



SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT

BOARD OF TRUSTEES

BOARD MINUTES

Regular Meeting
September 2, 2009
2:00 p.m.

The Board of Trustees of the San Luis Obispo County Community College District met in Regular Session in room 5401, Student Conference Center, San Luis Obispo Campus, San Luis Obispo, California, members having received notice as prescribed by law.

1. **Call to Order** The meeting was called to order by Board President, Patrick Mullen at 2:02 p.m.

2. **Roll Call -
Establish
Quorum** Board Members
Patrick W. Mullen, President
Angela Mitchell, Vice President
Gaye Galvan
Per Mathiesen
Marie Kiersch

3. **Approval of
Agenda** **Motion to approve:** Mitchell — **Passed** by unanimous vote of those members present to approve the agenda, as amended.

Dr. Pelham proposed to move Item O.5 of the business agenda to O.1. The order of the remaining items will be as listed.

The board agreed through consensus to amend the agenda, moving Item O.5 to the top of the business agenda.

4. **Recess to
Closed
Session** The Board recessed to Closed Session at 2:05 p.m.

5. **Reconvene in
Open Session
& Pledge of
Allegiance** The Board reconvened in Open Session at 4:13 p.m. Trustee Mitchell led the pledge of allegiance.

BOARD MEMBERS PRESENT

Patrick W. Mullen, President
Angela Mitchell, Vice President
Gaye Galvan
Per Mathiesen
Marie Kiersch
Josh Shepherd, Student Trustee

ADMINISTRATION PRESENT

Dave Pelham, Superintendent/President
Sande McLaughlin, Exec Dean, NCC and SCC
Annette Loria, Exec Dir, HR and Labor Relations
June Stephens, Exec Dir, Foundation / Inst Adv
Deborah Wulff, Dean
Pamela Ralston, Dean
Gil Stork, Interim Dean

VISITORS SIGN-IN
(Attachment A)

6. ANNOUNCEMENT OF ACTION TAKEN IN CLOSED SESSION

Board President Patrick Mullen announced the following actions taken in closed session.

- All classified/management actions were approved as presented.
- No requests for action for faculty were presented.
- Instruction was provided by the Board to the President and staff regarding current labor negotiations.
- Discussion took place regarding possible litigation.

**Supt/Pres
Evaluation**

SUPERINTENDENT/PRESIDENT

- a. Agency Negotiator: Patrick Mullen
Instructions Regarding Unrepresented Employees: Superintendent / President;
general evaluation

**Classified/
Management
Personnel
(Attachment)**

CLASSIFIED/MANAGEMENT PERSONNEL

Motion to Approve: Mitchell — **Passed** by unanimous vote of those members present to approve the following action pertaining to Classified/Management personnel:

Appointments, Classified/Management

- a. Short-term, Hourly Employees
- b. Director of Financial Aid

Assignment Change

- a. Clerical Assistant III, 50% NCC

Resignation

- a. Director of Professional Development
- b. Public Safety Dispatcher/Records Coordinator
- c. General Maintenance Worker

**Academic
Personnel
(Attachment)**

ACADEMIC PERSONNEL

NONE

**Labor
Negotiations/
Terms &
Conditions**

LABOR NEGOTIATIONS AND TERMS AND CONDITIONS OF EMPLOYMENT FOR REPRESENTED AND UNREPRESENTED EMPLOYEES

- a. Human Development Agency Negotiator: Annette Loria
Instructions Regarding Classified Employees; Negotiations
- b. Agency Negotiator: Annette Loria
Instructions Regarding Academic Employees; Negotiations
- c. Agency Negotiator: Patrick Mullen / Dave Pelham
Instructions Regarding Unrepresented Employees, Superintendent/President,
Confidential, Managers, Supervisors:

Litigation

LITIGATION

- a. Conference with Legal Counsel, Anticipated Litigation, Significant Exposure to Litigation Pursuant to Government Code 54956.9(b); Student Complaint, One Case.

7. REPORTS FROM EMPLOYEE ORGANIZATIONS

Academic Senate

Academic Senate President Steve Leone presented the following to the board:

- This is a historic meeting of the District Board of Trustees. He hopes the Board will make decisions that save jobs and maintain the integrity of college programs.
- He summarized the Senate's goals for the next year.
 - To work with other groups on campus to update the safety plan.
 - Update the mental health and protocol for students.
 - Reactivate the SLOA committee and coordinator position.
 - Improve and follow up on the accreditation response report.
 - A resolution supporting Allison Merzon and the CCFT leadership team and work they have been doing.
- The primary roll of the Senate during the current economic times is to prevent programs from being effected, suspended or discontinued. They are currently working on the definition of a program as it pertains to the campus. Deb Wulff, Kevin Bontenbal, Beth-Ann Dumas and he are participating in a task force regarding the program viability process, which includes discontinuance, suspension, and revitalization.
- He is defending two positions listed in the board agenda this evening. The Senate opposes the elimination of the Art Gallery Director position as this will impact two degree programs. The art gallery course is a requirement for the art history and professional practices AA Degree and it is an elective in the art studio AA Degree sequence. This could cause the suspension of one of the programs. The Senate also opposes the elimination of the Director of Advancement primarily due to the support the Foundation and in particular, June Stephens has provided in support of faculty and academic programs. Elimination of this position will have a negative impact on programs.
- The Senate is hoping for long term planning to begin now on fiscal years 2010 and 2011. They want to prevent sever impacts to programs and continue to work based on the principles used in the Planning and Budget Committee. At the core of those principles is programs. The college must identify programs as the center of all future decisions.

CCFT

CCFT President, Allison Merzon presented the following to the Board:

- She introduced the unit leadership team for 2009-2010: Peete Cock - VP, Mark Tomes - Secretary/Treasurer; negotiations team, Victor Krulikowski - Grievance Officer, Tony Rector-Cavagnaro - Council of Reps; Liaison, Kevin Bontenbal - Liaison, Mike Holmes - Council of Reps; negotiations team, Marilyne Cleaves PT Committee Chair, Andrea Devitt - PT Committee Co-Chair.
- Cuesta College is on the cover of AFT's national magazine. The article "Can We Talk" appears addressing the topic of accreditation. The president of CFT was contacted by AFT, looking for a campus to highlight union activity regarding the ACCJC accreditation process. She said this issue is not about the leadership or union but is multifaceted and impacts many people at Cuesta. Kevin Bontenbal, Steve Leone, and Peter Dill appear with her on the cover.
- She thanked Chris Green and Toni Sommer for being so diligent and responsive in their work regarding the budget.
- In July, Dr. Pelham and she agreed to meet, along with other stake holders, behind

closed doors to develop solutions for the current fiscal issues. CCFT wanted some action. These ad-hoc meetings occurred to the credit of Cuesta as a community and she thinks they were a step in the right direction but in the end, did not produced any real results. The CCFT's role was to be diligent in efforts to peel away the many layers of this fiscal crisis. Some of the findings have not been attractive. The concerns of the faculty are increasing. At fall 2009 opening day, she discussed with faculty the differences between state reductions to the general fund and local liabilities. The state deficit of approximately \$1.9 million has been covered. Local liabilities come every year. You can either plan for it on a monthly basis or scramble to meet them at the last minute. She also discussed the cut to the base and how that may impact faculty and students. This institution has a history of rolling budgets, not setting realistic budgets, and scrambling to find money at the last minute. The District puts salaries last and we cannibalize each other to fight for what is left. In 2008-2009, the college overspent between \$1.2 to \$2.4 million, depending on what figures are used. The District would still be facing a shortfall without the cuts from the state. This is self-created. This does not include salary increases for CCFT or CCCUE in 2008-2009. We need a long-term plan. This discussion is about accountability and achievable long-term planning. The current bait and switch budgeting CCFT recognizes must not continue. Long-term strategies need to be developed and those responsible for fiscal issues must be held accountable. This issue has been discussed since last spring and the District still does not have a long-term plan. It is unreasonable to ask people who do not have any fiscal authority to bear the responsibility of balancing the budget through layoffs and reductions. It tears at the very essence of this campus community. CCFT has seriously taken its roll in developing creative alternatives to layoffs and reductions. The group acknowledges the discrepancies between the CCFT's numbers and the District's as well as individual area numbers. This has impeded progress. Cutting classes impacts students and faculty, full time and part time. What kind of college do we want to be? She ran for union president because she asked herself that same question. She saw an opportunity to change the climate. Faculty support for her was a strong message that there needed to be a paradigm shift in the way the union was conducting itself, but she now sees a need for another shift. We need to become accountable for how money is spent and pay people first, not last. Disagreement and submissiveness are not synonymous terms. Critical thinking is the pillar of higher education. The Board has the opportunity tonight to send a message that it values people above anything else. The COPs proposal being presented this evening is one way to mitigate layoffs and reductions but it is not the only way. Acquisition of additional debt is a risky move that creates more long term debt and places salaries at risk. The small amount that could be added to this loan to prevent layoffs and reductions would have a significant impact on this campus. There are choices. This is the most critical time for our campus community and the College needs incredibly strong leadership and its strongest resource, people, to navigate this and future fiscal storms. The campus is a community because of the people who serve here. Some of the names on the reduction/layoff lists tonight have been here for over 15 years. We need their energy, wisdom, and investment.

- She asked the Board to make a decision that supports the Cuesta community while staying committed to the principle that it is the community of people that deliver the instruction and service to our students. That makes us who we are and that commitment should come first.
- She presented talking points to the Board.

CCCUE

CCCUE President, John Fetcho presented the following to the Board:

- He thanked his leadership team, Jim Dewing, Karen Reyes, and Bea Anderson for their work over the summer. He thanked Allison Merzon for the tremendous amount of work she has done on behalf of the college community and he thanked Toni Sommer and fiscal services for their work on the budget. All have responded well.
- The crowd is here this evening because of the layoff list. The ad-hoc committee pushed new ideas. The initial thought was that the entire scope of the budget deficit would be borne on employees through cuts and through severe cuts in service.
- He questions why some positions are being considered. The group thinks these cuts can be handled without layoffs and reductions.
- He expects the cuts to continue into 2010-2011 but does not know what the future holds. It will take hard work and he hopes the District does not have to visit layoffs in the future. It should be the last resort and not the first consideration.
- He presented talking points and survey cards to the Board.

Management Senate

Management Senate President, Jay Chalfant presented the following to the Board:

- He expressed sincere empathy to everyone whose jobs may be affected by the Board's actions tonight.
- The Management Senate is concerned about the people who are facing such a catastrophic loss, and the health and well being of the institution. The group is aware that the decisions at hand reflect a very difficult balance between the welfare of individuals and the welfare of the institution.
- Balancing between the welfare the institution and individuals is the very reason for the senate's resolution first offered to the Board during the July meeting. That same resolution is presented tonight as business agenda item O.4.
- The Management Senate had hoped through this and other efforts such as the ad-hoc budget meetings, there would be no layoffs for any employees. The group is concerned that the college has not reached this goal and is grieved by the potential loss of jobs. The senate thinks it has still set the right path and continues to work collaboratively towards budget solutions.
- In that collaborative spirit, other options may be presented this evening, which would forestall layoffs and reductions. The senate stands by the offer but believe it would be appropriate to defer the offer if the board chooses alternative methods in which to mitigate budget cuts. Regardless, Management Senate will continue to work collaboratively with the administration and other employee groups to develop a solution based on the principles of fairness, accountability, and shared sacrifice.
- In order to maintain and improve the college's excellent reputation, the college community must come together to find solutions to these issues. That has been the goal of the Management Senate from the beginning. The group is small as a political force but with the experience and knowledge of the members of the constituency, it is a valuable voice. We are working diligently on developing a middle position and an understanding between the various entities on campus.
- The senate urges the administration to work diligently to develop budget planning that can meet the contingencies the institution may face mid-year as well as next year; focusing first on operational costs, as well as detailed and careful revenue and cost projections. A unified response will be best realized when the entire college community achieves an understanding in dollars and cents of the severity of this crisis.
- However, the welfare of this college is measured in much more than dollars and cents. The health and well-being of this institution is created by the employees of Cuesta College. As the College moves forward in these exceedingly difficult times, the senate asks the Board and the administration to respect and honor this strength.

8. REPORTS FROM BOARD MEMBERS

Trustee Mitchell

No report.

Trustee Mullen

Trustee Mullen presented the following to the board:

- He attended a Foundation Executive Board meeting last Friday, along with Dr. Pelham. There were strong feelings and opinions presented regarding the recommendations brought before the board this evening. Much of that emotion has been directed at Dr. Pelham and the administration, but the Board directed him and the administration to present a balanced budget, and that placed them all in a very difficult position. Many comments and emails have been received regarding that issue and he thanked everyone for their input.

Trustee Galvan

Trustee Galvan presented the following to the board:

- She attended the annual scholarship reception at Cuesta. It was an enjoyable event which allowed the donors to interact with the recipients. The students are very appreciative of these generous gifts towards their education.
- She thanked everyone who contributes and makes these scholarships possible and stressed their importance to the success of so many students.

Trustee Mathiesen

Trustee Mathiesen presented the following to the board:

- He attended a District Dialogue in the president's office for District 2 and exchanged many ideas with guests regarding Cuesta's roll in the community.
- He attended opening day. The mood was somber.

Trustee Kiersch

No report.

Student Trustee Shepherd

Trustee Shepherd presented the following to the board:

- The ASCC working to mitigate, as much as possible, the negative effects the budget is placing on students.
- They are also positioning themselves to respond to the increasing needs of the students due to cutbacks. They are paying close attention to the possible reductions in student support.
- The group is concerned about the possible loss of computer databases in the library. They are invaluable to students.
- Payments to students eligible for the GI bill have been delayed. It is a federal issue and if it continues it could be dramatic impact for many students.
- As a representative of the students, Mr. Shepherd wants to engage more with the faculty. Currently they only actively communicate with the administration. During these difficult times it is essential to keep all lines of communication open on campus.
- The ASCC is facing the potential loss of one third of its staff. That will immediately affect their ability to serve students. He certainly hopes to explore every option before having to address layoffs.
- ASCC is working towards a long-term vision in the 5-year plan by creating and enhancing a collegiate environment. Cuesta is a commuter campus and the group wants to concentrate on student's needs outside of the classroom and create an environment that compliments their educational needs as well as their life needs.

9. Report from

In addition to the following written report, Dr. Pelham presented the following to the

Supt/Pres
(Attachment)

Board:

- He thanked everyone who was present for their expression of concern for Cuesta and the Cuesta community. It is something that everyone is concerned about, especially with regard to keeping the impact to students at a minimum.

10. Communication
(Attachment)

NOTE: Members of the Board of Trustees and/or the Superintendent/ President may report the receipt of various items of correspondence that may be of interest to the College District.

None.

11. Hearing of Public Comment

Trustee Mullen indicated that requests for public comment regarding a specific issue addressed in the agenda will be presented when that agenda item is presented for discussion.

Shannon Wilson, CFT Field Representative presented the following to the board:

- Her emphasis tonight focuses on hourly employees. The real silver lining in the difficult decisions facing everyone tonight, and in relation to real possible layoffs, is the opportunity for Cuesta to clean up the use of hourly employees.
- She read an excerpt from the EdCode, Section 88003.
- Cuesta College has hired and rehired hourly employees year after year which is contrary to the aforementioned code and section.
- She would encourage and support the College to develop a prioritized plan to hire permanent classified employees to fill these needs.

Ann Grant, Cuesta student presented the following to the Board:

- She is an art major. Work allows her to take one or two classes a semester.
- Cuesta College has an outstanding art faculty in all of the divisions.
- She introduced other ceramics students present. They took the time from their lab to attend the meeting this evening.
- She thanked the Board for taking the time to listen to the students.
- Art programs are frequently considered something nice to have. They are actually an intrinsic and important part of the curriculum. The art courses are an important part of the general education offering for all students.
- Several of the proposed cuts will dramatically affect the experience of art students.
- The elimination of the art gallery program will affect all art majors regarding transfers.
- The elimination of readers in art history will significantly impact the many students participating in that program.
- The students appreciate the experiences and the opportunities they receive at Cuesta College and wish the Board the best in the difficult decisions they must make.

Peter Dill, faculty, presented the following to the Board:

- He endorses any action that eliminates the loss of personnel, but it does not fix the problem. The college community has already been hurt substantially. Part-time faculty and hourly employees have paid a heavy price. Using hourly employees in a way that is inappropriate does effect the institution.
- We are already not serving the students in a way that has been successful in the past.
- The full-time faculty have been quietly making sacrifices as well. Approximately 38 percent of full-time who had overloads, which is in competition with the part-time faculty, have given up those overloads this semester in order to not have the part-time faculty lose their loads. They have done this for the good of their fellow faculty.

Trustee Mullen said the remaining requests for public comment would be presented when the issues being discussed on the agenda are addressed.

12. Reports

None

**BUSINESS AGENDA
ACTION / DISCUSSION ITEMS**

1. Item O.5, Moved up in agenda order as amended by the Board.

**SLOCCCD (District)
Resolution 16-09,
Refunding of
Certificates of
Participation**

Motion to approve: Mitchell — **Passed** by those members present by roll call vote to approve the SLOCCCD Resolution 16-09, Refunding of Certificates of Participation, as presented.

Yes - 6, No - 0

Toni Sommer presented the following to the Board:

- On January 14, 2009, the Board approved a Grant Anticipation Note (GAN) to cover expenditures on the Trades/Tech and Learning Resource Center (LRC) in North County, not to exceed \$30 million. A lot has happened since then. The Pooled Fund Committee from the Chancellor's office held funding for most of spring 2009. The college did not move forward on the GAN because there was no assurance that funds would be available to reimburse expenditures.
- The GAN package was ready to be implemented. On July 1, 2009, she had a conference call with Andy Ache, Northcross, Hill & Ach and others to discuss the status of the current Tax Revenue Anticipation Note (TRAN), the credit line that provides for funding payroll when apportionments are delayed, and the GAN. During this meeting she inquired as to what interest rate the District should expect on the GAN. Mr. Ache told her there was no one was accepting a bond wherein the funds were guaranteed by the state of California.
- The TRAN was sold after three attempts but no attempt was made to sell the GAN. A proposal was made to execute a Certificate of Participation. This type of financing is not guaranteed by the revenue of the state but rather the assets of the institution.
- The money appears to be available to fund at least one of the projects. She is not comfortable in moving forward with the Trades/Tech building.
- The proposal before the Board would cover the LRC, overages for the Cultural and Performance Arts Center (CPAC), the CPAC parking lot, HVAC maintenance, a sewer maintenance project and refinancing of current debt. The District will not receive a certificate of occupancy for the CPAC unless the parking lot is completed. Already this semester, HVAC has gone down three times, which includes damage to the computer system due to overheating. The District received a warning regarding the sewer project.
- She strongly recommends the Board to pass this item or the District. Failure to do so would cause those expenditures to defer to the general fund.
- Trustee Mitchell asked how the lease-back worked.
- Scott Ferguson, Jones Hall - San Francisco (District Bond Counsel) said the COP functions as a lease/lease-back structure with the District Financing Corporation. Certain properties identified in the document are leased and leased back to the college in return for annual lease payments. The lease payments go to a trustee for the COP. An underwriter will find a market for these certificates. This is a long-use structure that is common in the marketplace. A portion of the funds will be pre-payable if and when state money is received. Responding to Trustee Mitchell, Mr. Ferguson said the District will still have two outstanding COPs. It equates to approximately \$14 million.

- Andy Ache said part of this is refinancing the existing GANs and the LRC. The state is expected to pay the outstanding amount of approximately \$18 million but after three years it should reduce to \$19 million. He said they are constructed with calls at par. This may be paid off by a bond measure without penalty at any time. Any additional funding would have to be amended by the Board to be included as a project, in a not to be exceeded amount.

Trustee Mitchell presented the following:

- It was suggested to the Board that an additional amount of \$275,000 be added to the proposed COP as a project to eliminate layoffs. She said she would like nothing more than to eliminate layoffs but did not think such action would be appropriate because it would mirror that behavior which is exhibited by the state; borrowing more and more. The District's long-term debt is \$37 million. The District is financing things that should be coming out of the general budget. This is a state issue. These are things that need to happen here and now to keep facilities functional. The amount of \$275,000 may not appear to be excessive compared to the final figure of \$37 million, but the District also has an accreditation issue looming regarding long-term debt and the plan to mitigate it. It is a temporary fix and she thinks this is an opportunity to do things right and start at zero and investigate every possible solution.

Trustee Mathiesen presented the following:

- He inquired again with regard to the possible acquisition of insurance to cover the possible loss of funding for these projects. Dr. Pelham said no such product has been found to cover such issues. Mr. Ache confirmed by saying there was no such product available.

Trustee Galvan presented the following:

- The proposal would commit the college to \$18,000 per year for 30 years. There is no guarantee that this action would save these positions if another round of cuts is received from the state. More cuts are anticipated. The state had the money for these projects. They sold the bonds and redirected the money to the general fund. She opposes additional funding to only postpone losing the positions at a later date.

Trustee Mullen presented the following:

- He is concerned the District has to borrow the proposed amount on a COPs in the first place. What is most discerning is the possible precedent of using funds intended for infrastructure and capital issues, and applying them to budget reduction issues. He is uncomfortable with what it entails, although technically legal, and it is not the right direction for the District. He supports the need for the COPs as defined but not any additional funding.

**2. SLOCCCD (District)
Resolution 13-09;
Classified
Reduction**

Motion to approve: Mathiesen — **Passed** by those members present by roll call vote to approve the SLOCCCD Resolution 13-09, Classified Reduction, as presented.

Yes - 6, No - 0

Dr. Pelham presented the following to the Board:

- The Board gave direction to the administration to bring forward a balanced budget. This item is a response to that directive.

Public Comment:

Peggy Lipe presented the following to the Board:

- She has worked in the library for 19 years and believes she is the only

student to receive a Cuesta Star.

- She has a disabled husband and with the reduction in workload, could lose her home. She does not think she could afford to rent in the local area.
- She provides one Cuesta student with shelter and facilities but will not be able to continue to do that, and wonders if that student will be a Cuesta success story without her assistance. Cuesta employees not only provide a service on campus, but also in the community.

Ron Ruppert, Biology Division Chair, presented the following to the Board:

- Doing things in 11 months that have been done in 12 months may indicate that there is fluff in the workload. This is not the case. The lab tech position going from a 12 month to 11 month position will be difficult. There is high-tech training involved as well. Have they been singled out?
- He was speaking with a part time instructor who was wondering if this could happen to him as well. This instructor told him that if he was to ever win the lottery, he would donate a portion of the money to Cuesta because he loves Cuesta and wants to teach here.

Trustee Mathiesen presented the following to the Board:

- The Board gave the administration a job to come up with solutions to the budget crisis and they have worked hard to do it fairly.
- There is no good solution, and have not come up with one that is better.

Trustee Mitchell presented the following to the Board:

- She hopes that this is not permanent and will allow the Board to look at alternatives in the future. This is a difficult decision to make.

Trustee Mullen presented the following to the Board:

- He appreciates everyone's comments. He does not like being at the crossroads and position the Board is currently in. These are gut wrenching decisions. As difficult as it is, they are committed to reducing the people impact as much as possible.
- This is unfortunate but does provide some reductions to address some of the budget challenges while avoiding a full layoff for those subject to this item.

**3. SLOCCCD (District)
Resolution 14-09;
Classified Layoff**

Motion to approve: Mitchell — **Passed** by those members present by roll call vote to approve the SLOCCCD Resolution 14-09, Classified Layoff, as amended.

Yes - 6, No - 0

Dr. Pelham presented the following to the Board:

- This item also responds to the Board's direction to bring forward, a balanced budget for the District.
- These two resolutions have been the most difficult he has had to deal with during his career. That in itself will not help those affected, but based on the information presented, the administration feels it cannot move forward without the inclusion of these resolutions.
- Trustee Mathiesen asked for Dr. Pelham to introduce additional information regarding the mitigation of this issue.
- The COP resolution was one alternative to eliminate or mitigate the proposed impacts to staff. A second option that has presented itself is to use an escrow account which is part of the District's workers compensation Joint Powers Authority. Rebates based on performance have been placed in this account and it is an accumulation that would be one time funds. The Foundation has

also proposed to reduce the amount required from the District for operational support by 50 percent.

Trustee Mullen presented the following to the Board:

- The Board has been focusing on how to avoid layoffs where possible. The Board has also made known, its concerns regarding the District's long-term debt. They have closely considered the options. It appears that there is enough available to avoid all the proposed layoffs, but there are a couple of positions that exist in programs that are in the red. These positions are: the Technology Support Specialist / Bookstore, and the Secretary II / Youth Programs. Under consideration is whether sufficient sources exist to avoid the layoffs or reduce the list from nine to two; wherein an amendment would be proposed to exclude all other positions from elimination except the two previously mentioned. Separately, the Board would give direction for the administration to bring back a proposal to consider reductions instead of elimination of these and/or other positions similar to the action taken in the previous item. This is not the best situation, and may not be what the Board discusses and decides, but it is one way to help minimize to the greatest extent possible, the typical impacts to individuals through such actions. They are trying to avoid the worst of the budget crisis and still fill the gap.

Steven Boothe, Cuesta employee, presented the following to the Board:

- For a spectator such as himself, this has been an extraordinary and challenging event.
- He has worked as a classified employee at Cuesta for three years. He is 43 and has had many jobs and experienced many leadership styles. This is the best job and best group of people with whom he has associated and had the pleasure to work with.
- San Luis Obispo is his home. He maintains a low cost of living in a mobile home and shares deep empathy with those who may be effected by the Board's action this evening.
- He supports previous comments made by constituent leaders. He is simply trying to put another face on the issue and express empathy with hope that the District comes to a favorable solution.

Ruth Turner, student and Cuesta employee, presented the following to the Board:

- She began coming to Cuesta through art and it has opened up a whole new era in her life.
- She wears many hats and works as a note-taker for DSPPS. Every class is a joy to sit in. Her involvement enables students to focus on what they are doing. Cuesta has an environment which is smaller and teachable, with a one-on-one atmosphere.
- Cuesta College is known not only throughout the state but at large. When reductions are considered it seems that art programs are always the first to go. Now we see the art gallery being threatened. It is part of the credit program, and is not only an invaluable resource for students but the community as a whole. What the Board is dealing with is deep but she hopes they will think outside the box.
- She thinks everyone is willing to do their part. Her salary has been cut 33 percent. She encouraged the Board to use the students as inspiration.

Grace Warten, community member presented the following to the Board:

- She has lived in San Luis Obispo for 41 years. Her primary interest is investing in students who want an education but lack the funds to do so. Her husband was a professor at CalPoly for 20 years. He came to this country in 1948 with a 6th grade education and never attended high school. Without the help of many people and scholarships, he would never have been able to achieve his goals. She established an endowment scholarship at CalPoly for him after his death. In 1997 she did the same for Cuesta College.
- She thinks it would be penny wise and dollar foolish to eliminate the position of Director of Advancement, June Stephens when she has been so successful at fund raising. It was only through June's considerable efforts that she left a legacy for Cuesta College. It would be a terrible mistake for Cuesta to lose this money.
- Other donors have expressed the same position as hers. Please don't damage Cuesta's ability to help students. It would be a terrible mistake.

Tim Anderson, Cuesta Art Gallery Director, presented the following to the Board:

- His wife is an administrator at an elementary school and whatever happens to him is not relevant. He will be OK. This program effects many students and faculty and staff. It is a requirement for the Arts Management and Practices AA degree and an elective for others. It is also attended by other students from throughout the campus. It is not a frill but a necessity. The institution had the forethought to open one of the nicest gallery spaces on the central coast. To open a new performing arts building and have a gallery next to it closed and vacant would be criminal.

Dan Deutche, Foundation Board of Directors, presented the following to the Board:

- There is a critical need for a full time Director at the Foundation. He is speaking tonight as a donor and not a member of the Board.
- Years ago he and his wife started a private charitable foundation in the central valley. They later moved to the coast and decided to get out from under the scrutiny of the private foundation.
- He met Barbara George through Bud Anderson and it took about a year to roll the funds from their previous charitable organization into the Cuesta College Foundation. After Barbara retired, June Stephens came in and helped them modify the original agreements twice over two years to ensure the students would be better served. She assisted in establishing a second endowment as well.
- He has since started another but has not funded it because he is leery of where the Foundation may be headed. If it were not for the efforts of Barbara George and June Stephens, both full time directors, he would not be here today. He realizes there have been differences between the leadership of the Foundation and the leadership of the college, but they are all professional and will overcome their differences and work towards the same goals.

Doug Hilton, Foundation Executive Board, presented the following to the Board:

- He spoke on his own behalf, not that of the Foundation or any other member.
- The Executive Director's position is absolutely essential for viable operation of the Foundation. He recognizes the need to present a balanced budget but also the need of the burden to be shared by everyone, including the Foundation. There are different ways of doing it. He urged the Board not to act on eliminating the position. The cure would be worse than the disease and be counterproductive. Not doing so would be sad for those who love the college and want it to work out.

Allison Merzon presented the following to the Board:

- She is disappointed in the Board's actions regarding the COP resolution by not including the extra funding. The \$275,000 dollars was not the tipping point. The District just exacerbated the problem with regard to long term debt and kicked the can down the road. Perhaps what should have been done is not endorse the COP at all and do something about the theater building and not fund the LRC, because she is not sure who is going to staff that building once it is finished.
- This has been a dialogue about numbers. At yesterday's planning and budget meeting, what was presented as salary reductions for part time faculty was \$423,000 that was needed to balance the budget. The number that we need out of salary reductions is \$700,000 to \$775,000. The number that came out of Student Learning last week regarding the fall reductions totaled approximately \$331,000. If you take the difference for fall and project it into spring and use summer, the total additional salary savings through cutting part time faculty of \$390,000. The \$300,000 discovered from the JPA and this figure total \$690,000. In planning and budget, \$85,000 was presented as an option in reserve. Add the number from the savings from the Foundation it totals approximately \$775,000. This is very close to the listed salary reductions total.

Bud Anderson presented the following to the Board:

- He has been a Foundation member since 1995 and had the opportunity to work with Barbara George. When she retired it was thought that it would be difficult to replace her. June Stephens didn't miss a beat and came in and made herself available to the board members.
- She has many things working. It would not serve anyone to let her go. His sole purpose is to speak on her behalf.

Stacey Martinelli, Cuesta student, presented the following to the Board:

- She came to Cuesta for the art program. She heard it was a quality program and was disappointed at Cal Poly. Her goal is to work with teenagers and has done so through Cuesta's Independent Living Program. Many of those young people would have benefited from the art program.
- She urged caution in cutting expressive arts. It is one way these individuals have of getting traumatic experiences out.
- Looking down the road, she asked the Board not to eliminate them.

Gina Schleif, Cuesta student presented the following to the Board:

- She represents the Cuesta Art Club and other students who share her feelings.
- Fine arts change lives and expand minds. They heal and bring people together as well as bring joy to the world. The art department and its students are a vital part of what makes Cuesta great.
- The gallery class offers hands-on experience to students and it would be a detriment to the art program for the College to let it go.
- The gallery provides the opportunity for students to display their art. The art club is proud of their college and thankful of the opportunity to exist and experience the many opportunities the gallery presents.
- We will lose more than the gallery and programs but also the idea they represent. They support one of the few universal languages in the world - art.

Shannon Wilson presented the following to the Board:

- She asked about the possible availability of the \$1 million increase in reaching

10,000 FTES.

- She is sorry to see the resolution pass regarding reductions.
- She hopes it can be revisited.

John Fetcho presented the following to the Board:

- He heard Trustee Mullen say he would like to get the number of layoffs down to two.
- He reminded the Board that the Director of Professional Development position is vacant. He does not understand why the Board would still want to eliminate two staffed positions when this one is vacant.

Trustee Shepherd presented the following to the Board:

- He queried regarding the priority for the professional development position. Dr. Pelham said that position will remain unfilled and that the person in that position resigned near the time the announcement was made to eliminate the position. It was already part of the proposal to reduce the budget.
- Trustee Mitchell said the bookstore is obligated to operate in the black. The must work within the parameters defined by the District.
- Trustee Shepherd asked how close the District actually was to Ms. Merzon's numbers.
- Toni Sommer said she will present a proposal for a balanced budget later in the meeting. These layoffs start the process and can be stopped when more money is realized. Allison's numbers may prove to be very close but they have not been verified.

Trustee Mullen the following to the Board:

- He appreciates the hard work everyone has done. The administration is in a difficult position but the board has the obligation to call for it. He also appreciates everyone making the best of a bad situation.
- Some may disagree with the aspects of the decision made tonight. He asked for comments and suggestions to be sent to the board and they will consider them for future actions.

Trustee Mitchell motioned to approve SLOCCCD Resolution 14-09; amended to exclude all positions from elimination except (1) Technology Support Specialist / Bookstore and (1) Secretary II / Youth Programs.

Trustee Mullen directed the Superintendent/President to bring those positions excluded from elimination back to the board with a proposal for reduced workload.

The meeting was recessed at 6:40 p.m.

The meeting reconvened at 6:51 p.m.

4. Assistant Superintendent /Vice Presidents, Amendment to Employment Agreement

Motion to approve: Mitchell Passed by those members present to approve the amendment to the Assistant Superintendent/Vice Superintendent's employment agreement, as presented.

Dr. Pelham presented the following to the board:

- This amendment deals with the reduction in salary overall and contract length for the VP's.
- The total savings through the furlough is \$22,000.
- This action has been implemented.

- Trustee Mitchell wants to ensure this will be an addendum to their contracts.

5. Managers, Supervisors and Confidential Employees (Management Group) Base Work Year Reduction

Motion to approve: Mitchell **Passed** by those members present to approve the Managers, Supervisors and Confidential Employees (management group) base work reduction, as presented.

- Toni Sommer said the total savings for this action is \$170,000.
- Jay Chalfant said the management senate fully supports this effort which aligns well with the groups principles. The solution to this problem will require a sacrifice from everyone. He asked for clarification that pay would not be retroactively effective to July 1, 2009.
- Toni Sommer said the language is presented as to ensure retirement credits are accurate and no pay will be taken prior to September 1, 2009.

6. Accreditation Evaluation Response Report

Dr. Greiner presented the following to the board:

- She said the decisions tonight have been the most difficult in her career.
- This response is critically linked to budget and planning. During the update to the Board last month, the status of each recommendation was indicated by using a green, yellow, red color code. Tonight the colors are defined as: green - the college has responded in a substantive manner, yellow - caution, in some cases the college has not complied with all the requirements outlined by the commission and will need to pay close attention to the item, red - failure to respond or make progress.
- She summarized the report goals and reviewed the draft document. (Attachment B)
- Recommendation 1 - green, passed part one of the strategic planning process by revising the College's mission, vision, values statement.
- Recommendation 2 - yellow, still don't have a strategic plan that will be in place for the October follow up visit. Responding to Trustee Mullen, Dr. Pelham said the reason a plan had not been developed was due to the need to focus on more immediate issues regarding the budget.
- Recommendation 3 - yellow, the college has made progress. The coordinator position is still vacant. The action required of that entity has not been completed. A point person is needed to meet with faculty and division chairs and to clearly develop a process.
- Recommendation 4 - green, identified in the library.
- Recommendation 5 - yellow, the concern here is the need to include the SLOs in the evaluation.
- Recommendation 6 - yellow, the concern is implementation and assessment of the plan and allocation of support.
- Recommendation 7 - yellow, the concern is resolving the foundation investment process and the need to focus on resolving planning regarding a capital strategy.
- Recommendation 8 - green.
- Recommendation 9 - green.
- There are many competing priorities and many of these issues are linked. Everything cannot be accomplished at once.
- Allison Merzon said recommendation 5 deals with the evaluation of student learning outcomes and is at the very heart of some issues at the statewide senate and CFT. It is tied to faculty evaluations.
- Steve Leone said some of the solutions simply don't exist yet and cannot be evaluated. There is currently no coordinator but the committee will continue to work on these issues.

7. **Board Policy 2430, Delegation of Authority to the Superintendent /President** Sandee McLaughlin presented the following to the Board:
- This board policy declares the relationship between the Board of Trustees and the Superintendent/President.
 - This is a first read.
8. **SLOCCCD (District) Resolution 15-09, Constitution Day and Citizenship Day ("Constitution Day")** **Motion to approve:** Galvan — **Passed** by those members present by roll call vote to approve the SLOCCCD Resolution 15-09, Constitution Day and Citizenship Day ("Constitution Day"), as presented.
- Yes - 6, No - 0
- Trustee Shepherd presented the following to the Board:
- The ASCC is planning an event in celebration of Constitution Day. They will show the movie, "A More Perfect Union" on September 17 at 11:00 a.m. in 5401.
9. **Agenda Items for Next Meeting** A preliminary list of proposed agenda items for the October 7, 2009 Regular Board meeting is presented for review.
- Consensus was achieved by the Board regarding the agenda items for the next meeting.

<p>BUSINESS AGENDA INFORMATION ITEMS</p>
--

10. **College Planning and Budget Development** Toni Sommer presented the following to the Board:
- She was tasked with bringing a balanced budget to the Board.
 - She and staff attended the statewide budget workshop and returned two weeks ago. There was not time to complete the entire document but she presents a proposal for a balanced budget this evening.
 - The Chancellor's office was candid in their responses but provided little or no answers to questions.
 - It has been an unusual year. She updated the Board regarding the additional \$1 million funding for achieving 10,000 FTES. The college borrowed 14 FTES from summer to reach 10,000. This reclassifies the institution from small to medium sized organization. The college could receive \$1million if the money is available, which would go into an escrow account to possibly help mitigate mid-year cuts.
 - The college can also enter stability funding if we drop below the 10,000 mark. At the end of three years, the college has not acquired and maintained 10,000, it would be reclassified. No refunds of funding is required from the District.
 - The \$1.6 million in cuts from the general fund has been realized in a lower cap for FTES funding. This proposal deals only with the general fund. Data regarding restricted funds has not been published.
 - She summarized the proposed budget (Attachment C).
 - The Chancellor' s office does not have a plan for 2010-2011.
 - Dr. Pelham said the college will develop a zero-based budgeting process. Chris Green will monitor spending and Toni Sommer will enforce.
 - Trustee Mitchell said the numbers used by the college and those used by the constituency groups are reportedly different. She asked there could be a meeting of the minds regarding this information. Ms. Sommer said with regard to reduction plans they are very close. The problem lies in areas like overtime where there was a proposal to reduce overtime by \$75,000, except there is no budget for that. Correcting the budget through zero-based budgeting will result in a closure of the figures. It is a result of budgets being

rolled every year for several years.

CONSENT AGENDA

NOTE: The Board of Trustees will be asked to approve all of the following items by a single vote. Any Board member or public individual may ask that an item be removed from the Consent Agenda to be considered and discussed separately. The Student Board Member **may vote** on any of the items listed under Consent Agenda.

1. Consent Agenda **Motion to approve:** Mathiesen — **Passed** by unanimous vote of those members present to approve the consent agenda, as presented.

2. Approval of Minutes Approve Draft Minutes of the September 2, 2009 regular board meeting, as presented.

3. Approval of Warrant Listings Approve warrant listings, as presented:

8/3/2009	\$	82,598.29
8/5/2009	\$	59,906.42
8/10/2009	\$	349,129.46
8/12/2009	\$	272,277.89
8/17/2009	\$	377,544.60
8/19/2009	\$	69,714.48
8/21/2009	\$	456,063.88
8/24/2009	\$	75,900.12
TOTAL	\$	1,743,135.14

4. Approval of Payroll Orders Approve Payroll Orders, as presented.

Academic/Classified Hourly	\$	212,623.25	246
Academic/Classified Monthly	\$	3,557,788.43	832
	\$	3,770,411.68	1078

5. Approval of Gifts to the College Approve gifts to the College, as presented.

- a. Stanchions donated by Karen Tacket for use by Advancement.
- b. An Epson Photo Stylus R320 printer donated by Haila Hafley-Kliver for use by the Children's Center.
- c. Discount cards (60) from Naturally Jennifer's Bead and Gallery, donated by Jennifer Riley-Akers for use by the Business Advertising and Marketing Forum.
- d. A mohair teddy bear donated by Toni LoCicero for use by the Business Advertising and Marketing Forum.
- e. A gift bag donated by Trader Joe's for use by the Business Advertising and Marketing Forum.
- f. Certificates for two rounds of golf at Sea Pines Golf Resort, donated by Gary Setting for use by the Business Advertising and Marketing Forum.
- g. Boxes of books (8), donated by Wes and Ladonna Randolph for use by the Library.

6. Wallace Group Contract Approve the Wallace Group Contract Amendment for the Hollister Bridge replacement project for additional preliminary engineering and construction

Amendment for the Hollister Bridge Replacement Project. engineering services, as presented.

7. Change Orders for the Theater Arts Building Approve change orders (01-14, 03-14, 03-16, 05-23, 10-06, 11-24, and 20-03) for the Theater Arts Building, totaling \$33,631.96, as presented.

8. Declaration of Surplus Equipment Declare obsolete equipment as surplus, as presented.

Q. DISCUSSION

1. What went well?

- Trustee Mathiesen – The process in which the chair conducted the meeting and the leadership on the decisions made is to be commended. We did the right things. He is knowledgeable about certain needs of the community, but a small portion. Each board member has unique understanding of the area in which he or she lives.
- Trustee Mitchell - The meeting went as well as could be expected. Each trustee comes from a different area and she understands hers. She agrees that they should share more about what is going on in their respective districts.
- Trustee Mullen - The meeting went well based on the topics presented. He focused more on formality due to the size of the audience. Public comment should be organized by topic.
- Trustee Kiersch - She agrees with Trustee Shepherd's idea but it is difficult to do on a commuter campus. The meeting went well. She operates in a different community than Trustee Mathiesen and the others. She does not think they can always be aware of everything.
- Trustee Shepherd - He was pleased to see different options being explored and the proposed impact was minimized to the greatest extend possible. He has been speaking to the student leadership with regard to starting a review board for the Board of Trustees meetings through which to provide a more representative view of the students. He wants to create an infrastructure which allows him to do that effectively.
- Trustee Galvan - The meeting went well. She appreciates the professional manner in which the speakers presented and their message. It was civil and the meeting went well because of it. There are six board members, each with different interests and focus. They do need to share trends and needs to the entire board and in that way, they all become more aware. She thinks the board could do more in the way of sharing this type of information during member reports. The biggest need is to education the community about Cuesta.

ADJOURNMENT

Adjournment The meeting was adjourned at 8:21 p.m. Unless otherwise announced, the next meeting of the Board of Trustees will be held on Wednesday, October 7, 2009, in Room N2000, Carissa Bldg. (Cafeteria), 2800 Buena Vista Drive, Paso Robles, California



Dave Pelham
Superintendent/President