



MT. SAN ANTONIO COLLEGE

REGULAR MEETING OF THE BOARD OF TRUSTEES

Wednesday, September 12, 2012

MINUTES

CALL TO ORDER

The regular meeting of the Board of Trustees of Mt. San Antonio College was called to order at 6:01 p.m. on Wednesday, September 12, 2012. Trustees Baca, Bader, Chyr, and Hall were present.

Absent: Trustee Chen Haggerty

STAFF PRESENT

Bill Scroggins, President/CEO; Virginia Burley, Vice President, Instruction; Mike Gregoryk, Vice President, Administrative Services; and Audrey Yamagata-Noji, Vice President, Student Services.

1. PUBLIC COMMUNICATION

None.

2. CLOSED SESSION

The Board adjourned to Closed Session to discuss the following items:

- **Conference with Legal Counsel - Anticipated Litigation - Initiation of Litigation pursuant to subdivision (c) of Section 54956.9** (one case)
- **Conference with Labor Negotiators Virginia Burley, Vice President, Instruction; and Bill Scroggins, President & CEO, per California Government Code Section 54957.6.**
Faculty Association; CSEA, Chapter 262; and CSEA, Chapter 651
- **Public Employee Performance Evaluation**
President & CEO

The Board reserves the right to modify the order of business in the manner it deems appropriate.

Closed session shall not extend past the designated time, but should the business considered in closed session require additional time, the Board shall reserve time after the public meeting to continue discussion.

3. PUBLIC SESSION

The public meeting reconvened at 6:42 p.m. The Pledge of Allegiance was led by Clarence Brown, Director, Marketing.

4. INTRODUCTIONS AND RECOGNITION

- **Introductions**

The following new appointed Classified and Faculty staff members were introduced to the Board:

Classified Employee

- **Jung Kim**, Admissions & Registration Clerk (ESL) (absent)

Faculty

- **Christopher Briggs**, Professor, Biological Sciences (present)
 - **Todd Clements**, Professor, Chemistry (present)
 - **Jamaika Fowler**, Articulation Officer/Counselor, Counseling (absent)
 - **Jeremy Hart**, Professor, Counseling (present)
 - **Jamie Hirsh**, Professor, Fire Technology (present)
 - **Stephen James**, Professor, Architecture & Engineering Design Technology (present)
 - **Rafaela Jobbitt**, Professor, History (present)
 - **Melissa Kauk**, Professor, Fine Arts (present)
 - **Heather Kokorowski**, Professor, Earth Sciences (present)
 - **Clark Maloney**, Professor, Kinesiology & Head Coach, Kinesiology & Athletics (present)
 - **Paul McLeod**, Professor, Journalism & Mountaineer Advisor, English Literature, Journalism (absent)
 - **Jane Nazzal**, Professor, Learning Assistance (present)
 - **Serena Ott**, Professor, Foreign Languages (present)
 - **Nikk Pilato**, Professor, Music & Band Director, Music (present)
 - **Eloise Reyes**, Professor, Counseling (present)
 - **William Roche**, Professor, Computer Information Systems (present)
 - **Dianne Rowley**, Professor, Learning Assistance, Learning Assistance Center (absent)
 - **Cecelia Thay**, Professor, Child Development (absent)
- The following newly promoted Classified and Management staff members were introduced to the Board:

Classified Employee

- **Glenda Melissa Aguirre**, Clerical Specialist (Human Resources) (absent)

Management Employee

- **Rosa Royce**, Associate Vice President, Fiscal Services (Fiscal Services) (present)
- Trustee Bader recognized the Men's Soccer and Football Teams who Garnered Pre-Season Number One National Rankings

5. APPROVAL OF MINUTES

Trustee Chyr indicated that the last sentence of the first paragraph in item No. 5 should read, "He cited a section of the Brown Act that permits Board members to express their opinion regarding the propriety of closed session actions."

Trustee Chyr also indicated that the last sentence of item No. 9. D. should read, "He also mentioned the Brown Act with respect to Board member communication on closed session actions that he can and cannot discuss at Board meetings."

It was moved by Trustee Baca, seconded by Trustee Hall, and passed to approve the minutes of the regular meeting of August 22, 2012, as amended. Student Trustee concurred.

6. REPORTING OF ACTION TAKEN IN CLOSED SESSION

- Regarding item No. 1: The Board, in closed session, by a vote of 4-0, accepted the recommendation to deny a claim filed by HPL Mechanical, Inc., under Government Code Section 910, for alleged damages incurred as part of the Design Technology Center project.
- Regarding item No. 2: None.
- Regarding item No. 3: Discussion will continue following open session of this meeting. Nothing to report out at this time.

7. PUBLIC COMMUNICATION

None.

8. REPORTS

- Reports by the following constituency leaders were given and are posted on the College website with these minutes:
 - Ahmad Azawi, Associated Students President
 - Eric Kaljumagi, Academic Senate President
 - DeeJay Santiago, Classified Senate President
 - Jennifer Galbraith, Faculty Association President
 - Laura Martinez, CSEA Chapter 262 President
 - Justin Ott, CSEA Chapter 651 Political Action Coordinator

9. BOARD COMMUNICATION

- Trustee Bader read the following reminder: "At this time, the Board of Trustees will report on matters related to attendance at conferences, professional affiliations, and community involvement directly related to their functions as Board members."

A. All Board members shared the following comments:

- Welcomed new employees.
- Congratulated newly promoted employees.

B. Student Trustee Marin reported the following:

- The Associated Students has passed a resolution in support of Proposition 30. They plan to work with the Faculty Association in this joint effort.
- She thanked Trustee Hall and Jill Dolan, Director, Public Affairs, for donating the constitutions for Constitution Day.
- She will be speaking on Proposition 30 to Mt. SAC students in the form of class presentations and encouraging students to register and vote.
- In two weeks, new senators will be appointed to the Associated Students.

C. Trustee Baca reported the following:

- He attended Fall Opening Day on August 24 and said it was very informative.
- He attended the San Gabriel Valley Economic Partnership Gala on September 7.

D. Trustee Chyr reported the following:

- He congratulated the Men's Soccer and Football teams for being ranked No. 1.

E. Trustee Hall reported the following:

- He attended the San Gabriel Valley Economic Partnership Gala on September 7.
- He attended the re-dedication of the San Dimas High School Stadium a couple of weeks ago and was impressed with the \$7M renovation.
- He encouraged everyone to attend the benefit concert on September 30 for the Chamber Singers and Singcopation to compete in the International Choir Competition in China in mid-November. He indicated that it would cost between \$50,000 and \$60,000 to attend this competition. He presented Dean of Arts Sue Long with a \$10,000 check, which is a contribution by Champion Power Equipment, the title sponsor of this event. He also vowed to Chloe Sanchez, head of the Rotoract Club, to donate \$5.00 for each ticket sold to the benefit concert on Sunday and will do so to any club that sells tickets.

F. Trustee Bader reported the following:

- She attended the Fall Opening Day meeting and bar-b-que and enjoyed herself very much.
- She talked about a fellow church-goer whose niece attended radiology classes at Mt. SAC and now has a job at the City of Hope. She said that Mt. SAC changed her life around.
- She attended a ribbon-cutting at Bonita High School for their new gymnasium and presented them with a proclamation congratulating them on behalf of Mt. SAC.
- She presented to Dean of Arts Sue Long a contribution of \$1,000 from the Pomona Rotary Club to go toward the Chamber Singers and Singcopation to compete in the International Choir Competition in China in mid-November.

10. PRESIDENT SCROGGINS' REPORT INCLUDED THE FOLLOWING:

- Welcomed new employees.
- Congratulated newly promoted employees.
- He said that he's excited about the Classified Orientation that's coming up and thanked the leadership for putting it together.
- He welcomed Vic Collins, the consultant who will be helping out with the Human Resources Department until a vice president is hired. He also thanked Vice President Gregoryk, who will be overseeing the Human Resources Department until a vice president is hired.
- Vice President Gregoryk reported on Mt. SAC's OPEB Trust, which is where the retiree health benefits are kept. There are two committees; the Administrative Committee is made up of the three union leaders and himself, and the Investment Committee is made up of Rosa Royce, Jim Jenkins, and himself. They meet semi-annually and review the report given by the trustee. He reported that Mt. SAC earned \$4.6 million (which is about a 6.9% on return) in the trust, which will cover the cost of the retiree health benefits. The investment advisors had done a superb job of minimal risk and good return. The total fund has approximately \$72 million in it.
- Vice President Gregoryk also reported that the assessed valuation for Los Angeles County is \$64.8 billion, which is a 1.66% increase over last year's \$63.8 billion.
- President Scroggins congratulated Vice President Burley on the birth of her fifth grandchild.

11. CONSENT AGENDA

- Trustee Bader indicated the following changes to the Consent Agenda:
 - Corrections on Consent #1 (Page 12) – Independent Contractors – under Date(s):
 - Ron Suffredini – there should be a return after 10/23/12.
 - Linda Umbdenstock - the date should read 9/13/12-6/30/13.
 - Correction on Consent #9 (Page 41) – Personnel Transactions: Delete “Mestas, Sara, Project/Program Aide, Bursar’s Office, \$19.76, 8/27/12-9/28/12.”
 - Pull Consent #13 (Page 50) - Mt. SAC-Randall Planetarium Reaching for the Stars Grant: Funds and Activities.
 - Add Consent #17: “Consideration of approval to amend the aircraft purchase by the Aeronautics Program. (See attached backup information.)”
- It was moved by Trustee Baca, seconded by Trustee Hall, and passed to approve or ratify the following items:

ADMINISTRATIVE SERVICES

1. Approval to hire various Independent Contractors in order to acquire the expertise needed to accomplish College goals and to meet deadlines.
2. Approval of Resolution No. 12-01, Appropriations Limit for 2012-13.

3. Approval of Resolution No. 12-02, Signature Changes to Existing Bank Accounts.
4. This item was pulled and acted upon separately (See paragraph 12).
5. This item was pulled and acted upon separately (See paragraph 13).
6. Approval of agreements to provide Professional Design and Consulting Services with Independent Roofing Consultants for the Music Building Chiller replacement project; with LiRo Program and Constructions Management, P.C. for a Construction Cost Study project; with P2S Engineering, Inc. for the Chilled Water Supply and Return Extension project; with Schaffer Acoustics, Inc. for the Agricultural Sciences Complex HVAC Noise and Vibration Mitigation project; and with Steven Fader Architects for the Building 23 Remodel project.
7. Ratification of the following Change Order:
 - Bid No. 2849 Design Technology Center – RC Construction (General Contractor) - Change Order No. 16.
8. Ratification of the following Contract Amendment:
 - Contract Student Support Services – HMC Architects (Architectural and Engineering Services) – Contract Amendment No. 1.

HUMAN RESOURCES

9. Approval of Personnel Transactions, dated September 12, 2012.

INSTRUCTION

10. Approval of activities and acceptance of funds for the Upward Bound grant.
11. Approval of a contract amendment for the CyberWatch West grant.
12. Approval of activities for the Pilot Program for Course Material Rental grant.
13. This item was pulled from the Agenda.
14. Approval of activities for the Family and Consumer Sciences Discipline/Industry Collaborative grant.
15. Approval of activities and acceptance of funds for the Workforce Investment Act, Title II: Adult Education and Family Literacy Act, Section 231, and English Literacy and Civics Education grant.
16. Approval of additions and changes for the Community Services Continuing Education Division.

Motion carried. Student Trustee concurred.

12. FIVE-YEAR RENEWAL AGREEMENT WITH METRO PCS TO LEASE SPACE FOR A CELLULAR COMMUNICATIONS FACILITY ON THE ROOF OF THE TECHNOLOGY AND HEALTH DIVISION BUILDING

It was moved by Trustee Hall, seconded by Trustee Chyr, to approve this item.

Trustee Hall expressed his concern that the insurance that's behind the contract with Metro PCS and T-Mobile would be adequate for any damage claim that may be brought against the College as a result of hosting these cell phone towers on the College's facilities. Vice President Gregoryk indicated that the College has six separate cell phone tower agreements, and each one of the contracts has \$1 million as an additional assured on the vendors' policies. In the College's general liability policy, in the primary coverage, there is a \$5 million of coverage and \$25 million in the College's excess. The first cause of action would go against the \$1 million vendor policy, and then the College's coverage would kick in. He said that the College is fully covered for any claim that may be filed against Mt. SAC.

Motion carried. Student Trustee concurred.

13. FIVE-YEAR RENEWAL AGREEMENT WITH T-MOBILE TO LEASE SPACE FOR A CELLULAR COMMUNICATIONS FACILITY ON THE ROOF OF THE ART CENTER BUILDING

It was moved by Trustee Hall and seconded by Trustee Chyr, to approve this item.

The discussion for paragraph 9 above satisfied this item, also.

Motion carried. Student Trustee concurred.

14. PUBLIC HEARING ON PROPOSED BUDGET

In accordance with Title 5 of the California Code of Regulations, Section 58301, the 2011-12 Proposed Budget was made available to the public from September 7, 2012, through September 12, 2012, and a Public Hearing was scheduled for 6:30 p.m., on Wednesday, September 12, 2012. Trustee Bader opened the Public Hearing at 7:49 p.m. There were no statements made relative to the proposed Budget. The Public Hearing was closed at 7:50 p.m.

15. ADOPTION OF THE 2012-13 BUDGET

Vice President Gregoryk reported that the College ended the 2011-12 fiscal year with a positive variance of \$4,983,304. The main contributors to the fiscal year-end positive variance are a Decrease in Revenues due to the Tiers 1 and 2 "Trigger Cuts" (\$2.5 million), Enrollment Fee/Property Tax Deficit (\$1.9 million), Apportionment Prior Year Adjustment (increase of \$.3 million), and Additional Revenues – Non-Resident Tuition, Income-Generated, etc.) (increase of \$1.1 million), which equals \$2,981,086; Expenditure Savings (Income-Generated, Rate-Driven, and balances from unspent Status Quo Budgets) of \$2,964,390; and a settlement with the City of Industry of \$5 million.

Mr. Gregoryk reviewed the proposed 2012-13 budget. He also talked about the history of ongoing budget reductions in Class Schedule Reductions for Credit/Noncredit; Operational "Status Quo" Budget Reductions; Vacant Positions Eliminated; Scheduled Maintenance Match Reduction; Computer Replacement Program Reduction; New Faculty Equipment/Computers Reduction; and Travel and Conference Budget Reduction, which adds up to \$15,274,098.

Another item of discussion had to do with pension reform. Mr. Gregoryk indicated that this didn't come about because of K-12s and colleges; the Governor started looking at pension reform because cities and special districts pay both the employee's and employer's shares, and now the reform says it will be 50-50.

Included in the Adopted Budget are ongoing general fund revenues of \$135,525,819. Ongoing expenditures are estimated at \$145,567,911, leaving a projected ongoing structural budget deficit of \$10,042,092.

Mr. Gregoryk also talked about the ramifications of the Proposition 30 Tax Initiative. He said that, if it passes, it would mean \$50 million in Growth/Restoration to help restore FTES lost, and Mt. SAC's share would be approximately \$1,049,694; and \$159.9 million to buy down Apportionment Deferrals from \$961 million to \$801.1 million. If Proposition 30 fails, it would mean the loss of \$50 million in Growth/Restoration to help restore FTES lost, and Mt. SAC's share would be approximately \$1,049,694; \$159.9 million to buy down Apportionment Deferrals from \$961 million to \$801.1 million; and Workload Reduction of \$338.6 million, which would mean a reduction of \$8,646,089 for Mt. SAC.

Mr. Gregoryk indicated that there will be a 2012-13 major Apportionment cash crunch, whether Proposition 30 passes or fails. By November 2012, Apportionment payments will be 43%, or \$26 million, less than the previous fiscal year due to increased deferrals. In June 2013, the College will receive 41% of the total Apportionment cash allocated for the 2012-13 fiscal year, with a balloon payment estimated at \$27 million. The General Fund will experience an \$11.2 million cash shortage from April to May 2013. This shortage will be covered by borrowing cash funds from the Capital Outlay and BAN Construction funds.

Mr. Gregoryk finished his presentation by talking about what's next: Team Work; Evaluate Vacant Positions; Evaluate Existing Programs and Services; and Review Organizational Structure.

Vice President Gregoryk's presentation is posted on the College website with these minutes.

It was moved by Trustee Baca and seconded by Trustee Hall, to approve the 2012-13 Adopted Budget. Motion carried. Student Trustee concurred.

16. PROPOSED ADMINISTRATIVE PROCEDURE 3260 – INSTITUTIONAL REVIEW BOARD

The Board received proposed Administrative Procedure 3260 – Institutional Review Board, for information only.

Dr. Scroggins explained that this Administrative Procedure 3260 has to do with Federal Law and Procedure regarding human subject research. Mt. SAC involves students in research as a pedagogical method and accepts grants that have components that involve students in research. Their rights need to be protected, and this Procedure lays out the process. The Institutional Review Board involves faculty, people with certain scientific and research ability, and a person from the community. These are appointed positions, and their duties include review of the proposed research project to be sure they conform with the guidelines as indicated in Administrative Procedure 3260.

17. CHANGES IN UPCOMING EVENTS

Several upcoming events are either canceled or postponed. One in particular is the new Design Technology Building, which will now have its ribbon-cutting event in the spring. This is a result of the landscaping and the auditorium being incomplete.

Dr. Scroggins reminded everyone that the November and December Board meetings are being held earlier due to the holidays.

18. AMEND THE AIRCRAFT PURCHASE BY THE AERONAUTICS PROGRAM

It was moved by Trustee Baca and seconded by Trustee Chyr to approve this item.

Vice President Gregoryk explained that a mistake was made by not putting the other bidders on the backup when this item was initially approved, which made it look like it was a sole-source bid when it wasn't.

Motion carried. Student Trustee abstained.

19. PROCEDURAL AND PARLIAMENTARY PROCESSES DURING BOARD MEETINGS INCLUDING ANALYSIS FROM LEGAL COUNSEL

Regarding items brought up in July, Trustee Chyr indicated that the questions that arose were regarding items discussed in closed session. He said that it might be necessary to bring this topic up again; so, it may be included on a Board Agenda in the future. He asked for items to be placed in the meeting minutes, and there's a difference of opinion on what can be placed in the meeting minutes. His interpretation of the Brown Act is different than legal counsel's. He quoted Brown Act Section 54963, sub-section e. The key word "propriety" needs to be addressed by legal counsel. He said that he's heard a verbal interpretation of the definition of the word "propriety" from Dr. Scroggins; however, he asked President Scroggins to ask legal counsel to offer a written opinion of exactly what their interpretation of the word "propriety" means. Dr. Scroggins asked the Board for permission to work with Trustee Chyr to phrase the question to legal counsel, and the Board gave their permission.

Trustee Chyr reiterated that, a couple of months ago, he was the dissenting vote on an issue. He noted two specific reasons: the agreement was presented at the beginning of closed session; but, some Board members received a proposed agreement in advance of others; and he requested and was denied the opportunity to have legal counsel present via phone to provide comments and to answer questions regarding the proposed agreement. Then, he said that his reasons were not included in the minutes. He also noted that the agreement is now a public document. He is confused as to what "confidential" means in this case – is it the agreement itself, or the process.

Trustee Baca expressed his concern about the potential liability of talking about the disclosure of proprietary information.

Trustee Bader asked Trustee Chyr if his intent is to put his reasons for his dissenting vote in tonight's minutes. Trustee Chyr said that it's a part of it, and that other comments will be made.

Trustee Baca said that, on the surface, he doesn't have a problem with it; however, he's not comfortable without knowing the ramifications of such discussions. He also mentioned that he doesn't want to make decisions without all the Board members present.

Before voting on this issue, Trustee Hall would prefer to wait for legal counsel's opinion, especially since all of the Board members are not present at this meeting.

Trustee Bader said that, if Trustee Chyr is going to give his reasons for being the dissenting vote, then she would like her reasons, also, for voting in favor of it.

Dr. Scroggins suggested that two Board Agenda items be brought back next month – one Closed Session item to determine what is confidential and what is not, and one Open Session item to discuss those areas that the Board deems not confidential and, thus, available for open discussion.

Trustee Chyr said that he's never embarrassed of anything that happens in closed session, and, obviously, there are some areas that can't be discussed in open session.

Trustee Chyr said that he would wait to make a motion at a later date, after legal counsel responds and when all Board members are present.

20. CLOSED SESSION

The Board adjourned to Closed Session at 8:53 p.m. to discuss the following item:

- **Public Employee Performance Evaluation**
President & CEO

21. OPEN SESSION

The public meeting reconvened at 10:00 p.m.

22. REPORTING OUT OF ACTION TAKEN IN CLOSED SESSION

None.

23. ADJOURNMENT

The meeting adjourned at 10:01 p.m.

WTS:dl



Associated Students Report

Presented By A.S President Ahmad Azzawi; September 12, 2012

New Officer Appointments

Samantha Sarwar, was appointed Senate Chair while *Brian Uribe*, and *Ryan Zhou*, were appointed Associate Court Justices. All three were sworn in last week. Finally, *Joy Ugay* was appointed Inter-Club Council Vice Chair.

A.S. Legislation

Associated Students approved Resolutions 2 and 4, which are in support of Proposition 30 and in opposition to Proposition 32 (respectively). Copies of these resolutions have been provided for you.

New Student Center Hours

Associated Students recommended a 4/10 schedule for the Student Center in order to keep it open later for night students and during peak hours. The recommendation was approved and implemented on Monday, September 10. Under the 4/10 schedule the Center will be open from 8 am – 7 pm Monday through Thursday, which is when the Center is busiest. Closing Fridays would only affect about 12 students per week; whereas opening earlier and closing later would benefit about 100 students per week. Closing on Fridays would free up the Center for events. Finally, keeping the Center open until 7 pm would mean that Student Life Services would be accessible to evening students (i.e. lost & found, answering questions).

Student Center Furniture

We are purchasing durable long lasting furniture for the campus Student Center. Associated students approved \$39,000 to purchase new Student Center furniture. Quotes were obtained from companies that were referred by the Mt. SAC Purchasing Office, Pasadena City College, and the University of La Verne. The companies were Pivot, United Interiors, and Nationwide. Students were presented with a layout, fabric samples, and pictures of the suggested furniture. Pivot was selected based on cost, service, and the quality of the furniture. We hope to have new furniture in place before the end of the winter intersession.

Special Thanks

I would like to thank *Audrey Yamagata-Noji* for guiding and welcoming the new students at the New Student Welcome. Thank you to Student Trustee *Elisa Marin* and members of the Senate for attending Mt SAC's home football game against Bakersfield.

Awards & Recognitions

1. Congratulations to the football team on its 2 wins. The team is 2-0, so it is still the team to beat.

▼ UPCOMING EVENTS ▼

Constitution Day: Constitution Day is scheduled for Thursday, Sept. 13 from 11 am - 2 pm in 9C Stage. We partnered with Political Science Professor *Richard Santillan* to moderate a faculty and student panel and discuss the upcoming elections within the context of the US Constitution. We will also be handing out miniature US Constitutions and hosting a voter registration drive. Special thanks to *David Hall* and *Jill Dolan* for donating the miniature constitutions.

“Get Out the Vote” Efforts:

1. We are working very hard on Voter Registration Drives and currently have about 100 new registered voters! Our goal is to register 1,000 new voters by October 19.
2. We also plan to unveil a voter T-shirt in honor of National Voter Registration Day on Tuesday, Sept. 25. We will be giving the T-shirts away to students as an encouragement to vote, register to vote, or tell their friends to vote. Sorry, but the free shirts are for students only. We will also be hosting a voter registration drive and are working with the College Forensics team to set up a debate on key ballot measures.

Academic Senate Report
To the Board of Trustees
12 September 2012

Full Senate Activity

The Senate held its first meeting of the year on 30 August. The one action item was referred back to its originating council for clarification, and the Senate confirmed the appointment of Beta Meyer (Biological Sciences) as the Faculty Professional Development Coordinator. The Senate will next meet tomorrow to consider the recommendations of three task forces from last semester and to decide on the creation of three more for this year. We will also hold the election for our vacant Senator-at-large position.

Senate Appointments

The Academic Senate has 136 positions on college-wide committees currently staffed out of a grand total of 138 positions. In addition, there are 74 voting members of the Academic Senate this year, making for a total body of 146 distinct faculty who participate in the work of the Academic Senate.

Hiring

The Academic Senate, in conjunction with the Instruction Office, has begun the process for hiring faculty for 2013-14. Department chairs received a letter last May asking for submission of a request form from the divisions by **1 October**. Although the number of faculty to be hired this year is likely to be quite small, it is necessary to prioritize so as to align potential hires with program needs.

Respectfully submitted,
Eric Kaljumägi
President, Academic Senate



MT. SAN ANTONIO COLLEGE CLASSIFIED SENATE

REPORT TO THE BOARD OF TRUSTEES
WEDNESDAY SEPTEMBER 12, 2012

1. Classified Senate is scheduled to meet on Thursday September 13th. At this meeting we will discuss the following:
 - a. Senate goals for the 2012 - 2013 academic year.
 - b. Review feedback from Classified Convocation.
 - c. Discuss Senate's various committee involvements.
2. Fall Convocation was held on Friday August 24th and Senate assisted in various aspects of the day's activities. We are still in the process of collecting evaluations from the classified community and would like to encourage staff to email classifiedsenate@mtsac.edu if they have any feedback to provide regarding Convocation.
3. Classified Senate would like to invite all classified staff, hired between January and August 2012, to attend the New Employee Welcome which will be held in Founders Hall on Monday September 17th from 9:00 am - 3:00 pm. New staff interested in attending are encouraged to confirm their attendance by contacting the POD office at x4504.
4. On behalf of Classified Senate, I would like to extend a warm welcome and congratulations to the newly appointed and promoted classified employees.

Respectfully Submitted by,
Deejay R. Santiago, Ed.D.
President, Classified Senate



**Faculty Association Report
To the Board of Trustees
September 12, 2012**

1. Faculty FA Goals for 2012-13

For FA goals this year the FA will focus on the following: election for Propositions 30 and 32, membership drive, recruiting for BOT election next November, hosting a Faculty Appreciation Day, promoting Puttin' on the Hits to offset costs of facilities.

2. Adjunct Dental Open Enrollment

This year in negotiations the FA and the District agreed to offer adjunct faculty the opportunity to purchase into an HMO group dental plan at the cost of the faculty member. After working with a broker Cigna has been chosen as the dental plan. There will be 4 open enrollment informational meetings in the FA Office. The deadline to sign up this semester is October 1st.

3. Vacant Director Seat

With the retirement of Ralph Spaulding there is currently a vacancy on the Executive Board. According to the FA Bylaws this vacancy is filled by appointment of the President with approval of the Executive Board and confirmation of Representative Council. The position is Director for 1 year. President Galbraith is currently asking for interested parties to let her know.



CSEA Chapter 262
2012 Executive Board

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*“To improve the lives of
our members, students,
and community.”*

September 12, 2012

Good evening,

On behalf of CSEA 262 I would like to thank Trustees Baca and Chen-Haggerty for their attendance at the Classified Opening Meeting on Convocation Day. The activities planned for classified staff were well attended and I look forward to the Classified Professional Development Committee assuming the responsibility for future planning.

Over the summer I attended CSEA's 86th Annual Conference, along with four other delegates. I was surprised and proud that my fellow Mt. SAC colleague Cason Smith provided the voiceovers for the Veterans tribute during the opening ceremony. We had the opportunity to hear from Governor Jerry Brown who spoke about the importance of Proposition's 30 & 32 in the upcoming November elections. As always, this is a valuable conference that allows delegates to make decisions on the future of our Association.

Also, during the summer Chapter 262 1st Vice President Cason Smith attended the California Labor Federation Biennial Convention in San Francisco. He was one of only seven people chosen from CSEA's thousands of members to represent our Association at this event. During this Convention he had the opportunity to meet and talk with Governor Brown and U.S. Secretary of Labor Hilda Solis.

I would like to extend congratulations to Classified Senate President Dr. DeeJay Santiago on the completion of his doctoral program.

Respectfully submitted,

Laura Martinez
President
CSEA Chapter 262

Board Meeting Wednesday September 12, 2012

CSEA Chapter 651 Report

1. CSEA Retired Field Director Starlene Porter passed with cancer . A memorial was held today at noon. Starlene who we know as STAR worked with our chapter and in negotiations with 651 two or three contracts. CSEA Chapter 651 will always remember STAR and greatly appreciate her contribution to our chapter, negotiations, CSEA and Education, Star will be missed.
2. CSEA Chapter 651 is looking forward to hopefully a positive outcome regarding negotiations.
3. CSEA 651 and surrounding chapter are joining forces regarding all political campaigns and are meeting on a regular basis to help improve education and the work of classified professionals.
4. CSEA Chapter 651 also would like to thank Mike Gregoryk for making the adjustment that affords the participation of Classified in 651 to attend the BBQ.



2012-13 ADOPTED BUDGET
Presented to the Board of Trustees
September 12, 2012



COMPARISON: 2011-12 ADOPTED BUDGET VERSUS ACTUALS

■ Main Contributors to the Fiscal Year-end Positive Variance:

Decrease in Revenues: **\$ (2,981,086)**

- Tiers 1 and 2 "Trigger Cuts" - Decrease of \$2.5 million
- Enrollment Fee/Property Tax Deficit - Decrease of \$1.9 million
Estimated at \$3.6 million in the Tentative Budget decreasing to \$2.2 million: Result of San Mateo CCD becoming a Basic Aid district.
- Apportionment Prior Year Adjustment - Increase of \$.3 million
- Additional Revenues (Non-Resident Tuition, Income-Generated, etc.) – Increase of \$1.1 million

Expenditures Savings: **\$ 2,964,390**

- Income-Generated, Rate-Driven, and Balances from Unspent Status Quo Budgets

Negative Variance **\$ (16,696)**

City of Industry - Settlement **\$ 5,000,000**

Positive Variance **\$ 4,983,304**

2012-13 ADOPTED BUDGET REVENUE ASSUMPTIONS



Base Ongoing Revenue Budget (2011-12)	\$137,362,853
2010-11 Growth/Restoration Adjustment	(17,269)
2011-12 Base Apportionment Adjustment	(4,106)
2011-12 Mid-Year Apportionment Workload Reduction Tier 2 "Trigger Cuts"	(1,838,111)
Lottery - FTES decreased from 31,918 to 29,442; estimated at \$122 per FTES	(142,482)
Interest - Rates have decreased from 1.26% (July 2011) to .86% (June 2012); 2011-12 deferrals increased from \$30,443,575 to \$35,344,345	(100,000)
Income-Generated Budgets – Increased from \$1,591,224 to \$1,748,445	157,221
Other Miscellaneous Revenue	107,713
Total Estimated Ongoing Revenue Budget	\$135,525,819



2012-13 ADOPTED BUDGET ONGOING EXPENDITURE ASSUMPTIONS

Ongoing Operational Budget	\$144,776,137
Twelve New Faculty Positions (to meet Faculty Obligation number)	1,159,860
2% Increase on Faculty Service Increments and Professional Growth	15,061
Faculty Medical Coverage Opt-out	(65,000)
CSEA 651 - 2% Salary Increase	118,441
CSEA 262 - 2% Salary and \$302 Benefit Increase	519,084
Manager, Supervisor, and Confidential - 2% Salary and Benefit Increase	272,381
Salary Schedule Progression and Personnel/Benefit Changes	813,635
2012-13 Faculty Agreement	33,723
2012-13 CSEA 262 Medical Coverage Opt-out	(100,388)
CalPERS Increase (10.923% to 11.417%)	145,793
Unemployment Insurance Decrease (1.61% to 1.10%)	(267,586)
CalSTRS Increase (Adjunct Faculty pool increased from 60% to 83%)	383,502
Sub-Total Ongoing Expenditure Budget	\$147,804,643

2012-13 ADOPTED BUDGET ONGOING EXPENDITURE REDUCTIONS



Sub-Total Ongoing Expenditure Budget	\$147,804,643
Retiree Health Premiums Decrease (decrease in supplemental plans)	(7,775)
Worker's Compensation Rate Increase (from 1.33% to 1.39%)	42,723
Approved Ongoing "Immediate Needs" and Budget Increases	507,489
Income-Generated Budgets (match revenue increase)	157,221
Class Schedule Reductions (reduced 415 FTES)	(349,922)
Operational "Status Quo" Budget Reductions – first round	(297,939)
Operational "Status Quo" Budget Reductions – second round	(270,388)
Scheduled Maintenance Match Reduction	(325,000)
Computer Replacement Program/New Faculty Equipment Reduction	(305,000)
Travel and Conference Budget Reduction (only \$77,484 remaining)	(200,000)
Vacant Positions Eliminated	(1,525,109)
Ongoing Backfill For Eliminated Full-Time Faculty (8 Faculty positions)	336,968
Total Ongoing Expenditure Budget	\$145,567,911

HISTORY OF ONGOING BUDGET REDUCTIONS



ONGOING BUDGET REDUCTIONS	2009-10	2010-11	2011-12	2012-13	Total
Class Schedule Reductions - Credit/Noncredit	\$2,809,194	1,097,474	\$1,725,574	\$ 349,922	\$ 5,982,164
Operational "Status Quo" Budget Reductions		1,794,253	496,800	568,327	2,859,380
Vacant Positions Eliminated		1,686,743	2,390,702	1,525,109	5,602,554
Scheduled Maintenance Match Reduction				325,000	325,000
Computer Replacement Program Reduction				250,000	250,000
New Faculty Equipment/Computers Reduction				55,000	55,000
Travel and Conference Budget Reduction				200,000	200,000
Total	\$2,809,194	\$4,578,470	\$4,613,076	\$3,273,358	\$15,274,098

TEAMWORK



2012-13 ADOPTED BUDGET

Total Estimated Revenue	\$135,525,819
Total Ongoing Expenditures	(\$145,567,911)
Ongoing Structural Budget Deficit	(\$10,042,092)



2012-13 ONE-TIME EXPENDITURES AND ONE-TIME EXPENDITURE SAVINGS

2011-12 Purchases In Progress and Carryover Budgets	\$ 1,222,948
Income-Generated Accounts – Carryover from 2011-12	1,592,580
Immediate Needs – One-time	124,802
Blended Rate Overtime (payment to Classified Staff for three years)	215,536
Categorical Support (reduced from \$991,579)	475,000
Total One-Time Expenditure Increases	\$3,630,866
No Annual Contribution to the OPEB Trust	(1,788,169)
Retiree Benefit Premiums (paid from the OPEB Trust)	(4,449,163)
One-time Savings for Vacant Positions	(475,012)
Total One-Time Expenditure Savings	\$(6,712,344)
Total One-Time Expenditure Increases and Savings	\$(3,081,478)



2012-13 ADOPTED BUDGET UNRESTRICTED GENERAL FUND FUND BALANCE

Assigned Fund Balance – City of Industry (mitigate possible reduction if Tax Initiative fails)	3.50%	5,000,000
Unassigned Fund Balance – 10% Board Policy	10.00%	14,248,643
Unassigned Fund Balance	2.90%	4,124,377
Total Fund Balance	16.40%	\$23,373,020

Note: If the Governor's Tax Initiative does not pass, the Fund Balance will be reduced by an estimated \$8,646,089. The result is shown below:

Unassigned Fund Balance – 10% Board Policy	10.00%	\$14,248,643
Unassigned Fund Balance	0.34%	478,288
Total Fund Balance	10.34%*	\$14,726,931

*A Fund Balance below 5% could jeopardize Mt. SAC's Fiscal Independence status.

Looking Ahead to Mid-Year 2012-13 and 2013-14

BUDGET AND ACTUALS COMPARISON HISTORY Unrestricted General Fund

REVENUE SOURCE:	2011-12 Actuals	2012-13 Adopted Budget	Possible 2012-13 Adopted Budget Mid-Year Revision	Estimated 2013-14 Preliminary Budget
Base Apportionment	\$ 134,239,283	\$ 124,383,618	\$ 124,383,618	\$ 115,737,529
Prior Year Apportionment Adjustment	(17,269) (1)	-	-	-
Apportionment Workload Reduction	(8,000,285)	-	(8,646,089) (5)	-
Tier 2 "Trigger Cut" Apportionment Reduction	(1,838,111)	-	-	-
Total Apportionment	\$ 124,383,618	\$ 124,383,618	\$ 115,737,529	\$ 115,737,529
Miscellaneous	\$ 8,528,220	\$ 7,550,277	\$ 7,550,277	\$ 7,550,277
Lottery - Current Year	3,830,160	3,591,924	3,591,924	3,591,924
TOTAL ONGOING REVENUES:	\$ 136,741,998	\$ 135,525,819	\$ 126,879,730	\$ 126,879,730
TOTAL ONGOING EXPENDITURES:	\$ (141,581,095)	\$ (145,567,911)	\$ (145,567,911)	\$ (148,067,911) (6)
SURPLUS/(DEFICIT) - ONGOING	\$ (4,839,097)	\$ (10,042,092)	\$ (18,688,181)	\$ (21,188,181)
ONE-TIME REVENUE - INCREASES/(DECREASES)				
One-Time Revenue (Prior Year Apportionment Adj.)	\$ 260,976 (2)	\$ -	\$ -	\$ -
Tier 1 "Trigger Cut" Apportionment Reduction	(682,766)	-	-	-
One-Time Enrollment Fee/Property Tax Deficit	(2,239,554) (3)	-	-	-
City of Industry - Legal Settlement	5,000,000	-	-	-
TOTAL ONE-TIME REVENUE:	\$ 2,338,656	\$ -	\$ -	\$ -
ONE-TIME EXPENDITURES - INCREASES/(DECREASES)				
One-Time Expenditures	\$ (3,807,569)	\$ (3,630,866)	\$ (3,630,866)	\$ (4,630,866) (7)
One-Time Expenditure Savings (Retiree Health Premiums/OPEB)	2,828,573	6,712,344	6,712,344	-
TOTAL ONE-TIME EXPENDITURES:	\$ (978,996)	\$ 3,081,478	\$ 3,081,478	\$ (4,630,866)
SURPLUS/(DEFICIT) - ONGOING AND ONE-TIME	\$ (3,479,437)	\$ (6,960,614)	\$ (15,606,703)	\$ (25,819,047)
SUMMARY OF FUND BALANCE:				
Assigned Fund Balance				
Income-Generated Accounts	\$ 1,592,580	\$ -	\$ -	\$ -
City of Industry - Legal Settlement	5,000,000	5,000,000 (4)	-	-
Total Assigned Fund Balance:	\$ 6,592,580	\$ 5,000,000	\$ -	\$ -
Unassigned Fund Balance				
10% - Board Policy	\$ 14,256,009	\$ 14,248,643	\$ 14,248,643	\$ (11,092,116)
Unassigned Fund Balance	9,485,045	4,124,377	478,288	-
Total Unassigned Fund Balance:	\$ 23,741,054	\$ 18,373,020	\$ 14,726,931	\$ (11,092,116)
Total Fund Balance:	\$ 30,333,634	\$ 23,373,020	\$ 14,726,931	\$ (11,092,116)
Total Fund Balance Percentage:	21.28%	16.40%	10.34%	-7.26%

(1) 2010-11 Final Base Apportionment Adjustment (Ongoing)

(2) 2010-11 Final Apportionment Revenue Payment (One-time)

(3) Enrollment Fee and Property Tax Deficit Less Than Anticipated Mainly as a Result of San Mateo CCD Becoming a Basic Aid District

(4) Assumption: Will be Used to Mitigate the Possible Apportionment Reduction of \$8,646,089 if the Prop 30 Tax Initiative Fails

(5) Assumption: Prop 30 Tax Initiative Fails

(6) Assumes a Conservative Ongoing Expenditure Increase of \$2,500,000

(7) Includes \$1,000,000 for Election Expenses



If Proposition 30 Tax Initiative

Passes:



- \$50 million in Growth/Restoration to help restore FTES lost - Mt. SAC's share is approximately \$1,049,694
- \$159.9 million to buy down Apportionment Deferrals - from \$961 million to \$801.1 million

TEAMWORK



If Proposition 30 Tax Initiative

Fails:



- **Lose** \$50 million in Growth/Restoration to help restore FTES lost - Mt. SAC's share would be approximately \$1,049,694
- **Lose** \$159.9 million to buy down Apportionment Deferrals - from \$961 million to \$801.1 million
- **Workload Reduction** of \$338.6 million – a reduction of \$ 8,646,089 for Mt. SAC



2012-13 Major Apportionment Cash Crunch: Whether Proposition 30 Passes or Fails

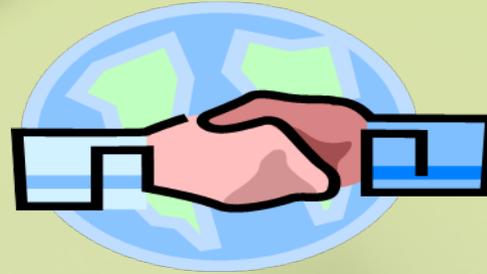


- By November 2012, Apportionment payments will be 43% or \$26 million less than the previous fiscal year due to increased deferrals.
- In June 2013, the College will receive 41% of the total Apportionment cash allocated for the 2012-13 fiscal year, with a balloon payment estimated at \$27.0 million.
- The General Fund will experience a \$11.2 million cash shortage from April to May 2013. This shortage will be covered by borrowing cash funds from the Capital Outlay and BAN Construction Funds.



WHAT'S NEXT

- Teamwork



- Evaluate Vacant Positions

- Evaluate Existing Programs and Services

- Review Organizational Structure

TEAMWORK



QUESTIONS ??



**BOARD OF TRUSTEES
MT. SAN ANTONIO COLLEGE**

DATE: September 12, 2012

CONSENT

SUBJECT: Amended Aircraft Purchase, Aeronautics Program

BACKGROUND

On July 25, 2012, the Board approved the Aeronautics Program purchase of a 2001 Cessna 172SP (Registration No. N3505R) to complement its existing aircraft inventory. This aircraft will provide learning opportunities in newer technology and decrease the time demands and related servicing on existing aircraft.

The original agenda item did not provide some of the specific details about alternative aircraft that were considered during the purchase process and other details about the steps followed for the purchase as is required to assure compliance with all District policies and procedures. Because this was the purchase of a used aircraft, normal bidding processes could not be used. However, to facilitate the purchase, it was necessary to use the services of a Broker and then an Escrow and Title Company to handle closing of the sale, similar to the process used when purchasing a home. As a result of this added information, it is recommended that the Board reapproves the purchase inclusive of the additional information provided below.

ANALYSIS AND FISCAL IMPACT

The Broker and Aeronautics faculty members researched aircraft that were available for purchase using the internet, trade publications, and other used aircraft listings. A tally sheet listing three similar aircraft best suited for the Aeronautics program was then evaluated for the purchase, as follows:

<u>Description</u>	<u>Registration No.</u>	<u>Price</u>	<u>Hours</u>	<u>Comments</u>
2001 Cessna 172S	N2711R	\$129,500	4310	No damage/corrosion, heavy use
2002 Cessna 172S	N5298S	\$115,900	3970	No damage/corrosion, flight school
2001 Cessna 172SP	N3505R	\$111,000	460	No damage/corrosion, one owner

Prepared by: Thomas G. Meikle

Reviewed by: Michael D. Gregoryk

Recommended by: Bill Scroggins

Agenda Item: Consent #17

SUBJECT: Amended Aircraft Purchase, Aeronautics Program

DATE: September 12, 2012

After evaluating the factors of age, condition, flight hours, usage, in-person inspection, and price; the Broker and Aeronautics faculty recommend the purchase of the Cessna 172SP. The total purchase price of the Cessna 172SP is not to exceed \$135,000 and includes broker, escrow, title/insurance, inspection fees, and taxes, as indicated below:

- Aircraft Purchase Price: \$111,000 + tax
- Broker Fee: \$1,500
- Escrow Fees: \$550
- Title Fees/Insurance: \$525
- Annual Insurance Premium: \$9,085
- Inspection: \$2,000-\$2,500

Using the Escrow and Title Services of AIC Title Service LLC, Oklahoma City, OK, the aircraft will be purchased from Keith and Joanne Longie, Scottsdale, AZ. Brokerage services will be provided by Apodaca Investigative Agency, Walnut, CA. The Annual Insurance Premium will be paid to Falcon Insurance.

Funding Sources

- Restricted General Fund.
- Unrestricted General Fund.

RECOMMENDATION

It is recommended that the Board of Trustees approves entering into escrow and payment to AIC Title Service LLC, Oklahoma City, OK, for all amounts due inclusive of payment for Escrow Fees, Inspection Fees, and Broker Fees to Apodaca Investigative Agency, Walnut, CA, and sales proceeds to Keith and Joanne Longie, Scottsdale, AZ, for the purchase of the Cessna 172SP Aircraft. In addition, the Board of Trustees approves payment of the Annual Insurance Premium to Falcon Insurance and applicable taxes to the appropriate taxing, registration, and licensing authorities.