Napa Valley Community College District

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES
March 1, 2012

12:00 p.m. Public Session, Room 1538 – Board Room

Building 1500 – McPherson Administration Building
2277 Napa-Vallejo Highway
Napa, California 94558

1.0 CALL TO ORDER 12:00 p.m.

1.1 Roll Call
Members Present: Michael Baldini, Brenda Knight, Bruce Ketron, Tom Andrews, Steve Reinbolt (arrived at 12:15 p.m.), and Bill Blair
Members Absent: JoAnn Busenbark
Board Chair Michael Baldini announced that JoAnn Busenbark would be joining the meeting via teleconference at 3:30 p.m.
Staff Present: Edna Baehre-Kolovani, Ruscal Cayangyang, Sue Nelson, John Nahlen, Laura Ecklin, Oscar DeHaro, Ann Gross, Maria Villagomez, and Robyn Wornall

1.2 Adoption of Current Agenda
M/S/C (Knight/Blair) to adopt the agenda as presented:

1.3 Pledge of Allegiance
Board Chair Michael Baldini led the group in the Pledge of Allegiance.

1.4 Introduction of New Staff and Guests
None

1.5 Announcement of Future Meetings
Board Chair Michael Baldini announced the following upcoming meetings:
March 8, 2012, Regular Meeting
April 12, 2012, Regular Meeting
May 10, 2012, Regular Meeting
Trustee Brenda Knight stated that she had a conflict on April 12, 2012. Board Chair Michael Baldini requested that staff poll the trustees for availability on another date.

2.0 PUBLIC COMMENTS — GENERAL
At this time, the board will devote a total of up to fifteen minutes for comments to the Board of Trustees regarding any subject NOT APPEARING AS AN AGENDA ITEM FOR THIS MEETING but over which the board has jurisdiction. The public may ask the board to place an item on a future board agenda. No action or discussion will occur at this time on such items. Individuals will be limited to a five-minute presentation. At this time, the Board Chair will poll those in attendance regarding their intent to speak on any item on the agenda.
Board Chair Michael Baldini invited those present to offer Public Comment.

Alex Shantz, ASNVC President, opened by commenting on an article in the Napa Valley Register related to a demonstration put on by the Anthropology Club to protest the food sale prohibition on campus as it relates to student clubs. Mr. Shantz summarized efforts thus far and asked for a meeting with all involved groups and department to develop a policy and procedure that would allow some food sales as a compromise.

3.0 ACCREDITATION WORKSHOP

President Edna Baehre-Kolovani introduced Dr. Barbara Beno, president of the Accrediting Commission for Community and Junior Colleges (ACCJC), Western Association of Schools and Colleges and Bill McGinnis Trustee of Butte Community College.

Dr. Barbara Beno thanked the Trustees for inviting her and Bill McGinnis to discuss trustee roles in the accreditation process. Dr. Beno stated that the presentation would focus primarily on governance and gave background information on the western region and the history of accreditation.

Dr. Beno described the purpose of accreditation as quality assurance to students, the public, and other institutions. She said the process was meant to confirm that a college is achieving its mission and give credibility to degrees and certificates. Accreditation standards stimulate institutional improvement through processes of evaluation, planning, implementation and further evaluation.

Dr. Beno said that in the country today higher education is in the national spotlight like never before. She gave examples of local stories running in the press related to diploma mills in CA, accredited institutions with low quality education and/or exploitive practices of students. There is a push for accountability and transparency at both the local and national levels. Both political parties have expressed concern with the quality and quantity of graduates. The accreditation process forces review every six years and the standards say it should be an ongoing evaluation and assessment process with implementation and reassessment.

Dr. Beno went on to say that one purpose of accreditation is to increase an institution’s capacity for ongoing assessment and improvement.

Dr. Beno reviewed slide #7 and the four steps of the six year accreditation 6 year cycle. First she covered self-evaluation, saying that it needs to be a good tool, full of qualitative and quantitative data as well as careful analysis of that data. She urged that the document be honest and that it must address sacred cows whether they be departments, people or portions of the mission. She stated that most sanctions today result from too little data or too little analysis of that data. She also said issues with board governance were increasingly another trigger for sanctions.

Accreditation’s role is significant and based upon how well the college performs its stated mission. From the Accrediting Commission’s point of view it is up to the college to define its mission. Then the college is going to be evaluated upon the basis of its mission performance. Accreditation review has grown in importance and there are changes. Dr. Beno said that Student Learning Outcomes were only at “Program Level” until June 2011 when they were then applied to “Course Level”. This and other requirements of accreditation requires many things of the Board. The Board provides Mission Directed Leadership and High Performance by setting standards of excellence and monitoring by measuring performance to District goals. The Board leads the district though its relationship with the CEO and accountability of all to assure
compliance and timeliness. Constant accreditation questions are “Why didn’t the board hold the CEO accountable? What is needed to cure and when will the steps be taken?”

Dr. Beno reviewed accreditation standards using a highlighted document to identify federal requirements, board responsibilities and those objectives to be tackled by instruction. Dr. Beno reviewed Standard 1, which addresses institutional mission and effectiveness. She stated that the mission constitutes our promise to students. She said that ongoing review of the college’s mission should include assessment of the implied promises, what programs are offered, and what core processes support those promises and programs. She advised that the review not be perfunctory and should include data and the analysis of that data.

Dr. Beno also addressed board effectiveness and said that if a board does not feel the institution is meeting the mission, they need to direct administration to refocus efforts to meet it by way of specific goals (examples given were: # of graduates, 5% increase in graduates, etc.). She said that the board should set broad targets and goals to meet the mission and then direct administration to implement processes to bring that to fruition.

Dr. Beno said that Standard 2 is mostly under the purview of academic staff but that is should be recognized that the president is included in academic staff, as are vice presidents in the instructional area. She said that the CEO should be a promoter and champion of academic quality.

Standard 3 addresses resources of an institution. Resources are primarily human, physical, technical, and financial. It is the responsibility of the board to assure that resources are deployed in the best way to meet goals of educational excellence. Dr. Beno stressed that is was not the job of any governing board to address needs outside of their jurisdiction, needs of the general community that have no relation to the college’s mission and educational excellence.

Dr. Beno pointed out various elements of the CEO’s role in Standard 3 and said that an organization cannot have continuous improvement without involvement from the CEO in planning. She said that the board should expect and allow the CEO to provide leadership in this area.

Dr. Beno pointed out slide 9 saying that in Fall 2012 there will be newly required metrics for colleges to gather and maintain. She said that colleges will need five years of data on hand and that ongoing discussion of the data and trends should be systematized. She said that the board should be receiving annual report on these metrics and analysis while the ACCJC would see it every six years. She said that the ACCJC will ask colleges to set benchmarks for various data sets and that the board should help set these targets that will be evaluated annually.

Bill McGinnis identified two challenges facing trustees: Mission Directed Leadership and High Performance. He advised that setting standards of excellence and measuring performance linked to the District’s goals will help meet both challenges. He stressed that to perform well, Trustees must be prepared for board meetings. He said these two challenges should be met through the strategic plan and that these topics should regularly come up for discussion at board meetings, including the data needed to evaluate their status. He stressed the need for lagging and leading indicators, as developed by administration, should be shared with the board.

Mr. McGinnis referenced slide 11 and a recent Little Hoover Commission report saying that there is growing pressure on higher education to increase throughput, to get students through college faster and thus at lower cost. He said boards should look at their organization with regard to Student Learning Outcomes (SLO’s) and associated data (metrics related to course completion, enrollment in next course in sequence, completion of sequences, certificates, degrees, graduation rates, transfer rates, job placement, etc.) to evaluate progress in this area. He said that not all
institutions have achieved proficient level and that those boards haven’t received regular, understandable reports from their academics. He said that boards and administration both need to have the information and then discuss how the institution can support those efforts.

Mr. McGinnis asked the Board to reflect on the following questions: Does the college have accessible reports available? Is there evidence that staff discusses and analyzes the data? Does the board get the reports and do the trustees discuss them in context of budget development & allocation? Does the board discuss whether or not the institution is doing well or not doing enough? What happens after the presentation of data? Is there later discussion or reporting? How do you balance the needs of those who want a swimming pool vs. students needing math and core classes? How do you balance core mission objectives with peripheral priorities?

Mr. McGinnis shared that Delta College eliminated its basic skills program to free up resources for other needs identified in their mission. He went on to say that during accreditation, colleges are evaluated against their locally developed mission. He also said that the board decides how to focus available resources within the framework of the mission. He said data driven decision making was needed and it should address how well the college is meeting the goals of the mission.

Mr. McGinnis recommended that the Board start by reviewing the strategic plan and education master plan to establish performance levels as outlined in those plans. He stressed that the board should establish the “what”, the goals, and then turn it over to the CEO for formulation of a plan to achieve those goals. He explained that the CEO will work with staff to develop plans to reach the expectations of the board. Staff should design the “how”.

Mr. McGinnis also stressed that the Board was the representative of the community at the college and that various constituencies on campus have representation but the community at large has only the Trustees.

Following a five minute break, Trustee Bill Blair asked if rumors that the college was out of compliance were correct. Dr. Beno said that at the time of college’s last review, President Chris McCarthy has just passed away and that she thought the visiting team had been generous. She said that there were areas where the college was not meeting the standards for quality and continuous improvement. She also mentioned the college’s expired educational master plan but stated that this training session was not a team visit and that she hoped it would provide resources for the college going forward. She also qualified her statements as her opinion and that there were no reported deficiencies related to the college. She said that the college would need to meet assessment goals for the fall, however, or a team may be sent to review progress toward “proficient” goals, the content of the mid-term report, and/or annual reporting and audit requirements.

Mr. McGinnis said that it was the Board’s responsibility to look at the last accreditation report and any recommendations it contained. He said the Board should be aware of the issues, timelines, and plans for rectifying the issues.

Dr. Beno reviewed slide 19 saying that the role of trustees is to provide stewardship of educational quality and fiscal stability. She said trustees should ensure that the financial resources of the institution are used to provide a sound education program. She said that this could be difficult sometimes due to community requests to the trustees as elected officials and they should concentrate on evaluating whether funds could be spread to cover those types of requests while still meeting the needs of programs that directly impacted the college’s mission.
Mr. McGinnis discussed the Board’s role in protecting the financial health of the district and shared that there were an expected minimum of four years of continued budget deficits in the state of California. He asked the trustees to consider the following in their budget deliberations: How much of the college’s budget is going to salaries and benefits? How much to debt service retirement? Other Post Employment Benefits? If you see your available funds going to programs that don’t support the mission how will you need to resize your organization?

Mr. McGinnis said that good boards work around their sacred cows but great boards roast them. He urged the trustees to identify sacred cows and eliminate them to focus on core mission and goals.

Mr. McGinnis also discussed Conflict of Interest policy, Board Self Evaluation process and outcomes, and orientation needs of new trustees. He said it was important to have ethics and conflict of interest policies that contain consequences for violations. He also said that accreditation looks at a college’s cycle for policy review and that this process should be ongoing and completed in three to six year cycles.

Mr. McGinnis said that great boards assure that their policies and budget allocations are linked and correspond to the educational priorities in the college’s mission and strategic plans.

Dr. Beno said that boards need information in order to make decisions and that there should be full disclosure of how the district is spending money. She said that there was virtually nothing that should not be provided to the board and that trustees should be looking at salary information, reassigned time, etc. She said that trustees might need training and development to understand the details of the budget. Trustee Bruce Ketron expressed his appreciation for this opinion.

Mr. McGinnis advised the Board to fully understand their budget policy and any monitoring activities identified. He explained that at Butte College, the board annually establishes budgetary guidelines to direct staff to develop the budget. He said the Butte College board understood their real role to make sure the budget is linked to the strategic plan and educational master plan, which are formed by the college mission.

Dr. Beno introduced the Board’s role in policy-making and said the Board should set policy and delegate to administration. She said policies should address institutional integrity of educational quality. She said everyone, even trustees, should be held accountable to the college’s policies.

Dr. Beno discussed the responsibilities of the Trustees to act a coherent body, to work as a team, to include the CEO as a team member, and to cultivate a culture of trust and respect. She and Mr. McGinnis discussed the need for trustees to engage in open discussion of policy and other issues related to student success. He stressed that Board behavior sends a message to the community and staff and that they should focus on student success and positive leadership.

Dr. Beno and Mr. McGinnis discussed next steps and advised the Board to continue to address the “elephants in the room” and develop an action plan for the coming year. They urged that the Board identify and evaluate “sacred cows” and formulate steps to eliminate them. They also said that the Board should hold itself accountable to identified goals and progress toward those goals. They said the Board shouldn’t focus on the last accreditation visit but to move forward and look at ways to address the next accreditation visit.

4.0 RECESS
Board Chair Michael Baldini recessed the meeting for ten minutes and reconvened at 3:37 p.m.
5.0 BUDGET WORKSHOP

The Board of Trustees participated in a study session on the 2011/2012 and 2012/2013 budgets in light of recently announced additional cuts in state apportionment.

A teleconference was established with Trustee JoAnn Busenbark at approximately 3:40 p.m. but was abandoned shortly thereafter due to technical difficulties.

John Nahlen, Vice President of Business & Finance, said that his presentation would be similar to one given to the campus community about one month ago.

Mr. Nahlen said that the current year reduction had originally been around $1,967,000. He said that the state had then identified an error in their calculations of student fee revenue and that had increased the current year budget reduction by another $955,000 to approximately $2,922,000.

Mr. Nahlen said that the District’s beginning balance in fiscal year 2011/2012 had been $4,999,954 or approximately 15.3% of the annual operating budget. The end of year balance was expected to be around 12.2% after the then identified operating budget deficit was absorbed.

Mr. Nahlen discussed full time equivalent student (FTES) calculations saying that the state funding apportionment had funded 448 fewer FTES this year and that the college was carrying 558 unfunded FTES.

Mr. Nahlen summarized results of various Budget Blog suggestions saying many were still in development, particularly those related to increased revenue. He said that approximately 200 suggestions had been received. He identified workload reductions, operational changes, and facilities usage changes (primarily reduced heating of the pool) to have saved around $377,000. Future potential savings might result from changes in the summer school schedule, teams sports, and other strategies, according to Mr. Nahlen.

Mr. Nahlen next summarized expectations for the fiscal year 2012/2013 budget development process saying that the Governor’s budget proposal was contingent on a temporary tax measure that, if passed, would maintain funding levels equivalent to 2011/2012. If the tax measure fails, the District’s budget will be reduced by another $1.3 million.

Other potential impacts to the budget might be seen in of reduced child care funding, reduced Calworks funding, financial aid reductions, reduced discount factor for CalPers, and other areas. Additionally, Mr. Nahlen identified areas of increased operational costs related to utility rates, retirement liability, insurance, and other ongoing expenses. He estimated the impact to be an increased $531,000 in expenses for fiscal year 2012/2013. The total budget shortfall, without the tax measure passage, would be approximately $1.8 million.

Mr. Nahlen said the strategies for dealing with the shortfall were not fully identified although further reductions in course offerings were likely. He reviewed the draft Budget Development rubric that was circulating to campus groups for comment.

Laura Ecklin, Dean of Human Resources, led a discussion of staffing and began her powerpoint presentation with a graphical depiction of the college’s organizational chart and staffing assignment totals by department.
Ms. Ecklin said that annual staff compensation totals for Fiscal Year 2010/2011 were as follows:

- Faculty Salaries – Permanent -- $6,557,653
- Faculty Salaries – Temporary -- $4,501,574
- Academic Administrators – Permanent -- $1,683,651
- Classified Salaries – Permanent -- $4,485,439
- Classified Salaries – Temporary -- $982,491
- Administrative/Confidential -- $1,103,432

Ms. Ecklin said the 2010/2011 payroll total of $19,314,240 was lower than the payroll total for fiscal year 2009/2010 of $21,703,283 (a $2,389,042 reduction). Ms. Ecklin said vacancies, position eliminations, a reduction in part-time faculty pay, and the 2009/2010 early retirement offering had resulted in the savings.

Ms. Ecklin explained Faculty Obligation Number (FON) requirements saying that the college was mandated to have 50% of instruction taught by full time faculty. Ms. Ecklin said that the college was currently meeting this requirement and the requirements were on hold due to the budget shortfalls.

Ms. Ecklin identified the salary cuts and decreased benefit contributions as negotiable items that might result in reduced expenditures for the District. She also said that reductions in force (layoffs) might be considered. Ms. Ecklin said that administrators with one year contracts receive an annual notice of assignment through June 30 and that, without a March 15 notice of non-renewal, their contracts roll over for an additional year. She said that the District could consider re-issuing contracts of less than one year if the employee was given a March 15th notice. Ms. Ecklin said that although a March 15th notice is functionally a notice of non-renewal, it was psychologically a layoff notice. A March 15th notice says you MAY not be re-employed, not you SHALL not be re-employed.

Ms. Ecklin said that there are five faculty administrators who have retreat rights to faculty, if laid off, and that might make it necessary to look at faculty layoffs.

Classified reductions in force were not as complex, said Ms. Ecklin, as the District was only required to give classified staff a 45 day notice and the effects of layoff are negotiable. Reorganizational moves were identified as an option where permanent staff could be moved to positions currently filled by temporary staff.

Ms. Ecklin said that reduction in faculty positions would also require March 15th notices but that could not be given out to the whole of the faculty in “blanket” fashion due to educational code requirements. Additionally, the District had to consider more than just seniority due to the needs of some service areas.

The following were identified as additional options for reducing expenses: utilize the budget rubric, departmental reorganization, employee transfers, reduced part time employees, and an early retirement incentive offering.

President Edna Baehre-Kolovani asked Ms. Ecklin to review the timeline for program discontinuance processes and March 15th notices related to faculty positions. Mr. Ecklin said that the March 15th process needs to start much earlier in the year with an examination of each faculty service area and efficiencies within classes and programs. She added that final notice would need to be given by May 15th for faculty positions but that administrative position holders would need final notice by July 1.
Ms. Ecklin described the steps needed to proceed with an Early Retirement Incentive. The District would need to select a vendor, determine criteria after gathering input from constituent groups, design a program, provide data, analyze data and any savings, educate employees, and then make a recommendation to the Board for action.

Ann Gross, Academic Senate President, commented that there is a need to balance savings with workload issues for those who remain. She said stress loads are the highest they’ve ever been at the college and that staff were needed for basic services to students and accreditation activities.

Trustee Brenda Knight acknowledged the comment saying that the Board’s hands were tied due to this unfortunate budget year and that it was the worst time she has ever seen in her fifteen years of involvement with the community college system.

Board Chair Michael Baldini invited Public Comment.

Robyn Wornall, Administrative Senate President, introduced herself and offered comment on behalf of the Mutual Gains bargaining team. Ms. Wornall said the mutual gains process was, optimally, an opportunity for Administrative/Confidential staff to work collaboratively with college administration and that the Mutual Gains team had offered multiple ideas and strategies to assist with anticipated and ongoing budget shortfalls. Ms. Wornall expressed her concern that no action had been taken on any of those suggestions and that recent rumors of March 15th notices had surprised campus administrators.

Ms. Wornall stated that if March 15th notices are issued, the process of group collaboration will stop. She urged the Board to recognize that the college’s greatest assets are its people.

Board Chair Baldini asked for additional public comment and, finding none, closed public comment on item 5.0.

Ms. Knight said that she was concerned that the campus community did not keenly appreciate the urgency of the budget situation. She identified March 15th notices as one possible option for consideration in budget development and said that the Board needed to understand all of their options. Ms. Knight urged the campus community to utilize the Budget Blog and said she hoped that today’s discussion helped share the dire budgetary outlook with the campus.

Mr. Blair stated that March 15th notices should be the last option taken after all else has been tried. Mr. Blair shared that he recalled the last time the college had taken the step to issue March 15th notices and that it had crushed the spirit of the college community.

Trustee Bruce Ketron said that he was open to anything and that he has been very concerned for the last several years. He offered his experience from 1978 when Proposition 13 was passed and he was on the Santa Rosa school board. He said that universal March 15th notices would not serve the college well as it was a painful process. Mr. Ketron pointed out that the Board took a 7% pay reduction in 2009 that has not yet been restored and that he is of the opinion that voluntary acts are best. Mr. Ketron said he would like to open up the conversation to anyone who can come in with ideas, particularly at the March 8, 2012 meeting where the Board may vote on March 15th notices.

Trustee Tom Andrews said he thought the District should bring back an early retirement incentive as well as other options, with concrete answers, for next week’s Board meeting.

President Baehre-Kolovani invited those present to utilize the Budget Blog and assured them it was fully confidential.
Ms. Wornall said that the Mutual Gains team has been pushing a pro-active approach to avoid last minute, unexamined, solutions. She suggested an analysis of utilization of services using the budget rubric but said it would take time.

Board Chair Baldini said he understood how the economy has touched all of us and advised that what the board would like is a team effort. He said there was need to evaluate the college’s mission. He also said that he did not want to see anyone lose their job but that the budget shortfall is an urgent issue.

Board Chair Baldini asked President Baehre-Kolovani for a comprehensive presentation on budget development options.

Mr. Blair asked the members of the audience if they would be willing to take a pay cut instead of laying people off. He added that the Classified and Administrative groups had done that in the past and it had saved people’s jobs. He asked for feedback from the college community on his question.

Board Chair Baldini noted that the Peach Corps had been founded on March 1 of 1961 and adjourned the meeting in honor of the Peace Corps and all who have served in that organization.

6.0 ADJOURNMENT

M/S/C (Blair/Knight) to adjourn.