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**MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT
GOVERNING BOARD
FEBRUARY 20, 2009
MINUTES**

A study session of the Maricopa County Community College District Governing Board was scheduled to be held at 1:30 p.m. at the District Support Services Center in Tempe, Arizona, pursuant to A.R.S. §38-431.02, notice having been duly given.

PRESENT

GOVERNING BOARD

Colleen Clark, President
Randolph Lumm, Secretary
Don Campbell, Member
Jerry Walker, Member
Debra Pearson, Member

ADMINISTRATION

Rufus Glasper, Chancellor
Maggie McConnell
Debra Thompson
Teresa Toney
Gloria Smith

Attendance: Approximately 50 people

CALL TO ORDER

The study session was called to order at 1:40 p.m. by Governing Board President Colleen Clark. Ms. Clark informed everyone that the purpose of this study session would be to conduct a follow-up to the discussion that was started at the February 3, 2009 Governing Board Retreat and also to conversations among board members and CEC in terms of what vision is being set for 2009 and beyond.

- A. Update and Discussion of MCCCCD Budget**
Focus: Learn about updated information related to budget
- B. Discussion of Board Positions Assignment Recap**
Focus: Review of Board Member areas of responsibility
- C. Discussion of Board Lifelong Learning Module and Report Out Proposal**
Focus: Discuss new process, including timeline, for Board Member learning together and identify a book or other resource to begin the process of sharing learnings as applicable to Maricopa
- D. Provision of Final Copy of the IT Audit to Board With Discussion on Systemic Problems Addressed In It**
Focus: Brief review of process, findings, and recommendations of Information Technology Audit and direction for follow-up
- E. Discussion of Policy Governance Model, Interpretation and Language**
Focus:

- Review of concept of Ends/Means, Board Job Description, and Chancellor's Role
 - Response to Whistleblower question
- F. Update on Legal Department's Report of Contracts/Renewals/Renegotiations**
Focus: Brief review of analysis of existing contracts
- G. Discussion of Potential Hiring Freeze/Administrative Cost Analysis Update**
- H. Discussion of Criteria for Board Member Travel**
Focus: Identify criteria for determining value-added board member travel
- I. Discussion of Board Communication Via MCTV Videocast Recordings Supplied Via E-Mail and Archived on the Governing Board Website**
Focus:
 - Determine potential audience and purpose.
 - Identify process for preparing videocast recordings and communications plan and strategy
- J. Discussion of a New Procedure for the CEO's Report to the Board**
Focus: Provide information on a new format for the Chancellor's written reports to the Board
- K. Discussion of College Accreditation Through Higher Learning Commission**
Focus: Become familiar with importance of accreditation and role of the Board
- L. Discussion of Streamlined Process to Handle Student Issues**
- M. Scheduling Board Study Sessions Going Forward**

Update and Discussion of MCCCCD Budget

Focus: Learn about updated information related to budget

Ms. Clark commented that this was the first opportunity board members had had to discuss the budget and what future specific direction will be taken. Chancellor Glasper interjected a suggestion that since staff was prepared to do an update on the budget, perhaps this a good time to hear the presentation before any more discussion took place.

Vice Chancellor Debra Thompson made the following presentation:

Budget Overview

1. Adoption Process Timetable
2. The Economy: Financial Impacts and Actions to Date

3. Budget by Fund
4. Revenues
5. Expenditures
6. Balancing

Adoption Process Timetable: (Maricopa’s traditional budget adoption timeline.)

- February – First formal budget presentation
Program needs have been vetted, assessed valuations are known Feb 10th, Spring semester is underway enabling better tuition and enrollment projections, both the Governor and Legislature have made funding recommendations
- March—Tuition Adoption; Budget as Information Item
Provides sufficient time to print materials before preregistration; students receive advance notice and have lead time to apply for financial aid, increase savings, etc.
- April—Preliminary Budget Adoption
Provides lead time for program implementation or salary/benefit adjustments that may require computer system changes; faculty, staff and students are aware of pending changes before the Spring semester ends
- May/June—statutorily required notices/publications
Requires newspaper publication of Maricopa Legal Budget and TNT notice; Board may adopt a budget lower than the amount publicized, however increasing the budget would require a repeat of the notification process
- June—statutorily required Truth in Taxation hearing, roll call vote, budget hearing and statutorily required budget adoption by the June 20th deadline

The Economy: Impacts and Actions to Date

- The Maricopa Community Colleges have NOT experienced impacts that the state, many cities, counties experienced
 - More diverse revenues
 - Less reliant on sales taxes
 - Less reliant on State support (compared to counties and cities)
 - While we cut college and district office budgets, this was to adjust spending to revenue declines from State appropriation cuts; overall the FY08-9 budget grew modestly and under some scenarios, the FY09-10 budget could grow

Economic Impacts and Actions To Date

IMPACTS	ACTIONS TAKEN
\$17.5 million State cuts (\$5.4 million operational cut; \$11.1 million capital suspension)	2% operational budget cuts (approx. \$10 million); suspend all capital aid
Slowing tax growth new property: 22% decline to \$14.3 million from \$18.2 million in FY08-9	Budget accordingly
Future State cuts?	2% cuts already taken will help us with future cuts; additionally already engaged in planning for <u>additional</u> potential cuts/ funding suspensions at colleges, DO and DW

Budget By Fund (Operating funds are for ongoing needs while capital funds support discrete one-time purposes. We spend most of our time dealing with Fund 1. Most of the day to day college activities are supported through Fund 1. Fund 2 is mostly fee-for-service auxiliary programs; this will be even more so in FY 2010 as we consolidate portions of student service programs that are not auxiliaries with Fund 1 programs.)

Fund 1--General Operating Fund:

– District’s Main Operating Budget—process focuses on Fund 1

Fund 2--Auxiliary Fund:

– College activity fee supported, self supporting, and non credit instruction—budget to expected activity level; will be moving some revenues and expenditures to Fund 1 but this does not increase available funds

Fund 3--Restricted Fund:

– Federal grants, contracts, gifts, and financial aid—budget to expected award amounts

Fund 7--Plant Fund:

– Construction, land purchases, equipment, library acquisitions; mostly 2004 bond program funds that already is master planned or related debt service

Balancing

Budget balancing is the art of evaluating alternatives and making informed choices that reflect our values and priorities. Some considerations:

- Serve quarter of a million students; this requires considerable resources
- Amount of additional State cuts is uncertain; not sure when we will know
- Additional cuts could come next year—need to plan for this
- Governing Board decision on 2% tax levy and proposed tuition increase influence available resources
- Enrollment is up...100% of tuition and fee growth from enrollment growth traditionally is allocated back to the colleges to cover the cost of growth
- Some spending increases are needed, even when budgets are scaled back

Fund 1 Revenue (Fund 1 Revenue comes from 3 sources: Property Tax, Tuition & Fees, and State aid. The Governing Board sets property tax rates within the constitutional limits and according to a process and timetable laid out in state statute. We received our assessed valuation information on the February 10th statutory date so we have good data for projecting property tax revenues. A 2% increase would add a dollar and forty five cents per hundred thousand of assessed valuation meaning that a \$200,000 homeowner is looking at less than a \$3.00 increase. The primary rate would go from .7253 to .7398. SRP makes a payment to Maricopa in lieu of a property tax and that is still pending, but we should have it by February 20th. The Governing Board has broad discretion in setting Tuition and Fees. Other than the Constitutional requirement to be as nearly free as possible, there are few restrictions. A tuition increase consistent with the rate of inflation would be \$3.00, but our internal Financial Advisory Council was concerned that the State Aid cuts coupled with District needs would have a negative impact on program quality. Part of the recommendation is to use \$1.1 million of the new revenue for financial aid. In that way, the people who most directly benefit from a quality education contribute to the cost, but we do not shut out our needy students. State Aid is entirely at the mercy of the legislative process. In some years, we know our aid number in January; last year we

found out 4 days before the new Fiscal Year started. This year we will remain uncertain until late June as well.

Property Taxes (56% of budget) revenue growth is Constitutionally limited to 2% annually plus new property
Increasing by 2% adds \$7.2 million and the Levy Rate would go up \$1.45 per \$100,000 of assessed valuation; new property is \$14.3 million for a total of \$21.5 million (total primary taxes on a \$100,000 home would be \$73.98 per year).

Tuition & Fees (26% of budget) are set by the Governing Board. Constitutional mandate to be “as nearly free as possible”. Maricopa’s Tuition is a little below public 2-yr colleges nationwide
The Financial Advisory Council recommends \$5 (to \$76/cr hr) or 7% increase based on program needs which would add a total of \$11.1 million. Also recommend a \$27 (to \$242/cr hr) increase in the non resident surcharge.

State Aid (8% of budget) is, by statute, formula funded based on actual enrollment growth; hold harmless for no growth/less funding when State lacks revenues
Appropriations Chairs offered FY10 options of cuts totaling \$11.3 million; Governor Brewer’s recommendation not out yet. Cuts could equal these options, be less or more.

Potential Expenditure Increases (Amount in millions of dollars)

These FY 2010 proposed items total \$21.97 Million

They represent a short list of critical continuation needs. There are no new program initiatives; no employee cost of living adjustments

<u>Mandated/Contractual</u>	<u>Amount</u>
Known IT Maintenance Contracts	1.12
ATASS (articulation with U's)	0.02
Compensated Absences	0.70
Policy Manual Driven Salary Increase	1.30
Unemployment Insurance	0.50
Subtotal	<u>\$ 3.64</u>
<u>Other Categorical Needs</u>	
New Faculty Positions (5)	0.50
Additional Student Scholarships	1.10
One Time Benefits Consultant Bid	0.13
Emergency Communications	0.50
Reserve for additional State Aid Cuts	6.10
Prop 301 Faculty	0.50
Operating costs for new Facilities	2.50
Capital Support (loss of State aid)	7.00
Subtotal	<u>\$18.33</u>

Evaluating Alternatives (When the Board is ready to bringing the budget into balance, here are some of the alternatives you may want to evaluate. If we begin with the lowest revenue scenarios, the Board would need to scale back the proposed short list of expenditures and may need to impose additional program cuts on the Colleges and District Office above the \$9.9 million already taken.)

- Low Revenues -

	No Tuition and No Levy Increase		
Fund Source	Chairs Cut	SA Cut 50%	SA Cut 100%
State Aid - Chairs Cut	(11.3)	(11.3)	(11.3)
State Aid - Added Cuts		(18.5)	(44.1)
Prop Tax - New Prop	14.3	14.3	14.3
Prop Tax - 2% Levy Incr			
Tuition - Resident Incr			
Tuition - Non Res Incr	1.4	1.4	1.4
Reallocate Internal Cuts	9.9	9.9	9.9
Other	(3.1)	(3.1)	(3.1)
Total	11.2	(7.3)	(32.9)
Mandatory Expenses	(3.6)	(3.6)	(3.6)
Total	7.6	(10.9)	(36.5)
Other Categorical Need	(7.5)	0.0	0.0
Total	0.0	(10.9)	(36.5)
Add cuts to Colleges/DO	0.0	10.9	36.5
Balance	0.0	0.0	0.0

Implicit Expenditure Decisions (As the Board makes decisions about revenues, it will force additional decisions about expenditures. If the Governing Board decides NOT to increase resident tuition or the property tax levy, it must also decide how reduce expenditures. These are not easy choices as they may have long lasting impacts. As an example, the FY 2009 state aid cuts left the District without a source of support for capital equipment, library books, or maintenance. We cannot sustain instructional programs –

particularly vocational programs – without equipment. Our 2004 Capital program supports new building construction through a secondary property tax, but without operating support to open the facility it does not seem prudent to move forward with construction of any more buildings.)

	No Tuition and No Levy Increase		
Items Cut:	Chairs Cut	SA Cut 50%	SA Cut 100%
Capital Support	7.0	7.0	7.0
Operating Support	2.4	2.5	2.5
Prop 301 Faculty	0.3	0.5	0.5
Health Benefits Consultant		0.1	0.1
Reserve for State Cuts		6.1	6.1
Emergency Communicate		0.5	0.5
New Faculty Positions		0.5	0.5
Student Aid	1.1	1.1	1.1
Cut to Colleges/DO		10.9	36.5
Total Cuts	10.8	29.3	54.9

Evaluating Alternatives (Considering alternatives that increase revenues will require fewer decisions about expenditure cuts. There are both statutory and logistical requirements that will affect revenue determination. If the Governing Board decides not to increase the tax levy or student tuition and the legislature makes additional state aid cuts, it may be too late to go back and go through the statutory process to increase the levy or to provide sufficient notice of a tuition rate increase.)

- Increase Revenues -

	With Tuition & Levy Increase		
Fund Source	Chairs Cut	SA Cut 50%	SA Cut 100%
State aid - Chairs Cut	(11.3)	(11.3)	(11.3)
State Aid - Added Cuts		(18.5)	(44.1)
Prop Tax - New Property	14.3	14.3	14.3
Prop Tax - 2% Levy Increase	7.2	7.2	7.2
Tuition - Resident Increase	11.1	11.1	11.1
Tuition - Non Resident Incr	1.4	1.4	1.4
Reallocate Internal Cuts	9.9	9.9	9.9
Other	(3.1)	(3.1)	(3.1)
Total	29.5	11.0	(14.6)

Mandatory Expenses	(3.6)	(3.6)	(3.6)
Total	25.9	7.4	(18.2)
Other Categorical Needs	(18.3)	(7.3)	(0.0)
Total	7.5	0.0	(18.2)
Additional cuts to Colleges/DO	0.0	0.0	18.2
Balance	7.5	0.0	0.0

Adoption Process Timetable (still at the beginning of the process and will continue working through revenue and expenditure projections.)

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Discussions:

Inflation

Mrs. Pearson asked how inflation affected the 2% increase which equaled \$1.45 in \$100,000 assessed value. (Response: Inflation is built into this.)

Restatement by Mrs. Pearson stated inflation rate of economy right now is 3.6 as reported in June, 2008 and there have been other indicators released in September and June that are lower than that. Inflation is now 2%. What does 1.45 per \$100,000 equal to? (Response: 2%) Basically constitution is fixed at 2%. **Mrs. Pearson requested more information on how inflation factored into these numbers being presented and being recommended.** She also felt that a policy should be set up on growth plus inflation. The state of the economy was discussed and that Arizona has always been in a great economic position. The federal stimulus should help offset losses

Educational Spending Comparisons

Mr. Lumm indicated that he has requested information pertaining to where Arizona stands on spending for students at the high school, elementary and community college levels. He is interested in looking at where money is being spent and if we were spending lower or less. Dr. Glasper requested clarification on what Mr. Lumm means by tax support, if it meant aggregate dollars or amalgamation of different tax components that make this up. Mr. Lumm responded that it would be the components because he recognized that there were different types of funding. Mrs. Pearson cautioned that it was important to look at the research done and who it was done by and also the intent of the research, as numbers could have different interpretations. Dr. Campbell remarked that with Maricopa having the largest community college in the United States, it served the largest number of students. Mrs. Pearson affirmed that our state has historically recovered more quickly during downturns in the economy. Ms. Clark stated it fell upon the Board to be much more careful as tuition and budget numbers were set. Whatever budget numbers were set, it was necessary that they have a positive impact on students.

Ms. Thompson informed each board member that they had been provided an informational piece on revenues and spending. With it being very dense information, it may be hard to decipher what it says. It includes tax information and comparisons to other school systems in Arizona and the U.S.. Property taxes are the major source of revenue for Maricopa and the constitution does not allow taxes to be raised more than 2% and we are essentially audited on our compliance to this by the Property Oversight Commission. Tuition and fees make up 25% of our resources and these are raised at the discretion of the Governing Board. There are no laws that govern how much this can increase or how often they can occur. State aid is the smallest share of our budget and this is based on a formula but when the state does not have the resources, they do not fund the formula. To date the appropriations chairs have recommended \$11.3 million in cuts. We understand that the Governor is working on a recommendation but we have not seen that at this time. Whatever may happen, it could be more than what is on the table or it could be less. We could be looking at future cuts in future years or mid-year.

As revenues are being looked at, we \$3.64 million that we need to keep track of and we do have information systems that we use to do this. We are required by County Regulations to fund these (GASB). Mrs. Thompson responded that a formula was used to fund these and that the Board approved these policies. Mrs. Thompson explained that these funds included maintenance contracts, human resources, student information, university partnership information, employee policy allowances for accumulation of sick time, unemployment insurance, etc. . Mrs. Pearson asked if they had any clauses for inflation or escape clauses, and, if not, this was irresponsible. Other priorities that have not been mandated but have been raised are faculty positions for those colleges that have been growing on the west and east sides of the county that have been in very high rates. In the past, if there has been a tuition increase, the Board has been interested in increasing scholarship dollars to students. In the wake of disasters that have occurred across the country, master planning is a priority and these costs may be \$500,000. Also, forty faculty have been funded out Prop 301 and these need to be taken into consideration so that they are full funded when funds go away in twenty years. We also need to plan to fund \$14 million in operating funds for all the facilities that we expect to come up.

Concluding comments by Mrs. Thompson: The budget has been configured with three different scenarios and the District is ready to implement whichever one is necessary dependent on the actions of the Board. Firm and fast, however, Arizona Revised Statutes is the June 20 adoption of the budget.

State Budget & Stimulus/Economic Downturn

Discussion ensued on the stimulus package and how it affected our state. Dr. Glasper stated that all ten colleges in the state have made recommendations and are working with the Governor's staff. The Governor has a short window to approve. Mrs. Pearson requested a laundry list by amount that we are going to be held harmless. Chancellor Glasper said this was not possible since state is \$425 million in the hole for 2009. Need to fill hole and then take rest of money to fill other holes that have been created. **Mrs. Pearson requested a laundry list of floor votes on the Senate and House appropriations list regarding community college cuts.** Ms. Clark commented Maricopa needs to be in a place that it does not depend on mood of the state or federal funding. We are not in a position to count on things such as the stimulus going forward. The community college district needs to be proactive and pre-emptive about things that could happen in an economic downturn, particularly when that downturn is projected to last until 2012 or 2013.

RFP

Ms. Clark spoke about the Request for Proposals that was approved at the meeting of February 13, as a third party was hired to look at Maricopa's Institutional Effectiveness and Stewardship in order to prepare for any necessary changes. We have to be in a position of relevance, adaptability, agility, and sustainability as we go forward. We are in a place that we can look could look at a budget today and we would do a disservice to the Maricopa family and community if we would not ask how can we get better? This has to be a fundamental point in this discussion. Innovation is critical to that and so is creativity. We are each going to have to engage in this. Dr. Glasper made the point that the employee groups, Mrs. Thompson and her staff have been meeting to talk about ways to balance \$55 million. There have been over two hundred recommendations made to date and employees believe they can contribute to the solution.

Out-of-State Tuitions

Mr. Walker mentioned that in his conversation with Mrs. Thompson, he had asked what would happened if burden on out of state students was increased. Mrs. Thompson responded that this would be prepared and mailed out to all Board Members.

Alternative Sources of Funding/Partnerships

Dr. Campbell recommended that alternative sources of funds be developed, such as Fulton Homes with ASU. Could our Foundation work with its members to raise funds to support various funding needs? Ms. Clark indicated she had been asked to join the Foundation Board but was hesitant to do so at this point. She stated she was much more interested in developing partnerships for workforce development. Mrs. Pearson would like to see both areas developed. Her number one vision was transfer, not workforce. When we set priorities, we need to set priorities as to how budget is set.

Budget & Proposed Scenarios:

Chancellor Glasper stated that we have operated in a manner in the last three to four months with practically zero knowledge of where state was going with the budget. One billion to three billion. Everything was on the table. Last three weeks they have been look at this significantly and have developed different scenarios. Without knowledge people become afraid. There is no crisis in this district. Planning has been done prudently by both staff and the board. We have never used fear tactics. If we say we are going to close a college, then we had better mean it because we don't have to spread further fear out there.

Summer Classes:

The topic of Summer II classes was brought up and discussed. One college (SCC) had discontinued its second summer semester because of low attendance. The college met the needs of students wanting to take two classes during the summer by offering them earlier in the summer. Savings of \$300,000 was realized. Mrs. Pearson indicated that she didn't want classes, students, and services compromised. When summer classes are cut, you cut salaries. In some of the recommendations we have been cutting front line. SCC President commented that they already have eight weeks classes for Summer and some classes have been cut but no faculty have been cut. When SCC looked at summer II Classes, it was determined Summer II could be incorporated into Summer I. Faculty agreed to start at front end of summer classes sequenced. Section eliminated and adjuncts not hired. Budget savings utilized. Looking at effectiveness and efficiency with the students always in mind. This rationale worked. President Clark stated that this is what the Board is referring to when they ask for creative thinking and thinking outside the box. It is the burden of the Chancellor to communicate these ideas and give accolades to those implementing creative changes. The Board can make more informed choices. **Mrs. Pearson asked what the numbers were for adjunct and full-time faculty that have other employment.**

Front Line Cuts:

Ms. Clark stated that the first line of cuts come operationally from front-line individuals that deliver customer service. Employees will be placed with extra burdens if front line is cut, and students and community will get a lesser product. Need to look at servant leadership and how we can employ it as we look at what we are willing to sacrifice to ensure that Maricopa does the best job that it can. What way are we going to put servant leadership in place at the executive level and everything underneath that. One of the problems that community has when they look at Maricopa is that administrative overlays are at a very high level and we don't have enough individuals at the front line providing excellent customer service. Looking at this very closely and that is the reason for exploring a third party. None of this has to instill fear but sobriety. Not fear. Taking people off front line will create fear. Mr. Lumm remarked that summer school cuts hurt students. We need to make sure we are not cutting front line salaries. His interest is to keep dollars in the classrooms. Dr. Glasper reassured Mr. Lumm that no salaries had been cut.

Discussion of Potential Hiring Freeze/Administrative Cost Analysis Update

Mrs. Pearson stated that with the downturn in the economy, questioned why there are new hires when there is the possibility of letting others go. How credible is a hiring freeze when you still see people hired. You are going to have positions that are left vacant and now you fill them as you need to. We can work through this that some of these positions will remain unfilled. **We need to put a definition to the term hiring freeze so that the definition is clearly understood to put an end to the drama that is being perpetrated.** Need a hiring freeze for no new positions that are not related to student needs (especially enrollment) and therefore as redesign takes place we know what criteria will be used for filling or not filling positions. Hiring freeze may not relate to health and retirement. One of the concepts that we had locked into this proposal of a hiring freeze, as we awaited the analysis from Dr. Glasper and Ms. Thompson on the budget, will be interdependent. Dr. Glasper commented that he was under the impression this topic had been awaiting the analysis of the budget.

Public Relations & Marketing:

Ms. Clark asked what were effective measures and what was not lending itself to the number of viewers and to the relevance that we need to have, especially in times such as this when we have to be very careful with every dollar. We need to look at the cost of tuition at MCCCDC versus what it takes to go to ASU. This information should be used in marketing measures and we need to be providing this information to the public very clearly in our marketing measures.

Tuition:

On February 3 we talked about budget numbers going towards promotion and what is effective and what is not as we make these decisions. Mrs. Pearson shared that as tuition increases are discussed, people are commenting that we are contributing to this economic downturn and it being extended. Ms. Clark expressed that it appears that the pulse of the Board is that there will be no tuition increase. Dr. Campbell stated he wished to clarify what might have been misunderstood earlier. Many organizations receive money and we should do the same and then those dollars can be funneled to those that are having problems. Local organizations also provide scholarships for students. Mr. Lumm suggested that tuition not be raised but thinks that the Board needs to make sure that as they reach a decision that they take into account what money is needed to run district as the Board has a broader view. People will usually respond that tuition increases are not needed. Mr. Walker stated he felt that smart people here at the District should develop ideas that can be commercialized and will generate money, other than raising taxes.

(15 minute break)

Summer School, Schedules, Collaboration:

Continuation of discussion of Item A since it is such a large item and has many related issues. One of these areas would be low demand or low areas of attendance in terms of the 09-10 budget. Are there any programs in the District that the Board would like to look at, such as the Scottsdale Summer School areas. Mr. Lumm asked if these summer closures needed to come before the board. He also asked what dollar figures were associated with these cuts. Some students will pay \$1200 to the University of Phoenix in order to get through school faster. He knows we do this at Rio but thinks many students

go away because they need to get started on their careers. Mrs. Pearson indicated that a more collective understanding needed to be provided for a cohesive sense. Would like to know what population we are serving and who are the students that take the 5 and 8 week classes? Feels a concern for the quicker classes so that they can be fit into schedules that people have. Dr. Glasper stated that when colleges put together their scenarios, they put together the scenarios based on their individual college's ability to function. Colleges look at options individually. **Where else in the system can we reduce costs in order to need the wishes of the Board? Ms. Clark asked if it would be possible to look at the plans from the different colleges to see what direction they were taking.** Mr. Lumm stated that SCC may have created a solution. We could redesign Summer I and II and start earlier. Are there multiple options to offer classes? What are the cost savings? It was stated that when sequential classes may not be available, students are referred to Rio and help them find a way to serve their needs through online classes or other colleges that may be nearby. **Ms. Clark asked what it would take to take this concept elsewhere. Provide ample options for delivery. Board needs information on what it will look like at other colleges. Need to increase options for students. Provide report of concepts, methods, time, and programs.**

PR & Marketing As It Pertains to Budget:

What is going to be emphasized? Would like information on a concept of what is working for us and what is it costing or decreasing costs for 09-10. What is tuition for one year for MCCC, four-year institutions, and private institutions?

Discussion of Board Positions Assignment Recap

Focus: Review of Board Member areas of responsibility

At the February retreat the following areas of responsibility/specializations were agreed upon by Board Members:

- Policies – Jerry Walker
- Information Technology & Human Resources – Randolph Lumm
- Diversity – Don Campbell
- Legislative & Foundation – Debra Pearson
- Budget & Financial – Colleen Clark

These areas of responsibility/specializations were assigned for the purpose of board members being able to go to a fellow board member when questions arose pertaining their areas of responsibility and experience and that board member would be the interface.

Mrs. Pearson inquired who she needs to sit down with regarding district-wide structure and board opportunities for involvement. Dr. Glasper informed her that it would be him and Donna Schober.

Contracts:

Mr. Lumm expressed an interest in information on contracts we have. How much are we paying?

Childcare:

Mrs. Pearson asked about childcare costs, the cost to outsource and the cost on-campus. She stated she had received great information from President Lara as to what they did on their campus. **Would like to see this issue researched and would like information on legislation relative to childcare.** Five campus presidents provided information that indicated is cost approximately \$250,000 to run a childcare center for about 25 students that needed this service. In turn they received \$50,000 in revenues. The requirement for enrollment is whether students qualified for federal financial aid. Some link this service to their childhood education classes. In order to make childcare uniform across the district, would need to do a means test district-wide. Mrs. Pearson stated that information was needed so that it could be presented to the legislature. Dr. Glasper stated that if the State was not willing to pay for this service, the District would have to fund. Ms. Clark asked we could best come up with a solution that doesn't rely on state aid or a way to wager with State. Dr. Campbell asked if the Foundation could find sponsors. **Mrs. Pearson suggested that Dr. Harper-Marinick possibly have a grant proposal done for this. Ms. Clark asked if information on this could be provided by mid-March.**

Sabbaticals

What are the criteria for sabbaticals? In general, the criteria includes timeline, application process, six months to one year, qualifications based on policy manuals. **As sabbaticals are resumed, could the concept and models be presented if reduced by 50%? What savings would this mean for the District? What is the average cost per year?** It was suggested that the Board consider the merits of sabbaticals and the opportunity to retrain. Sabbaticals can be a great value. It was requested that a cost/benefit be part of the costs to be researched. Dr. Glasper commented that a time analysis on all studies by middle of next month. Mrs. Pearson stated she would like to see community colleges needs come before the others and would proposed discussing something thoroughly than to not do so. Dr. Campbell suggested that they concentrate specifically on what they want to be accomplished.

Provision of Final Copy of the IT Audit to Board With Discussion on Systemic Problems Addressed In It

Dr. Glasper commented that a review of IT had been done and it included focus groups, faculty, students, and staff. The report was received on February 9 relative to findings and recommendations. Ten commendations were included on the strengths and 32 recommendations on the progress that already been made. **ITS will write a formal response to each recommendation and would propose it on March 24. A report will be made to the Board. An analysis of the two systems employed at MCCCDCD (Blackboard and Rio Learn) will be provided.** Rio Learn is proprietary to Rio Salado College and generates income. Blackboard is funded through capital funds. Other entities were looked at, however, no other institution had as many students and we needed a stable environment for students. One year left on the three-year contract. Mrs. Pearson commended the study that was done on IT. She asked Dr. Paul Dale about the hybrid program that PVC has and how this recommendation assisted PVC. Wants a clear vision picture of how hybrid programs will be affected. Study did not look at in-house versus externally. Faculty Executive Association President Barry Vaughn stated it was important to remember that it was a narrow study of the IT level at District and did not address how

it works at colleges. Would like all president to have this report. It needs to be read thoroughly. Focus should be on recommendations. The final report looks at instruments used to gather information. Are we where we need to be? Need to step back and look at this as we move forward. It took six months and significant cost to do it. Multiply that times many hours and costs as others areas are looked at.

Third Party Review

Mrs. Pearson stated that she was pleased that it is not going to be a rush job. Does not want to stay in same place. What she sees in her children is that there were born with IT 101 and her speed does not match theirs. As we look at this we can look forward to more technology for higher education in U.S. which is behind other countries. Have families that speak four languages. Why are we not capturing genius in individuals? We are quick and fluid. We are progressive. Need to use visionary approach and ability to become frontier runner in this country.

Discussion of Policy Governance Model, Interpretation and Language

Ms. Clark questioned what model was in place? Have been asking for reports so that thoughtful decisions can be made. This is not outside of authority. **Would like to have the words “but not limited to”** in 3-4-5 of Manner of Governing. Ms. Clark indicated she would work with Teresa Toney on this. As an organization that is going to change, we need to be involved and have specific questions answered.

Mr. Lumm concurred with what was being discussed. The statutes require him to know a lot. Mrs. Pearson stated that policy governance has grown. People who embraced it made it easier to be on board. Grew to be a civic service. Mr. Walker stated that modifications needed to be made. Chancellor must be informed. Have to make requests through him. To operationally accommodate the Board, would need to be involved in establishing language. Will work with Teresa Toney and Mrs. Pearson.

Discussion of Streamlined Process to Handle Student Issues

Make sure Dr. Gasper is informed but process should be streamlined. Always keep Dr. Gasper in the loop. Any requests should be copied to Colleen Clark to eliminate duplication.

Whistleblower

Ms. Toney stated that she had been asked to prepare a message regarding the Whistleblower Process in the event that an employee contact the Board regarding an issue that is a whistleblower concern. Whistleblower versus Ombuds Service. With Whistleblower protection policy, person coming forward with a name; with ombuds, this may be anonymous. **Looking for feedback on message.** Concern that employee may not be aware of Whistleblower Policy. Mrs. Pearson indicated that when someone contacted her anonymously, she identified them as a coward. They were afraid of losing their job. They are more vulnerable anonymously than if they use Whistleblower protection. Instead of contacting her, they should have a place on the web to communicate with the Board. Should be on a district site. Mr. Lumm commented that in some cases, they are not protected, i.e. adjunct faculty. Dr. Gasper explained that a process exists. **Would suggest the creation of a secure site that people could go to.** Dr. Campbell remarked that many people would still go to the Board directly. In his personal experiences, he has

advised them who they should go to. Ms. Toney stated that the process can be found in three places: Whistleblower Protection, Board's Policies, and Blue Book. She has also been going out to campuses this past semester and explaining the process. Mrs. Pearson wants employees to have a user-friendly page to post comments.

Discussion of Board Communication Via MCTV Videocast Recordings Supplied Via E-Mail and Archived on the Governing Board Website

Will move forward on this.

Update on Legal Department's Report of Contracts/Renewals/Renegotiations

Maggie McConnell and Mike McIntier are the two individuals that deal with contracts. They have about twenty leases; 13 of them have exclusive use. At Scottsdale Community College, \$19,000 per year is paid. We are trying to buy some for MCC. Did an analysis on what we are paying based on market analysis and comparisons. Six are below market price and two we don't know. At Williams we lease raw land and at GCC truck driving land is leased. Three are under market and two are over. **Look at leases and see if we can negotiate for lower cost. Some are leases but they are really rentals. Look at market leases? Ask colleges if they want to remain at these locations.**

Discussion of Criteria for Board Member Travel

Ms. Clark stated that a value added purpose should be considered on travel. Dr. Campbell stated that normally two conferences are attended by board members; maybe attendance could be rotates. Ms. Clark stated that if there is a conference, share it with the Chair and put it out there for discussion. Mrs. Pearson stated there is a need to be involved at the national level. Need to be connected to outside world. As we take leadership role, it only helps us to be a part of the nation we are a part of. She asked Dr. Helfgot if there was a way donors could be sought for this purpose. Dr. Helfgot responded that if money was raised through the foundation, it should not be channeled for Board Member travel. Dr. Campbell recommended that board members should continue to go to conference but only a certain few. Board members would then return and share information.

Mileage Reports

Ms. Pearson suggested that all board members should receive copies of expense reports and review what is being claimed as board related. Dr. Glasper stated he would work with Gloria Smith on this. Dr. Campbell concurred with Mrs. Pearson on this, as did Ms. Clark.

Discussion of a New Procedure for the CEO's Report to the Board

Dr. Glasper stated he has been working the Board President on the newsletter that currently goes out to all Board Members. **It has been requested that the focus should be on items related to Mission/Vision/Values. He will look at calendars and ask how the activities are related to Mission/Vision/Values and will pick one or two areas per month.**

Discussion of College Accreditation Through Higher Learning Commission

Dr. Glasper mentioned that two colleges are coming up for re-accreditation. The Board should be aware of what is involved in accreditation and they will be asked regarding their

role. **Might want HLC representative to have a training session so that process is understood.** To Mrs. Pearson's question as to who will be interviewed, Dr. Glasper stated that are all invited to initial and exit sessions.

Scheduling Board Study Sessions Going Forward

Ms. Clark indicated that no end times could be noted on study sessions because of the obligation to remain here. Study sessions are an integral part of the process.

Adjournment of Study Session: The study session adjourned at 6:00 p.m.

Randolph Elias Lumm
Governing Board Secretary