PORTLAND COMMUNITY COLLEGE - BOARD OF DIRECTORS
PO BOX 19000, Portland, OR 97280

BUSINESS SESSION
January 15, 2015
12000 SW 49th Avenue, Portland, OR 97219
Sylvania Campus, Conference Rooms A and B

MINUTES

BOARD ATTENDANCE
Denise Frisbee, Jim Harper, Ken Madden, Chair Deanna Palm, Gene Pitts, Kali Thorne-Ladd, Courtney Wilton.

WORK SESSION
Board Members met for a Work Session for discussions on the Internal Auditor position, OCCA/OPC, Strategic Plan Next Steps, and an Equity Update.

EXECUTIVE SESSION
The Board of Directors met at 7:00 pm in accordance with ORS 192.660 (2)-in accordance with ORS 192.660 (2), (e) Real Property Transactions, (f) Information Exempt from Public Disclosure (Attorney-Client Privilege), (h) Litigation.

CALL TO ORDER
Chair Palm called the business meeting to order at 7:37 pm and invited all present to introduce themselves.

APPROVAL OF THE AGENDA
The agenda was approved as published. All approved. Wilton/Pitts

INFORMATION SESSIONS

Faculty Focus
John Farnum, Instructor, Philosophy

Mr. Farnum has been teaching philosophy at Portland Community College for fifteen years. He is really proud to be a philosophy instructor here at PCC. He grew up in Portland, some of his friends went to PCC after high school and so he always feel like he is teaching his friends.

Talking about different perspectives, and realizing that other people have different ways of seeing the world. Those are things that are really powerful about philosophy. It's hard as a philosopher to just take a few minutes and talk about philosophy. He is honored to present a presentation today on philosophy. It's the birthday of Martin Luther King Jr., who would have been 86 today. As a philosopher he is connected to his philosophy in many ways.
The main thing for him and the work that he does at Portland Community College, he is position at the Director of the Center for Civic Participation. It is a dialogue based center that folks get together and have conversations about topical issues in the community, at Portland Community College, and in Portland—covering some national issues. They have been working to get this together, and is he is really proud to honor the people who volunteer their time with support. It's an all volunteer committee of faculty, staff and students. It's been going on for two years. He would like to recognize his colleagues and the work that they’ve done.

It's about dialogue, and this is what the legacy of Dr. Martin Luther King. In a letter from a Birmingham jail, he has four basic ways to start a nonviolent campaign. The first one is to collect facts about where the injustices are in our community. That is about perception of justice, is there justice in our communities, or is some of the things that are going on fundamentally unjust? He talks about these perceptions and how we can understand what justice is, that's very philosophical.

The second thing he says is the need to have negotiations, or dialogue with the people that we disagree with, this is the essence of nonviolence. When you represent yourself as a person to another person, it's something that Dr. King talked about with Martin Buber's philosophy, who was a Jewish philosopher. He wrote a book called “I and Thou”. It's this idea that when you treat someone as a thou, not as a thing, an I-it relationship is an I-thing relationship. But as, I value/honor that person when you talk to them. You can negotiate in good faith, if people are still being unjust you have to start the process for action. That process starts with self-purification. It's a kind of self reflection of what are your motives? Why do you want to engage in change in the community? In order to do that, you have to be self reflective, which is something that is talked about in philosophy quite a bit. Then you can move to action. The nonviolent direct action is only when you can’t have a respectful dialogue to change the unjust practices of our community. When we engage in dialogue we’re doing something transformative. That’s what philosophy has been about, and will continue to be about. The recognition that when we come together and have conversations we are better for it and it's about civil dialogue too. It's about coming together, looking at the differences that we have and trying to work through those as a community.

His road to philosophy has taken him to this point of being a teacher. He is really honored to have this long tradition of philosophers that have come before him. He hopes he will be able to impart in his students and in the community through these respectful dialogues that we organize and will carry on hopefully for the future. Hopefully the work that we do and that you support through your efforts is something that we value and that you value as well. It's something that is such an important mission for our community. It's also a transformative thing for everybody who has worked here.

Chair Palm thanked Mr. Farnum, and noted it reminds her about people our communities and how they become courageous leaders, including helping students become leaders in their own communities. It’s an important part of career development
and professional development. It is really intriguing conversation that is happening. Sometimes we think it’s all about, not just math but, you know, I was going to say math but Frank’s not going to like that. But it is important. The other part of thinking and engaging and communicating from a team perspective, whether it’s in an employee team but also from a community team is really important and valuable. So thank you for your work.

Director Madden stated he appreciates the comments about self-reflection. It’s how we grow as a person, an individual, is reflecting on yourself and what you can do. He just had discussions with his own staff because it’s easy to blame somebody else, but when you internalize what others are doing, that’s how you can truly change the situation.

Mr. Goulard asked Mr. Farnum how he interacts with his students, how do you get them to think in a non-analytical, non-problem solving way, because most students want to know the answer. For instance, nursing, you diagnose the disease and then you treat it with a prescription or automotive, fixing a certain thing or setting a carburetor. In philosophy there isn’t really a right or a wrong answer necessarily.

Mr. Farnum responded that here at PCC, there is such a diversity of offerings in the philosophy department. It’s one of the best philosophy departments in community college in the United States. There are classes devoted to things like biomedical ethics that nurses can take. There are political philosophy classes, environmental ethics. Many different classes that get people to think about their society, themselves and what their role is within the community. Specifically about the biomedical ethics class, he has had a lot of nursing students come through and they always ask, well, what’s the right answer? He tells them to look in the back of the book. There is no answer in the back of the book. They want to have that kind of what is right and what is wrong. When people start to think for themselves about what their role is in any situation, they have to think about how am I acting, how would other people act, what is the right thing to do for me and how do I justify that to others? He likes to talk a lot about, how would you justify this if somewhere were to ask why did you do that? What would your answer? I don’t know is not really a good answer. Coming up with rational, reasons, perspectives, then also realize that other people have different opinions as well. To be able to communicate that in a civil way, I think is the goal of philosophy.

Director Thorne-Ladd noted that listening to him and given the context of all of the current events that have taken place over the last month, our society would be so much better if people stopped and thought. There’s so much happening so quickly that people aren’t taking the time to stop and reflect. It feels like it is having a detrimental impact on our society. Listening to him, and thinking, how can you get everyone to take a philosophy course.

Mr. Farnum responded that it’s really interesting because the technology that has driven our ability to communicate with each other is so rapid. Matt Stockton teaches a class on media and critical thinking, one of the things is with this information age when people can say whatever they want whenever they want, sometimes they don’t slow down.
They don’t think through what they’re saying and how hurtful it can be. So to really take that ability and to be a critical thinker about the way to use media, and the way that information does affect people and can be hurtful, is a lesson that we’re trying to promote in our students. They can only do so much, but he sees a change in every student that comes to their classes. He can see that they’ve found something valuable from the experience.

Legislative Update
Rob Wagner, Associate Vice President, Advancement and Meghan Moyer, Director, Government Relations

Rob Wagner introduced the new Government Relations Director, Meghan Moyer. He has had the pleasure of knowing and getting to work with her since the late 90’s. She has experience running political campaigns, working as a chief of staff for a state legislator. She achieved her Bachelor’s and Master’s degree at American University in Political Science, worked at the national level for the PTA. She returned to Oregon and lobbied and grew her political experience working for SCIU 503. She impressed many of us with her application and her dedication for the position, her commitment to our community college. Meghan, in addition to raising a three year old son, Parker, teaches nights at PCC Cascade, teaches PS 201, our U.S. political series, as well as 203, our state and local government series. She has worked in the classroom with our students. She understands who our students are and she’s passionate about the mission of this college.

Mr. Wagner noted it’s been a very busy week with the start of the 2015 Legislative session in Salem, and Meghan has jumped in with both feet, and hands, and shovels and other accoutrement that she’s brought with her to Salem.

He has had the opportunity to get to know Meghan’s wife Becca from time to time because he asks her to testify on legislation and in front of city councils. She is one of our amazing college success coaches with the Future Connect program.

Lastly, he acknowledged the legislative internship program on two fronts. Within ASPCC there is a fantastic cohort of interns that are headed down. Some of the placements in the offices that students will be stationed this legislative session in the offices of Speaker Kotek, Senator Dembrow, Representative Nosse, Representative Gallegos, Representative McLain from Washington County, Representative Carla Piluso from East County, Representative Smith Warner and Representative Gorsek, who is one of our Diamond alumni. Yet again, there is a fantastic cross section. He acknowledged Robert and Denise Frisbee for the endowed scholarship that they established last year for the continuation of the Legislative Internship Program. It is thrilling to have PCC interns in the Capitol, and getting an opportunity to work with everyone as we advocate for the budget and other priorities.

Ms. Moyer Well noted she is honored to be joining PCC full time and taking on government relations. She said certainly has some big shoes to fill and feel privileged
to work with Rob. I'm passionate about PCC. To be able to represent an institution that has changed so many lives here in Oregon is such a privilege. She hopes to continue to make a different on behalf of the institution so that we can continue to serve our students. She looks forward to working with board members because she thinks of them as excellent ambassadors for PCC.

This meeting is aptly timed, because there has been a lot of development in the twelve days that she has been here. The first update of where the State Budget conversations are at. The second is to touch on some legislative concepts. Then the third is to briefly outline what we're looking at as a strategy heading into the 2015 session.

There have been a lot of developments related to the State Budget as it relates to community colleges. The first happened in December when the Governor released Governor’s recommended budget. The funding level that he had allocated for the community college support fund, which is our primary source of funding from the State of Oregon, was $500,000,000. This was an increase from the 13-15 biennium which was at $465,000,000. But it was really insufficient to maintain current service level. So, that was a disappointment when the Governor’s budget came out. Work has been done to communicate with legislators what that translated to in terms of impact on community colleges. Some conversations with legislators have been had about what $500,000,000 would mean for PCC, which was an inability to make needed investments in order to serve students, and potentially look at making some tough decisions.

The Legislature released the Ways and Means Co-Chairs Budget Framework, which was early. Typically, it does not come before a session, usually comes at least a month in. One of highlights of the framework that was laid out is an increased investment in the community college support fund. The level right now is $535,000,000 for the community college support fund. They also had a list of a $150,000,000 of investments that they would want to make if revenue forecasts are up. On that list was an additional $15,000,000 for the community college support fund. It’s very encouraging. We are now at a point where $535,000,000 is the low watermark. We'll be working really hard to secure that last $15,000,000, knowing we are competing against a lot of priorities. It will be essential that we be able to make a strong case of prioritization. That $15,000,000 need to come to community colleges versus the laundry list of other investments.

We certainly have a very strong case to make. We are developing talking points that are now being adjusted due to the Co-Chair’s new framework. These will be available to board members as conversations are had in the community and with Legislators about why $550,000,000 is the number that we need to begin the important work of moving forward to our goals to be a good partner in 40-40-20.

The truth is that $550,000,000 is not adequate to be in line with meeting the goals of 40-40-20. The State’s own number from the contractor was $650,000,000 for this biennium this was what they deem necessary in order to be on track, but that’s unrealistic in this budget framework. So the $550,000,000 signifies a step in the right direction, we don’t
want to imply that it is on course, because it's not. We will be implementing advocacy strategies in order to make the case for the $550,000,000, and we look forward to board participation in that.

The second area to look at is what we're seeing related to Bills that have been filed. We've had over a thousand Bills filed. That will not be all of the Bills that are filed. We also anticipate for several days of session there will also be an onslaught of legislation. We've just begun to comb through all of the legislation that could potentially impact PCC. There are some highlights that I'd like to talk about. The first is Senate Bill 81, which is sponsored by Senator Mark Hass. That Bill would create a tuition waiver for community colleges. It's a piece of legislation that we are encouraged to see, the emphasis of looking at accessibility to PCC and all community colleges. It's something we'll really want to look at how it's currently being structured, where we think it would need to change in order to be viable. We are committed to engaging constructively in conversations about greater access to community college, and I think this is a really strong beginning to that conversation.

President Obama's announcement around his concept also brought a spotlight to the issue of access to community colleges. The two concepts in substance are quite different. They are structured very differently in their aspects of Obama's proposal that would be beneficial if they were in the concept by Senator Hass. It is very unlikely that President Obama's proposal is viable, from the reactions that have at least been reported from Congressional leadership. We should not budget on that, but it was encouraging for the conversation and the spotlight on the value of community colleges.

Second, is a piece of legislation that we are championing, and is chief sponsored by Representative Joe Gallegos. It is the Aspirations to College 2 Bill. This is trying to build a partnership with the State related to programs such as Future Connect, not only at PCC but at other institutions. Making sure that when we have programs that are showing such promise in areas where retention and success has been challenging that we are able to encourage those programs and make them sustainable. We will be there in the Legislature talking about PCC's Future Connect program and how our partnerships have allowed us to serve more students, but the need for the State to join that partnership. We look forward to having board members join in those conversations as well.

There is also legislation, or line items related to strategic investment in particular program areas, like STEM, or for technical education. Also included are skill centers and others. There will be very specific, targeted work to do related to seeing if we can't partner better with the State of Oregon. We will be developing these over the next several months as we get a sense of what the legislature is interested in engaging in. We are at a time when the Legislature is finally coming out of the haze of recession and they clearly are prioritizing education. If you look at what the Co-chairs chose to put their attention on, it was significantly toward education. We have a really compelling story to tell related to how PCC touches every aspect of 40-40-20. We want to be part of every aspect of that conversation.
The last part to touch on has to do with how we engage effectively with our elected leaders. There are some changes in key committee assignments, which create some opportunities for us. PCC legislators are well represented in key committees that we will be advocating in front of. There is a new Chair of the House Higher Education and Workforce Development Committee, it is Tobias Reed. He’s from the Beaverton area, and he has been a very vocal and visible supporter of PCC. We will be engaging with him around issues affecting PCC. On that same committee is Representative Joe Gallegos as the Vice Chair as well as Jeff Reardon and Jennifer Williamson. The PCC District is represented.

In other committee assignments to highlight, we do have a new Education Chair on the Senate side, Senator Arnie Roblan. He is a former principal from the Oregon coast, and Senator Hass will continue to serve on that committee but he will not be Chair. There is some conversation about where community colleges are actually going to fall when it comes to policy. The Workforce Committee of the Senate is going to be chaired by Senator Michel Dembrow, it is his desire that community college actually fall into the Workforce Committee. It is not clear how the plan to draw that line, but we do know that at least some of our policy priorities will be falling under Workforce. Not only having Senator Dembrow, of the five Legislators serving on it we have three in the PCC District, Senator Kim Thatcher, who is the Vice Chair, and Senator Diane Rosenbaum.

The Ways and Means Committees, will be deciding budget issues. We don’t have major changes in the full Ways and Means Committee, but we continue to have Senator Richard Devlin as one of the full co-chairs. Senator Rod Monroe and Representative Betty Comp continue to be the subcommittee chairs for education. But two new additions on the House side, are Representative Barbara Smith Warner and Representative Kathleen Taylor in our PCC District. They are new to the Education Subcommittee of Ways and Means.

An upcoming advocacy opportunity that PCC will be participating in is an ASPCC Higher Ed Rally, which is going to happen February 12th from the Capitol. This marks a strengthening in the larger higher education coalition, it is very important that the message be clear to Legislators that the entire higher education pie is not large enough. We are working collaboratively with the System of Public Universities as well as other community colleges. We hope to have a visible presence on that day. We will also be participating in the Oregon Community College Association Lobby Day on February 25th. We will be engaged in that, which will be a run up to the PCC Day at the Capitol which is scheduled for March 12th, which we are busily planning. It is coming together really well, and we’re very excited about having our PCC up there. You all there.

Chair Palm noted that was a great report. It hardly seemed like it’s only been twelve days. Director Madden welcomed her aboard and truly appreciates that PCC seems to be proactive as opposed to reactive when it comes to legislative pursuits. It was a pleasure meeting her earlier this week at the Beaverton City Council meeting and we’re very fortunate to have you.
Budget Update
Wing-Kit Chung, Vice President, Administrative Services and Jim Langstraat, Associate Vice President, Finance

Dr. Brown invited Wing-Kit Chung and Jim Langstraat to give a budget status for the current biennium. Dr. Brown noted this is Wing-Kit’s last Board meeting presentation as he is retiring at the end of this month.

Mr. Chung noted that they will give an update of the current biennium and timelines, legal budget timelines, and Board involvement. We will also talk a bit about the preliminary assumptions that we want to plan our budgets for.

Jim Langstraat noted that we are halfway through the second year of the biennium, so it’s a good time to take a look and see how we think we’re doing. Of course, we know we’re experiencing some enrollment decline. We’ve talked about this before. One of the other factors figuring into our enrollment right now is we’ve had over a 1000 FTE and dual credit students who right now are not generating any dollars for the college, but inflate our enrollment numbers. We’re still experiencing that decline in 5%-6% range, but this is within the limits that we built this year’s budget on.

The first year of the biennium we ended with a slight surplus in the general fund, around $175,000. If you recall, our general fund operating budget is close to $200,000,000 for the year. We also ended last fiscal year with a fund balance, or a reserve of about $17,000,000. The Board has set a target for us of at least 8% operating revenue, expenditure fund balance. So that puts us at 9%, so we’re still slightly above the Board’s goal.

If you’ll recall, 3 years before, 2013-14, to meet some of the demands of the increased enrollment during the great recession the college used about $20,000,000 of the reserves. So one of our big goals for this biennium was to bring the budget revenues and expenditures back in line with each other, we’re on target to do that. As we look at the data it can change from day to day. The last time we were thinking a deficit of $500,000 for this year, which is about .25 of one percent of the budget. We’re budgeting with a high degree of accuracy for the amount of uncertainty we have to deal with. It wouldn’t be a surprise to see it go a percent higher or below that amount, just as the year progresses. It’s hard to predict exactly what will happen with enrollment and other factors. We’re going to be very close to that breakeven point again for the second year of the biennium. We’ve had some positive news in recent months, is as the CCSF is updated for actual enrollment figures from last year, as it’s updated things like the property and tax projects for this year, our funding from the State has bumped up.

We are going to have several opportunities to talk more about budget over the next months. In February the Board will also be looking at more budget discussion and making a decision around tuition fees for the next year. Usually in February or March we also bring in a supplemental budget that appends the current year’s budget and
adjust for any additional revenue sources so we have legal authority to spend them as projected.

In March, the Board of Directors will meet as the Budget Committee to discuss the budget. In April, the President will give his budget message and present a proposed budget. The Board will meet as the Budget Committee and approve the proposed budget which then in May goes to the Tax Supervising Conservation Commission for a hearing before coming back to the Board in June for final approval of the adoption of the budget and tax levies and appropriations.

Mr. Chung briefly there are so many unknowns out there, so this very preliminary thinking at this point. The good news that we just heard from the Co-Chair’s framework, the $535,000,000 number is promising. There are some risks out there still. At this point we’re thinking we will still going with Governor’s proposed budget, just to discuss our proposed budget and President’s proposed budget.

A bit of a framework of our CCS funds, currently we are slightly about 30%; in the past we were about 28%-29%. As Jim mentioned, the recent data has shown us that our share of the pie went up partly because of the enrollment from the other community college dropped probably faster than we have over the last couple of years on average. One thing that is still in play for us is to cap funded enrollment for us. As of last year we’re still about 3,000 FTE above the cap. There are three or four schools that are above the cap, the remaining are under the cap. As we go closer to the cap, his sense is our share of the pie might get a little bit bigger. That is just the direction that we’re moving, which is positive for Portland Community College.

State dollars used to be the biggest piece of funding. The smallest piece was property taxes, it accounted for about 15% of total revenue for PCC. By law we can go up about 3% each year. This is approximately $800,000 a year for the next two years. The enrollment is definitely going to be the challenge for us. As Jim mentioned that the last couple of years we were down 5%, and year before that was another 5%, winter term is about 6%.

Looking at the past of recession, this one behaved very differently than all the past recessions. It took longer to have the jobs coming back, a lot longer for all the economic signs to come back up. Oregon has always lagged behind the nation. Jim and I have had conversations with Laura Massey over the past few days on how we are going to think about 15-17 given all the parameters. We will continue to dip in the next fiscal year which is 15-16, and then it will flatten a little after in 16-17. The preliminary assumption at this point of our thinking is next that this year we’ll be fine and the year after it’s another 3%.

Mr. Langstraat noted that are going to remain conservative in our estimates for enrollment. Figuring that if enrollment comes in higher it’s easier to adjust than if it comes in lower and we’re forced into a reduction.
The next piece of the pie is about tuition. Determining the rate of tuition increases for the next biennium is key to the budget planning noted Mr. Chung. We still need further discussion before we come to you in February to bring a resolution for the tuition increase.

Just to provide some date, we currently tie at 7th in tuition for credit at $92 per credit hour. If you add the tuition and fee in total, we’re actually down to 12th of community colleges in Oregon. When resources provided for FTE, then we’re almost to the bottom. We are about 15th of the 17 community colleges. Based on whatever factor is coming in the second year of the biennium, we can make a reasonable adjustment in the second year of biennium as far as tuition, like we did this year.

Director Frisbee asked when we say we’re close to the bottom for all resources compared to the other community colleges, meaning the property tax and the CCSF. Mr. Chung, stated right, when we add the total public resources, plus tuition and fees, together and then divide by the FTE that we have, we’re about fifteenth out of the seventeen. We are above Clackamas and Chemeketa. Director Thorne-Ladd asked if we are one of the most affordable schools? Dr. Brown responded that the Wing-Kit tuition makes it affordable, the money from the State and other sources that makes us the least amount of resources that we get. Director Wilton asked if they were factoring in the formula adjustments for small schools. Mr. Chung stated they were all inclusive. Chair Palm asked if this was the amount we have to spend on each student? Mr. Chung said it was the dollar available for us to spend for each student. Jim Langstraat cleared it up by saying we were a more efficient school because we have less resources and do more with our students. Director Wilton noted it is mostly because we get less FTE than most other colleges per the formula and I think it’s less about the tuition rate and more about the mechanics of the funding formula, just because we don’t get that small school adjustment. Mr. Langstraat noted the other element that really plays into that is we have so many students above the cap. Chair Palm explained that the 3,000 above the cap get allocated in and we don’t receive anything from the state for them. Mr. Chung added that if we were to get funding for the 3,000 students over the cap we would have a few more million dollars. Director Frisbee commented that he mentioned a couple of other schools are subject to the cap, we’re not the only college that deals with the cap. What other colleges are they? Mr. Chung responded that to his recollection they are Central, Chemeketa and other two are very small, Treasure Valley and Oregon Coast. By far we have the largest number above the cap than any other school. Central was less than a couple of hundred, Chemeketa is below hundred. Director Thorne-Ladd noted we prioritize access for students at PCC, the question becomes how do we insure that we can support them with that access, without limiting the access.

Mr. Chung added the other thing which with a preliminary assumption is on the expenditure side. We will have a slide about risks and uncertainty. We have some of these known expenditures that we need to address, these are salary adjustments; the known ones are the steps and their related benefits. The faculty step is a given and so that’s included. We have to build in escalation for the PERS, and based on the latest
information is 1½ % increase, and that’s about $1 ½ million a year. To point out here is that we sold a pension obligation bond in 2003 and we sold it for $119,000,000. The recent actual report told us that we have a $120,000,000 in the credit account. So over eleven years we didn’t spend one dollar out of that credit account. Basically, when we reduce the rates of the PERS we’ve been using the earning from PERS to buy down the rates. So had we not had the pension obligation bond account, the rate would have been 9.6 % more than the 1 ½ %. That would have been a $9,000,000 hit to Portland Community College.

Then the other expenditures and assessment that we plan to do is a very small adjustment to the material, supply and services for the college district. Noted in our audit report, we need to up our rates reserve and early retirement reserve. There is a couple of years left on the bond build-out, so we’re going to allow for those new buildings square footage and operating costs to be added.

We did the Title III grant, a FLAIR grant, which has successful for our students in educating them on financial issues. In the grant we made a commitment to make some of the grant funded positions permanent, so we need to add that to our cost structure going forward.

There are two, three other things that we’ve been talking to the Board about, is that as Jim mentioned we consumed $20,000,000 from FY 11 to FY 13 of the fund balances and we want to make sure we can start replenishing that number so we have a buffer in case the economy dips again. Under the college strategic plan that was approved by the Board, we plan to have strategic initiatives and will need to set up funding for them.

Dr. Brown would like the college to set up a large equipment fund to go with our college large equipment needs. These are the few things on the top of our discussion as to how we are going to allocate whatever resources we have.

Jim and he are going tag team on these risks and uncertainties here. The Legislature is about to kick off in February and thanks to the good news from the Co-Chair the numbers are looking better. However, there are some risks. We will not know for sure what the final number is until June, or maybe even later. It depends on when the Legislature ends based on, according to Rob because now that we actually have annual legislature that the Legislature is scheduled to end sometime in July. Enrollment is still very tenuous. We know it is going to continue to decline, it could decline more than we anticipate. Labor negotiations are going to start in February for both of the Federations. There wouldn’t have a final number for any of the settlements until June or maybe later. Jim has been keeping very close track of the kicker. Mr. Langstraat added that in the last economic forecast they were up to about 1.75 over the close of session forecast. If they’re above 2% then the kicker goes, that would be about $300,000,000. While that would not necessarily directly affect the CCF fund, it can impact what the Legislature feels they might have to work with. As they are considering things like an additional $15,000,000 it could come into play in some of those areas. A lot of the latest information on employment and number of people returning to work has been
encouraging. It would not be a surprise if the kicker triggered. Wing-Kit Chung noted the other very major issue for us to watch out for is the Supreme Court 2013 Legislature relating to PERS. The saving was about 4.4% reduced. If it is reversed because another year has gone by they say it will be higher. The tricky part is that if they reversed it, they cannot implement it in the next biennium. If we impact it in the biennium after, then the rate is going up about 50%. The impact would have been 4.4%, but if they delay implementation it will be 6.6% because of interest on the negative number. This is something we need to be really, really careful and be watching out for. The assumption is that – and maybe Rob can fill in a little bit more – is that we will have a decision from the Supreme Court sometime in March.

The last bullet as Jim already mentioned, the dual enrollment is accounted for at least over 1000 FTE for Portland Community College. It’s likely to increase; we will not get a single dime as long as we’re capped. Mr. Langstraat added that the only other risk we are dealing with a legislative session so we can see changes comes through the legislative process, either in our favor or sometimes an unfunded mandate that could come along and not work as well in our favor. The last slide showed some of the parameters that we will prepare our 15-17 biennium budget. We have a legal requirement to continue to work on the budget to be able to levy tax, and the latest we can do that is in April. We have to have the board approve the budget based on many of the preliminary assumptions. Many of the major pieces will not be known and finalized until June or later. There is a Budget Planning Advisory Committee to the President and will continue to engage them to have further discussion on many of the budget issues, including the strategic budget initiatives. The allocation of the fee, major items that we mentioned earlier about setting up a replenishing fund balance and setting up the SIF and the large equipment fund. We’re going to continually involve them in setting some priority when there are details about those SIF items. Fortunately, the Oregon law allows us to change our budget even after we adopt it. Assuming we know further information beyond June we can always change or adjust the budget through supplemental processes. This was a quick rundown on the budget update and preliminary thinking of the 15-17 budget. Any questions?

Director Wilton noted that this is not ideal, in terms of the timing. One thing that you can help us out with as we kind of kick this off is to give us some feedback on the certainty of state support. He knows it’s not certain until it’s approved because it’s still contingent on the economy. He stated he imagines it’s not going to be approved until May, but if feedback at some point as to whether the $335,000,000 really is a low and/or if the kicker kicks is that conceivably going to drop. It’s helpful for us to able to understand kind of the odds. We don’t want to be too conservative and yet we also don’t want to get ahead of ourselves and assume we’ve got some money that ends up not being there, that’s tougher. He doesn’t know what the right answer is, but information will help. Enrollment is interesting, we’re still doing better than the State average but it’s interesting to still see it decline. It’s been a long slog down, and then we went way up, obviously, he noted he isn’t complaining, actually glad to see continued budgeting for that. It makes sense to be conservative about it, rather than assume it’s going to be flat.
It's not ideal. We're making all these assumptions during the budget process and at a time when not much is known.

Director Thorne-Ladd asked if the healthcare reform impacted our expenditures. Mr. Langstraat commented that it could have some impact on our health insurance, but at this point it's going to have a very minimal dollar cost. Our health plans have already been in line, so strongly in compliance with the regulations that are under the Affordable Care Act. Wing-Kit Chung added we have what we call a medical contribution cap, we cap our cost but it's subject to negotiation, also.

Director Madden asked if the campaign Think PCC First, has had a return on investment and if it's had an effect on the enrollment? Dr. Brown answered that it's difficult to answer that. The other question to ask is what would have happened if we had not done. One certainly gets people thinking about PCC and coming here and then the other one is it to get people thinking about PCC period. There are some intangibles involved.

Director Madden asked about the dynamic between enrollment and job gain, and job loss in some cases. He asked if PCC was looking at the graph to that and gauging where we should be at. He always like to be ahead of the curve if possible, there are opportunities there for us. We can't control the property tax issue. We can lobby as much possible from the State but the enrollment is the only one thing that we control to some degree. He was talking earlier to the Board about workforce training and how when you start pulling people out of unemployment then they start going to work for employers, there is still a huge training need with those groups too. Focusing employers in those areas could help offset some of the costs. He realizes enrollment is a little bit out of our control, but we do have more control than some of the other issues. Dr. Brown noted that is a good point. He thinks one of the things that we are doing is being much more active in terms of our outreach to the local high schools to recruit students. We're also very active in workforce development. The new AVP position will focus in on that. He suspects as we see enrollments decline we see workforce training increase, as you mentioned. We are gearing up for that.

**Title IX Compliance**
Kim Baker-Flowers, Director, Equity and Inclusion

Ms. Baker-Flowers reminded the group of the federal law. This is what kicked it all off back in 1972, for many years is was thought of as the athletics law, but has since changed quite a bit. She covered what Title IX is and the implications are for PCC?

It's a federal law that works in tandem with several federal acts that address sexual misconduct on college campuses. The law will require awareness and education for all PCC faculty and staff. In some instances there will be training requirements as well. This is a law that has aspects of compliance, if we are not in compliance with the law or some of the acts we can face monetary penalties.
This has not come out of the blue, PCC has been doing quite a bit over the last decade or so to try to address our environment. From her understanding, that she has been told we have a lot of things that we’ve done that are considered best practice in the State of Oregon. We have the PCC Women’s Resource Centers. They’ve been providing advocacy, support and spreading awareness around sexual assault since the 1990’s. They have a lot of different annual events that are sponsored by the WRC. They do victim advocacy and support, assistance in accessing community resources, and weekly support groups. These are just several things that have been in the process since the 90’s, and will continue.

PCC did win an award and we’ve received funding to create a program called PCC Safe. It was in existence until the end of 2014, when the funding ran out. We do own the curriculum and at some point money willing, we’ll be able to reinstate that here at PCC.

She covered some of the elements of Title IX. The major one that she tries to emphasize with different groups is that once a responsible employee has either actual constructive notice of sexual harassment or sexual misconduct, we are required to take immediate and appropriate steps to investigate what occurred. We have to take prompt and effective action to stop the harassment, remedy the effects and prevent the reoccurrence. This entails quite a bit. The responsible employee portion of the equation is crucial. A responsible employee includes any employee who has the authority to take action to address the harassment, has the duty to report the harassment, or is someone a student could reasonably believe has this authority or responsibility. This makes it pretty broad.

The requirements are if sexual misconduct occurs are investigate, stop, prevent and remedy. These are our requirements as an institution. We have an obligation to investigate. Investigate is a crucial element of this Title IX process. We must have trained individuals who are focused on due process. This is a different kind of orientation that has to be trained. We have to unbiased. We have to do a unbiased investigation that gives due process to both the respondent and the complainant in these cases.

These are governed by case law. We have Title IX that is sponsored by Office of Civil Rights (OCR) through the Department of Education, and the Department of Justice. They don’t necessarily talk to each other, so we see a lot of laws and acts coming out in regard to Title IX that sometimes have disparate focuses. It’s acknowledged, but at this point there’s not much happening to make everything mesh well. We also have a proposed bipartisan Bill that’s going through Congress right now that’s been sponsored by Claire McCaskill and Kristen Gillibrand, and that is the Campus Accountability and Safety Act.

Currently under Cleary, if OCR ever comes to PCC and does an investigation and has findings, as we stand right now, we could be potentially dinged at the rate of $35,000 for each finding. If this Bill passes through the Congress, Claire McCaskill wants it to go up
to $150,000 per violation. They also have a penalty that within certain compartments under their Bill an institution could lose up to 1% of its operating budget, if not in compliance. She is a prosecutor by background and she very much wants colleges and universities to pay attention and take this seriously, and wants to make this happen through penalties if we don’t.

The Cleary Act mostly has to do with the Office of Public Safety currently. We’ve been operating out of it since the 90’s. We have a report that is housed on Public Safety’s website and we can see the number of sexual assaults, rapes are all listed on there. Currently from the last reporting year there were 53 for PCC, that’s across college.

Director Frisbee clarified there were 53 reported and there were assaults and what else? Ms. Baker-Flowers noted they could be stalking, rape, harassment, sexual assault, there are about five or six different categories that we report out on. We’re required every year to do a comprehensive report by each campus and center. The Cleary Act at the campuses talk through different categories and they talk about campus security authority and what they mean when they say that are the campus police, which is our public safety and that’s pretty self-explanatory.

The next implication and law that influences Title IX is VAWA, the Violence Against Women Act. VAWA was an act that came out, or was finally adopted in October 2014. Cleary deals with Public Safety and there were some things the Congress wanted to get through under Cleary that didn’t make it in the original Bill, so they put a lot of it under VAWA. If you read through VAWA you’ll see, again, there’s a lot of disparate things that don’t seem to mesh well. It’s because they tried to put two Bills in one. What VAWA did, what came out in October is to make many more mandatory requirements that substantially amends Cleary.

It was signed into law and is effective as of July. What OCR has said they will do is that they will not be ogres right now. It was effective as of October 20th. But they are giving us until July 1st to get up to minimums on it. Currently right now they have 95 schools that are under investigation under OCR, the majority of which of whom came under investigation under in 2014.

She is part of a group of Title IX coordinators, and they gave us an example of an OCR report and did a training in Walla Walla. Examples of what he would consider to be OCR findings. For example was if a student is asked if they know who the Title IX coordinator is, and if more than two say no that will be considered a finding. Another one would if a student is asked what the appeals process for Title IX is, and if more than two students say no, that’s considered a finding. Awareness is going to be a huge part of what we need to do as part of the Title IX Campaign.

Under VAWA, it addresses sexual assault, domestic violence, dating violence and stalking. Again, it requires and has mandatory reporting and training requirements under it, and it’s going to prohibit retaliation.
Her duties as a designated Title IX coordinator for PCC are listed on a slide. She showed the quick list of what I need to be overseeing as a Title IX coordinator. She is supposed to insure that everyone is trained, she is the point person for all the campus complaints, she is the creator and implementer of appropriate policy. There is a team of folks helping with all of this. They help create our draft policy and we have deputies as well. Deputy Title IX Coordinators are helping from the different campuses and some of the divisions.

As far as litigation for Title IX there has been quite a bit that came out since the adoption of VAWA in October. It seems like almost every other week, especially up until December and there was something new that was happening on college campuses around Title IX. Some of the accused are coming back to colleges and universities and saying that they did not receive their due process and suing. That’s why she is emphasizing that we have to have trained investigators who understand how to look at things through a due process lens. There’s an increase of negligence based claims. There’s a shifting of the view of what constitutes notice. This goes back to that responsible employee, and who a student would reasonably think would be a reporter.

Right now it’s very much a fluid, constantly moving target. We’re just keeping an eye on the changing law as the case law comes through, as the different Bills come through. We’re just keeping on top of it and trying to shift and adjust as things happen.

Challenges as an institution are awareness of what Title IX is for all faculty, staff and students. We have some mandatory things that we’re going to have to do. The example of findings makes it very imperative, that especially students understand what the process is and who the key people are. We are developing a marketing campaign in partnership with marketing which it to start sometime this month. We also have a challenge around training. We have mandatory requirements for public safety, yearly. We have mandatory requirements for investigators, yearly. We have mandatory requirements for students. We have to be able to show that they have had notice of what Title IX is and what our processes are. Another challenge is making sure that we are being proactive in regards to the shifts and the changes in the law as they come through. We also have a challenge around the funding for all the things we are going to be required to do around Title IX. Much of this came out of VAWA in October and there was no funding attached to any of these requirements as part of the law.

So far to respond to the challenges they have created a PCC Title IX Team. We’ve started on a gender based and sexual misconduct policy. We started that in late September with that team. That team has been meeting every other week since September to December and created the attached draft. We have created an initial Title IX brochure. We’re trying to put it in all of the key areas so that we have something that can be handed to a victim, no matter where they go. If they report it out we have to have something that can be handed out. We have a first iteration of that ready and it’s been sent out to the key areas. We are planning on having training for all the Title IX stakeholders in late February and she will be sitting as the Title IX coordinator with a group of other community colleges across the region. We are not the only ones that are
in the boat looking at this legislation and thinking how are we going to make this happen. Pretty much everyone else in our region is looking at this and thinking how are we going to make this happen. So we're trying to share resources, think through ideas and how best to respond so that we stay below the radar with OCR.

The team is made up of all of the DOS's, some of the DOI's, representatives from HR, Public Safety, all of the student conduct officers. We asked that everyone from the campus presidents for representation from the different areas.

She presented a flowchart of how they are going to handle investigations. Again, this has been part of our work in the last couple of months. If we have a victim who comes and says this happened to me, this is how we think through and how we will handle investigations moving forward.

So, as a Board, she needs your willingness to learn and educate yourself around Title IX and be responsive to the changing legislation. Hopefully, she will be able to come in front of you all and let you know any things that are causing panic signals at the institution and your support for the policies and the procedures that will be presented at a later meeting.

Director Harper commented that thanked her for the report. He also wanted to remind everyone that this is something we are doing because we have to do, but because it is the right thing to do to make sure our faculty, staff and students feel safe. Director Pitts echoed Director Harper's comments.

Kim Baker-Flowers responded, she does have a team. Dr. Brown has made it very, very clear we are going to try to be the best practice organization institution in Oregon. We have a wonderful team of people who have worked very, very hard to do as much as they've done in the last couple of months. There is dedication.

Director Wilton it looks really challenging organizational. As a collaborator you need to be able to look at it as a team and independently. How are you doing with that? Ms. Baker-Flowers commented that she is trained as a lawyer. So the due process and the unbiased hat is pretty natural for her. So far it's been manageable. We've got the team and there's so many subject matter experts on that team. The WRC's have been doing so much work, especially around prevention and victims advocacy that I feel really confident, especially in that area because there's so much that happened prior to my arrival.

PUBLIC COMMENT ON AGENDA ITEMS

None

BUSINESS MEETING

Chair Palm proposed approval of Resolutions 15-071 through 15-078 that are on the consent agenda. The motion passed unanimously. Thorne-Ladd/Pitts
Chair Palm noted that as a part of our consent agenda we are approving, reluctantly Wing-Kit's retirement at the end of this month. So just want to take an opportunity to thank you so much for your service and best wishes to you in the future and hopes for great success as you move forward into retirement.

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

REPORTS

Faculty and Academic Professionals Federation
Frank Goulard, President, AFP Federation
Mr. Goulard reflected back on the budget presentation, at the HECC level we’re formulating a ten year stair step budget for the next ten years, the next five biennia. The funding in our Achievement Subcommittee will formulate that and move that on to the overall HECC, the general HECC to probably this spring sometime. It’s important to keep in mind the big picture in that we may complain about $500,000,000 or $535,000,000, and we should, but the important thing is if we’re serious about making any kind of progress towards 40-40-20 on behalf of our students and their success, then let’s lobby or remind our legislators of the overall goal. We’re not $550,000,000, or whatever the number ends up being come June, we want to look, therefore $645,000,000 in the next biennium, and therefore $780,000,000 in the biennium after that, etcetera, etcetera, because in 2025 it needs to be 1.1 Billion for CCFS for example. So let’s not loose sight of the big picture as we focus, of course, on the small picture of this coming six months.

The other part I had, Jean and I will be at Winter School, which is our Classified and Faculty Federation's attendance at our annual meetings at the coast a week from tomorrow. We have each about eight attendees attending. It's the best educational experience we have throughout the twelve month year. We get really intense training on whether it's handling grievances, contract interpretations, community engagement, community relations, you name it, it's just wonderful stuff. Speakers are brought in from all over the country, very good trainers and speakers to help us out. It's a statewide effort, twenty-two locals from around the State from our AFT participate. So we're looking forward to that.

BPAC, you've heard many times, the acronym stands for Budget and Planning Advisory Council. We used to have a budget advisory council, and separately a planning advisory council, when President Pulliams started we decided to combine the two. It is now one council with about thirty folks from across our district helping. Jeremy as well as Jim Langstraat, Wing-Kit Chung formulate thing that always involve budget.

So some of the things on the slide show, I won't take issue with, but we, as a college, you as a board, need to be mindful of. Is it a conservative direction or is it too loose direction, and as Jim has pointed out, you need to be balanced and not cry that the sky
is falling. Let's keep updated, as some of you have said, on what's coming toward us, what are some of the assumptions.

I think Director Wilton asked, or maybe it was Director Frisbee what our enrollments have been. We're down 5% a year now, we were up from 2008 through 2013, we were up roughly 44% over that 5-year time period in enrollment. Then the year before last, or last year actually, we're down about 5%. There was a plateau year in between there, and now down 5%. This year we're on track, we're down 5% or so. So if it's down 10% in the last two years, including this year, and was up 44% before that, it's about 30% that we are still up. We have a lot more students, than we did eight years ago, and in the next ten years we're going to serve many, many more. Whether it's thanks to some kind of reduced tuition through the community college free tuition at a federal or a state level, plus serving all the students that are supposedly going to be 100% graduated from high school instead of the current 69%, we need resources. Hence, back to our lobbying efforts for this 10-year budget plan for the Community College Support Fund, of which we get approximately 30%. I appreciate you listening.

**Classified Federation**
Jean Garside, President
I did want to though especially thank all the Board and Jeremy for coming to our Christmas Party at the Southeast Center in December, it was great. There were a few bumps, but I think overall it went very well. Truly appreciated seeing all of you there. Looking forward to bargaining, and like Frank said, we're having our training coming up and a lot of people are excited for that. We hope everyone is energized and ready to go for the new year.

**ASPCC**
David Betts, Executive Director, DSC
He took a quick moment as a safe ally, to note it is Sexual and Domestic Violence Awareness Month. There are activities all across the District to raise awareness. He invited Kim Baker-Flowers to the DSC at any time, so that way we can confront this as students to students as well. Covering the atmosphere of the country, we will be having Tim Wise speak at Cascade Campus coming up the 29th of this month. He's a nationwide proponent for white allies and ally-ship and how to be a better one.

ASPCC is continuing to work with Parking and Transportation to create a budget that incorporates student opinions, addresses the need to increase the funding and also being mindful of the strategic plan as far as accessibility and sustainability. As a District, also to help save the students money, each campus offered over 1,200 textbooks through the book exchange books and purchase for less than they would at the bookstore and also sell them back for more than they would be getting. ASPCC is in the final weeks of presenting the Student Activity Fee Increase Proposals to the PCC Administration, we have gained support from last year and this year's DSC, students in and outside of the District Leadership Programs and the Deans of Students. They are currently working with Chris Chairsell to meet with the Cabinet as well as feedback. They look forward to presenting the proposal to the Board in February.
We think that should everything go through we will be able to reinstate some programs like the Safe Program and get the diversity retention centers back up to par. That concludes my report.

**Board Reports**

Director Harper thanked Frank Goulard for all the work that he's been doing at HECC and working with the State and thinking and keeping an eye out for Community College. Chair Palm also thanked him for participating at the OCCA Board's Planning Session.

Mr. Goulard responded that Director Harper is always modest but he wanted to thank each of the seven board members, along with Dr. Brown and all our college folks who put in endless time. It's not in our job descriptions, but we all do it with heart and that's great.

Director Ladd thanked Kim Baker-Flowers and President Brown, and everyone else who has been involved in a lot of the tough equity conversations on campus. There's a lot that's been happening and some of the conversations are really hard. She is proud to be part of a college that is willing to have them, and willing to grapple with the tough things and recognize we can do better and we're committed to doing better.

**President**

He thanked the leadership that we have with our student leadership and federation leadership for doing such a great job and really working collaboratively with the institution for all of the right reasons. It's a pleasure to work with you, so thank you for that. He thanked the federations for inviting us to your Christmas party. My six year old had a fantastic time, so thank you for that.

Dr. Brown also thanked Chair Palm and Directors Harper and Ladd for being at the holiday party. Thanks also to Chair Palm and Director Frisbee for being at the OCCA Board Forum at Clatsop recently. It's good that we continue to engage with our colleagues throughout the state and community college affairs. Also, we have a very good turnout from the Board at the 12th Leadership Summit at the Oregon Convention Center last week. It was great that you were there in force. We talked a lot about all of the things that are happening in the state, and also inspiring us to move forward. He also thanked Vice Chair Madden for being present at the Beaverton City Council meeting on Tuesday in support of our Future Connect program. So wonderful that you did that.

A lot of great things going on, but he picked out two things. One is Tuesday, there will be an event at for the new building dedications at Cascade. We've launched a new bus advertising program, so if you're stuck in traffic and you think PCC first you'll see it on the back of the bus in front of you. We're delighted that the buses will be debuting in January, so just after the new year. It's part of all the things we want to do to have people thinking about PCC first as they're going around town, because we really need to have a lot of advocacy in the next few months when we talk about our budget and remind people of the great things that we do, and the fantastic people who work here.
Chair Palm thanked all for participating here this evening. Thanks for the great Board turnout, this is a great way to start out the new year.

ADJOURNMENT

The meeting was adjourned at 9:20 pm.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on February 19, 2015 at 7:30 PM at the Climb Center.

Deanna Palm, Chair

Dr. Jeremy Brown, President

Prepared by:

Jeannie Moton, Assistant to Board of Directors