

Board meeting of June 18, 2012

SOME HEADLINES

Trustees approved or reviewed:

- Adoption of the 2012-13 tentative budget
- Creation of new positions
- A contract for the Stelling Parking Structure
- An update on the District Office renovation

INFORMATION & ACTION ITEMS

Adoption of tentative budget for 2012-13: The board approved the tentative budget for 2012-13 after a presentation by Vice Chancellor of Business Services **Kevin McElroy** and Budget Director **Bernata Slater**.

Vice Chancellor McElroy noted several developments since June 4 when he previewed the budget for the board. Legislative language is now pending that would guarantee state backfill funding for any shortfall in property-tax revenues that the governor proposed redirecting from redevelopment agencies to community colleges. The backfill agreement could spare Foothill-De Anza up to \$4 million in mid-year cuts that are anticipated in the district's 2012-13 tentative budget. On the other hand, the district may need to use more one-time dollars than anticipated to offset a further reduction in the number of students the state is funding for 2012-13, resulting in an estimated revenue loss to the district of \$1.5 million. Because these developments are not final, however, they are not reflected in the tentative budget. The district must proceed with its budget adoption process before knowing exactly what the state budget will bring.

The district's tentative budget projects a "worst-case" deficit of \$13.2 million for 2012-13. This projection is based on failure at the polls of the governor's tax initiative in November. While hoping for the initiative's passage, the district must prepare for its possible rejection by voters and budget for that, Vice Chancellor McElroy said.

The tentative budget projects only \$6.6 million in carryover funds that could be used on a one-time basis to fill the \$13.2 million deficit in 2012-13. The colleges and Central Services have been asked to come up with plans for closing the gap between revenue and expenses. If the worst case comes to pass, the district will have to begin scaling back in winter and spring, with section and staffing reductions occurring as early as January 2013, Vice Chancellor McElroy said.

Trustee **Bruce Swenson** noted that between 2008-09 and 2012-13, the district's unrestricted General Fund revenues will have dropped from \$199.6 million to an

estimated \$169.6 million. Over the same period, district expenses will have increased from \$196.9 million to an estimated \$197.8 million.

To a large extent, he said, the drop in revenues has been driven by enrollment declines that have occurred in part because the state is funding community colleges to serve fewer students. However, recent changes in state regulations or their interpretation could make it difficult for the district to recover lost enrollment even if the state begins funding colleges for enrollment growth.

From 2008-09 to 2012-13, the number of full-time-equivalent students (FTES) the district serves will have dropped from 38,570 to 30,793 FTES projected in the tentative budget. "The key issue is are we going to recover or is this a new equilibrium?" Trustee Swenson said. "Does this represent what the new local demand is with the courses we have now?"

Benefit plan alternative: The board authorized Vice Chancellor **Dorene Novotny** to arrange alternate medical benefits for about a dozen former employees who were hired before July 1, 1997, worked for the district at least 20 years and separated from the district but are not drawing a pension from CalPERS or CalSTRS. These former employees qualify for continued health benefits. However, CalPERS, the district's new plan administrator starting July 1, has rejected them for coverage because they are not drawing a pension. The district is appealing that decision, but in the meantime is legally obligated to provide health benefits. Vice Chancellor Novotny said solutions will vary by individual and that given the short time frame, she needs flexibility to arrange alternatives quickly.

Stelling Parking Structure contract: Trustees authorized the award of a contract to Ashron Construction and Restoration for renovations to the Stelling garage at De Anza that will improve the safety, usefulness and life expectancy of the structure. The project is being funded with Measure E bond funds.

District Office renovation: The board rejected all bids for the district office renovation because they substantially exceeded the budget. The district will revise the scope of the project and advertise for new bids. The renovation will probably be delayed for at least a year.

HUMAN RESOURCES & PERSONNEL

New positions: Trustees approved creation of three new computer information systems instructor positions at De Anza to accommodate full-time CIS faculty whose positions are being eliminated at Foothill College. Under the agreement between the district and Faculty Association, these faculty members have the right to assume class assignments previously offered to part-time faculty. The board also approved a counselor position at De Anza that will be funded by an Asian American Native American Pacific Islander Serving Institution (AANAPSI) grant.

REPORTS & HEARINGS OF ITEMS NOT ON THE AGENDA

Public comments: **Wanda Lee**, a senior administrator at San Francisco State University, shared her reflections after spending a full academic year at De Anza College as a fellow of the American Council on Education. As an ACE fellow, she said, she visited

26 different educational institutions across the nation. "The way De Anza goes about looking at budgets is one of the best models for colleges and universities to tackle these terrible problems," she said, describing the process as inclusive, participatory and transparent. She complimented the Board of Trustees for staying focused on policy issues and important questions such as how to move the colleges forward and not getting caught up in minutiae, micromanaging and politics. She thanked President **Brian Murphy** and members of the senior administrative staff for their help and support.

Student and staff comments: Current and former environmental studies students joined **Julie Phillips**, Morgan family chair of environmental studies at De Anza, in presenting trustees with the book *Safe Passage for Coyote Valley, A Wildlife Linkage for the Highway 101 Corridor*. Produced by environmental studies students, faculty and staff, the book vividly describes in words, pictures, maps, charts and graphs their research findings about wildlife corridors in Coyote Valley. Julie Phillips thanked President Murphy and Vice President of Instruction **Christina Espinosa-Pieb** for supporting environmental studies students conducting fieldwork outside district boundaries, despite obstacles. After hearing from a number of students on how the four-year effort to connect them to nature changed their lives, trustees expressed respect and admiration for the students, the program and the work being done in Coyote Valley.

Presidents' comments: Foothill College President **Judy Miner** reported that Foothill's early summer session has exceeded expectations, resulting in a gain of about 350 full-time-equivalent students. She noted that trustees will have an opportunity in July to visit accelerated summer classes the college is offering in conjunction with the Central Occupational Center in San Jose with funding from a career-technical education grant.

She also reported that the board will be asked at an upcoming meeting to approve three new hires into new positions that resulted from a campus reorganization, providing opportunities for some staff members who would otherwise have been displaced. Counselor **Teresa Ong** will move into the position of director of disabled students services and veterans programs in Adaptive Learning, were the dean's position has been eliminated. This move results not only in cost savings but will build on her expertise, particularly with veterans, President Miner said. **Julie Brown** from Pass the Torch will move into Admissions & Records and **Jean McCarron** from Theatre Arts will join Instruction as a curriculum technician.

De Anza President Murphy thanked trustees for attending campus year-end events. He noted that U.S. Representative Mike Honda has nominated the Euphrat Museum of Art at De Anza for the 2012 National Medal for Museum Service, which honors museums that have made extraordinary contributions to their communities. He praised Director **Diana Argabrite** for "her incredible work at the Euphrat" at a time some feared it might go dark.

Chancellor's comments: Chancellor **Linda Thor** introduced **Joe Moreau**, who joined the district as vice chancellor of technology on June 11. Her comments about outgoing Vice Chancellor **Fred Sherman** kicked off a series of heartfelt appreciations around the room.

Among other things, the chancellor noted that in six years with Foothill-De Anza, Vice Chancellor Sherman has redesigned the technology backbone of the district while also managing district strategic planning. Under his leadership, the ETS team was instrumental in replacing much of the district's technology infrastructure; planning for technology in new and remodeled buildings; launching the computer refresh program;

and successfully implementing the Banner system. "His focus has always been on improving the teaching and learning environment, and he has the widespread respect of faculty, staff and administrators," she said. Chancellor Thor described Vice Chancellor Sherman as a strategic thinker whose great depth of knowledge has benefitted California community colleges for 19 years. Others variously described him as gentle and witty, kind and helpful, well organized and mild mannered but tough as nails.

Vice Chancellor Sherman said he has enjoyed working with the faculty, staff and administration. He said ranks Foothill-De Anza at the top of his list because of its teamwork approach and practice of facing problems head on. "Thanks for your support, your comradeship and for the good times," he said. He commented that the district is in great hands with Vice Chancellor Moreau. He called his successor "a very capable leader" and said he expects the district to make great strides under his direction.

Trustee comments: Trustee Laura Casas Frier noted that Pulitzer Prize winning journalist **Jose Antonio Vargas** is on this week's cover of Time magazine. She called it fitting since President **Barack Obama** announced this week that he is relaxing deportation rules against law-abiding young people who were brought to the United States before they turned 16 and have lived here at least five years. Foothill Dean of Student Affairs **Pat Hyland** mentored Vargas when he was an undocumented student at Mountain View High School and she was the principal there. He calls her one of his adopted mothers.

President Barram reported on attending various year-end events, as well as a presentation to the Mountain View City Council about the district and its plans for the former Onizuka Air Force Station. She commented on a recent visit to both campuses by a researcher from The Governor's Office of Planning and Research whose interests include sustainability, climate policy and preparing students for careers in the green economy. The researcher met with Julie Phillips at the Kirsch Center for Environmental Studies at De Anza and Foothill PSME Dean **Peter Murray** and faculty member **Robert Cormia**, who briefed her on the Foothill Science Learning Institute.

De Anza Student Trustee **Vince Mendoza** reported that he is working with a group of students researching open textbooks as part of a quest to find ways to reduce the cost of education.

NEXT MEETING

The next regular meeting of the Board of Trustees is scheduled for Monday, July 2 at 6 p.m. in the district Board Room. Agendas generally are posted 72 hours in advance at: http://www.fhda.edu/about_us/board/agenda/. Please check the agenda to verify time and location of the meeting.

Board Highlights is designed to communicate board meeting news to faculty and staff across the district. This publication is not the official minutes. The official minutes are available at http://www.fhda.edu/about_us/board/minutes after their approval at a subsequent board meeting. Please contact Becky Bartindale at bartindalebecky@fhda.edu or (650) 949-6107 with comments or questions about *Board Highlights*.