



Financial Advisory Council Meeting

Tuesday, February 6, 2007

Rio Salado College

Room 515

2:00 p.m. to 4:00 p.m.

Members Present: Joe Bodell, Jeanne Christen, Arthur DeCabooter, Ted Georgas, Steve Helfgot, Maria Hesse, Jared Langkilde, Linda Rosenthal, Dennis Shaw, Debra Thompson, Cheryl Washington, Rene'e Young, **Yvonne Zeka**

Guests: Lulut Clow, Jerry Davis, Lionel Diaz, Joyce Elsner, Susan Horner, Gaye Murphy, Jane Saldana-Talley, Sue Tavakoli, Grady Wolfe

Debra Thompson noted that since a number of committee members were absent, any action items would be sent out for a vote via email.

Agenda Items:

Meeting Minutes 1/23/2007: The January 23, 2007 meeting minutes were approved with the correction that "2" (not 1) committee members voted for \$4 tuition increase. The text will be corrected to read: *"When asked for the vote for tuition increases, 4 members voted for no tuition increase, 7 members voted for \$2 increase, 2 members voted for \$3 increase and 2 members voted for \$4 increase."*

2007 Legislative Update – There were no representatives from Governmental Relations to give a formal presentation; however, several bills or legislative actions that could affect the Community Colleges were discussed (e.g. Travel ban, proposal to cut dual enrollment, implementation of Proposition 300 in a timely manner.)

New Facilities Operating Support:

Gaye Murphy reported that the FAC Subcommittee met and submitted the two operating support recommendations that were included as Attachments B and C. She briefly described the changes proposed with each attachment.

Attachment B - In the Process Guidelines, item # 3 is amended to include operating funds for a project that may not be funded 100% by bond funds. Due to inflation, the bond funds earmarked for a project may be insufficient to provide the total square footage requested; consequently, colleges may subsidize funding from its own resources. Provided there is no increase in planned building size, subsidized new construction will be supported at the \$15 per gross square footage as originally planned.

Attachment C – Facilities that were acquired or built with little or no bond funds are normally not included in the multi-year schedules for new facilities operating support. Therefore, funding for these require a special request form and will be treated on a 'case-by-case' basis, after FAC reviews available support funds.

Several committee members made comments or asked questions about the attachments. Debra Thompson pointed out that the Chancellor had made commitments to legislative representatives to evaluate the need for each bond-funded project. She suggested we modify our process so we can demonstrate the review and re-assessment of every bond project before design.

It was suggested that perhaps a new form be designed with an affirmative statement why this project is required, so CDAC and FAC can review and re-approve if this project is really needed prior to design and construction.

Lionel Diaz stated that the bond guidelines required FAC approval twice, before conceptual approval (“ed spec”) and before going out to bid. FAC gets a list of projects for approval after going to CDAC. There was discussion about the approval before design, timing between approvals, changing of scope of project, impact of inflation, etc.

Linda Rosenthal pointed out that the 2004 bond projects may have more changes in this day and age than the 1994 bond approval. She noted that if we go to more “e-learning”, we may not need the same number or types of buildings that were anticipated two years ago when the 2004 bond election was held. We owe this re-evaluation to the public and to the Legislature.

Gaye will work with Lionel on a re-draft and will ship out the revised proposal to get the electronic vote for this action item.

Plus / Delta

- + Efficient/brief
- + Plenty of elbow space
- + Look flexibly into future responsiveness and accountable to community
- + Accurate Labeling of Attachment A