerning mandates from here on out, particularly on the K-12 side.

Since August 4, nothing new to report. Special election last Tuesday for Maldonado's seat in Senate and it went Republican which allows for Republican strength on budget issues. The governor has a major trip in September to China. Erik feels that the governor will try to have a budget deal set up BEFORE the trip. If we don't have a budget by Sept 9 we may be in for a long haul for any type of agreement.

What about cash flow issues for districts that are currently borrowing? (Based on CCLC's last budget update.) Erik states no district has approached the Chancellor's Office with issues of imminent danger. More than a dozen have approached CCLC and said they can't make payroll if the Sept payment doesn't come in. About 50% districts will have issues, as per Scott Lay within the next 1 – 5 months.

50% law: BOG adopted last year some provisions dealing with categoricals such that if money was shifted to cover categorical cuts, that shift of funds was used to give relief for 50% rule and

this has just recently been signed off by the Dept of Finance. Erik does not know how many districts will be in trouble with the 50% law.

3. Faculty **Obligation** and One-Time Funds

Thomas Burke presents. San Mateo passed a parcel tax and intent was to restore sections. Compliance with the FON is generally a specific number of FT faculty which changes with growth. However, with the FON frozen, the percentage is based on FT to PT faculty number. The parcel tax is a temporary source of funds and will sunset after 4 years. Using the dollars should be for one-time activities, such that when the funds disappear there is minimal impact on the district. The dilemma is then if you use the funds for sections, you would logically use PT faculty only, as FT faculty are not a one time expense.

ACBO proposes a modification to the FON such that these PT faculty hired with this type of funds be excluded from the FON calculation.

The Faculty Senate appreciates the concern, but the truth is there are already a lot of sections being taught by part-timers. Can't these funds go to those and not erode the 75/25 and FON? Senate feels this is just one more attempt to erode the FON.

San Mateo told the voters that the money was to ADD sections, not just pay for those already in place and taught by PT. They can't hire more FT faculty since they don't have new on-going funds. This is a short-term issue, they feel this issue will go away during the time the FON is frozen.

The Senate asks if over the four years the assumption is to not hire FT faculty? The response is, no, San Mateo will hire to replace FT retirements and they will hire to keep in compliance with the hard number but not the percentage.

Erik Skinner sees that this is the first district to pass a parcel tax. This is a new option. This is much less attractive if the FON regulatory issue gets in the way. If left unaddressed this is much less attractive for other districts to look at this as an option. Erik finds San Mateo's argument compelling and would argue to suspend the percentage.

Santa Monica failed to pass a parcel tax. So maybe this is not such an interesting option. This was the first time in history that Santa Monica rejected an educational funding request. There is now the idea to add a city sales tax with a good portion going to educational districts.

FACCC is not in favor of modifying FON.

CCCCEO rep states this is such a limited event and pertains to just a small situation with a limited term...the funds are only to be used for a very short term and is a short term infusion, therefore, we should promote this exception and allow the FON exemption. A sales tax would be more of an on-going source of funds, but since this is only four years, we should endorse this exception.

Union reps are not speaking in favor of this since they feel that it actively erodes the FON and will leave the district with many more sections with PT at the end of the 4 years. It is not in the student interest to have more PT faculty.

CCLC acknowledges we are choosing amongst the worst options. Now that we have this issue with FON that actively discourages any districts to go forward with parcel taxes. We simply do not have the funds at this time, and this is a short-term necessary evil. CCLC supports ACBO.

CCCCSSAA also supports ACBO.

Student government reps want anything that supports more classes. They also want to maintain the 75/25 but want to support adding classes.

ACHRO also supports this. And even thinks in the long-term could support hiring more FT faculty. If more colleges get a parcel tax, does that open the door for a decrease in apportionment funding? Could this create an excuse?

Erik thinks not since there are so few districts who could even pass this type of tax.

Senate feels that it is a fallacy that you will get rid of sections once the one-time money goes away. So you should have already increased your FT faculty ratio.

CCCCEO rep states that four years from now we will be in different growth patterns and four years from now San Mateo may have NEGATIVE growth. This one time funding allows them to address today's issues.

4. Government Relations Update

Marlene Garcia reports.

We are in the amendment phase of the legislative session.

Bills are sorted into three categories. Tier 1 are those CCCCO has taken a position. Tier 2 are those that have an impact on CCC but no position. Tier 3 have secondary impact but are watched to see if they change and increase in impact.

SB 1440: Transfer Reform – developing a new policy and there are some issues in the details. No further amendments expected. Two new changes: Mandate language. Waivers were produced from all districts stating no request for additional funding due to a mandate. Full agreement on the inoperative contingent mandate language, but not stricken from the bill. Second issue is student priority consideration for the CSU of their choice. However, CSU enrollment management challenges didn't allow full priority consideration for their CSU of choice, but they could for the local CSU campus. There will be an implementation task force created as soon as this bill is passed and this will be one issue taken up by that group.

Senate, working with CIO and CSSO VC's, is drafting a letter to send out to constituency groups. Telling people to hold off on implementation. Content of degrees is one issue and academic senate will assume responsibility. Senate is trying to identify the top majors affected. Senate wants a coordinated approach. Therefore, they want to identify the 18 units in the most frequently transferred majors. The faculty have the right of determining the curriculum. They want to work with CSU faculty.

The CCA/CTA issue is what units will be accepted. The League states that this is being addressed. The implementation task force will be taking up these issues.

AB 2302: Companion to SB1440. Fong's original transfer bill and was not sponsored by CCC. Fong wanted to have an ed bill and wanted something complementary to SB1440 which would add UC. UC has supported SB 1440 in concept. It is hoped that UC will come on board. This bill has a UC provision (asks UC to put together an effective transfer process). The language is INTENT language only. Asks UC to develop an interim report next summer and a final report in December 2011. Bill also asks CSU and CCC to work together on how we inform students and provide that plan to LAO. CSU will post online all majors similar to CCC majors. LDTP is REPEALED. Also, a

provision directing the CCCCO to identify course commonality, basically endorsing the CID project. The bill really just serves a political service.

SB 1143: Student Success Task Force – has dramatically changed to a task force. BOG is directed to create a task force to study student success and completion. There will be many ways to participate and provide input to this task force.

AB 2385: Nursing Pilot – will establish an innovative Allied Health and Nursing program to increase capacity (online and accelerated learning was in it but it was stripped so that colleges could determine this). This is contingent upon obtaining resources.

AB 2682: Online Assessment Pilot – sponsored by BOG and provides for common online assessment with participation of CCCAssess group. The purpose is to provide a free, common, online assessment, not required to use. Districts would still get to keep the money they are using for online assessments. It is likely that we will have the commitment from Finance so that this will be free.

There have been several compensation bills emerging stemming from the Bell issue. There has been a general reaction of greater transparency and accountability. AB 827, SB 501, SB 1995. The League asks that we all look at this because this could create a real recruiting issue for CEOs and other top executives.

5. 2011-2012 State Legislative Program

Legislative Task Force needs to be convened for both state and federal. An invitation to volunteer will be sent out. One meeting: Oct 7 from 10 to 3. Discussion of what should be sponsored by the BOG. There will be a more minimalist approach as to what to support. Need to identify someone from CCCCO to represent us.

BOG confirmation. Two members are going for approval before Senate: Peter MacDougal & Henry Ramos.

Federal relations: See packet attached. Presented by Valerie Purnell.

Veterans' support. Still looking for more funding. Total is nearly \$3 mill is needed, but we have an earmark of \$500K which is in line with what other systems are receiving in the country. Sierra, Butte, LACCD, San Diego CCD, will be the four pilots.

For 2011 agenda, continued work on Veterans, Student Success, Financial Aid (issue with for-profits), training and development capacity as Dept of Labor begins to distribute money. Valerie wants to start building processes now to receive feedback from CC constituencies. Marlene suggests using the Legislative Task Force.

6. Part-time Faculty Task Force [Report](#)

Barry Russell reports. The final recommendation is that the system communicates the PT issues to the field. In the local districts we can make the biggest changes. Across the state we already have a very unequal process. Therefore, we need to communicate across the groups so that everyone is better informed. Many of the issues are bargaining issues. Barry will be working on the communication-specific issues.

CCA was one of the signatories asking for a PT issue committee. They still want this. There are over 40,000 PT and we do not have a place to specifically target the related issues. CCA

represents PT faculty, but also even though there is union representation, PT have issues that are specific to them and they need a voice within the Chancellor's Office.

League states there are at least 4 representatives right now at the Consultation Council, so it seems to be an internal issue and those that represent PT should be looking at how to resolve that.

PT reps are asking for formal representation at the Consultation Council.

Barry will report to the Chancellor.

7. Student Senate Report: Alex Pader reports. Supporting SB 1440. Local assembly Oct 21 – 29 in San Diego. Oct 7 is a “day of action” similar to March 4th. This will be a peaceful and lawful day of assembly. Students are grateful to the budget workgroup for their support. Students are working with counterparts in CSU and UCs.

8. Other:

2011 – 2012 Budget request – Erik Skinner reports. We must have a 2011/12 budget request by September. BOG must adopt a recommendation, then forwarded to the DOF. A budget workgroup has convened. Focus on restoring base capacity: restore categoricals (full restoration), COLA for 11/12 and to make up for lost COLA, and additional enrollment funding. Totals over \$900 Mill, which does not totally make up for lost COLAs, but makes a start. This is a stripped down, core funding needs, budget request. There is additionally one extra item for the Student Senate and to allow a budget augmentation of \$200K.

Breaking news: series of grants coming through the Dept of Commerce for technology. Patrick Perry's office has \$48 million with CCC involvement (central valley expansion of broadband). Barry Russell's office has \$11 million through the Mesa program providing support for student technology.

Linda Michalowski reports that we have received a \$200,000 donation in addition to Hewlitt funds for EAP.

Accreditation remains a forefront issue.

Meeting is adjourned.