

PORTLAND COMMUNITY COLLEGE - BOARD OF DIRECTORS
12000 S.W. 49th Avenue - Portland, OR 97219

MINUTES

BOARD OF DIRECTORS BUSINESS SESSION
Cascade Campus, Moriarty Arts and Humanities Building Auditorium
November 19, 2009

BOARD ATTENDANCE

Board Members Present:

Denise Frisbee, Deanna Palm, David Squire, Harold Williams

EXECUTIVE SESSION

The Board of Directors convened an executive session for Real Property Transactions in accordance with ORS 192.660 (2), (e) at 6:55 PM, adjourning at 7:20 PM.

CALL TO ORDER

Chair Williams called the business meeting to order at 7:39 PM and invited all present to introduce themselves.

APPROVAL OF THE MINUTES

The Minutes were approved as published.

APPROVAL OF THE AGENDA

The agenda was approved as published.

INFORMATION SESSIONS

Cascade Campus Update

Dr. Algie Gatewood, Cascade Campus President and Roberto Suarez, Cascade Campus Outreach Coordinator

Dr. Gatewood noted enrollment increases at Cascade Campus of approximately 9,500 students between Fall 2008 and Fall 2009. In response to student needs the Student Training, Advising, Registration, and Troubleshooting (START) Lab was began operation last July. Dr. Gatewood asked Mr. Suarez to report on the START Lab. Mr. Suarez reported that the START Lab has removed barriers by reducing the system navigation time required for students to complete testing, admission, and registration by providing a staffed computer lab facility that is open the same hours as the testing lab. Upon completion of an application for admission and placement testing students can immediately go to the START Lab

to explore program options, complete orientation, register for classes, and apply for financial aid. He noted that to date almost 900 students have used the START Lab.

PCC Foundation Update

Betty Duvall, Foundation Chair; Jeff Van Raden, Foundation Vice Chair; and Kristin Watkins, Associate Vice President, College Advancement; Ms. Duvall, introduced members of Foundation Board and staff in attendance and then reported some of the Foundation's accomplishments: creation of a new format for the annual report; \$2.5 million was raised in cash contributions making this past year a record breaker; the Miller Match challenge was met and raised over \$1 million for scholarships for PCC students; the largest ever individual bequest was received this year of \$600,000; \$1.3 million in scholarships and PCC program support was distributed; the Foundation worked in support of the successful bond campaign; a new logo was developed that clearly communicates the impact that the PCC Foundation makes on the lives of PCC students and the community; a new Foundation tagline was created "Where Opportunity Happens"; outreach has been expanded to the community through increased representation of the community with the addition of new members to the Foundation Board and committees; many alumni activities were held and the number of alumni donor contributions increased by over 50%; and the external auditors gave the Foundation a clean bill of financial health in its annual audit. Ms. Duvall thanked the College and Board for support in its capacity building efforts that have helped the Foundation quadruple donations over the past five years, from \$.6 million to \$2.5 million. She added that even with these accomplishments more progress could be made.

Mr. Van Raden provided a look forward saying many more students apply for scholarships than the Foundation can support and that the Foundation must do more in response to rapidly growing student and community needs. Goals for 2009-2011 include: providing scholarship funding to anyone who desires an education; positioning PCC to be the preeminent education facility in Oregon; initiating a successful feasibility study for a major gifts campaign in 2011-2012 including continuing to build the Foundation board with individuals having strong connections to the community and access to wealth; identifying future fundraising priorities; developing major donor prospects and increasing unrestricted revenue; building advocates and supporters by elevating the visibility of PCC and the Foundation in the community; increasing scholarships and related program support; achieving scholarship contributions of \$320,000 by March 31, 2010 to receive the maximum Miller Foundation matching grant; and conduct additional alumni events, an on-line newsletter, and direct mail appeal.

Ms. Duvall thanked the Board and College leadership for their support of the Foundation and expressed gratitude to Directors Frisbee and Harper for serving as liaisons between the Foundation and PCC Board of Directors.

Goal 1 – Access

Laura Massey, Director, Institutional Effectiveness, and Dr. Christine Chairsell, Vice President, Academic and Student Affairs

Ms. Massey said the report for academic year 2008-2009 references several record highs for the College: more students than ever accessed the College through Distance Learning; costs for tuition and fees were higher than previous years; and the largest number and proportion of students in the history of PCC asked applied for financial aid.

Ms. Massey reported Fall enrollment for classroom classes increased 15% and Distance Learning increased 33% and 29% of all PCC students are taking at least one Distance Learning class. She said that although most students are enrolled in both classroom and Distance Learning classes about 3,000 students access PCC using only Distance Learning classes.

Ms. Massey noted that while PCC tuition is higher than other local community colleges it is significantly less than public and private four-year universities. She also reported that PCC disbursed almost \$90 million in financial aid last year.

Dr. Chairsell said the US Department of Education has already received about 16 million FAFSA forms from across the nation for the 2009-2010 academic year and that Oregon ranks as fourth highest for the number of applications submitted. She reported that last year PCC received and processed about 32,000 FAFSA forms; over three times the national average for public and private colleges and universities. Dr. Chairsell said that this was a clear indicator the College should expect extremely high enrollment. To meet the needs of this larger student population front line staff in admissions, registration, financial aid, student services, testing and all other services did additional preparation to solve issues and meet students needs to provide them access to the education they were seeking. She said their preparation paid off and Fall term began very smoothly.

Bond Update

Linda Degman, Associate Director, Bond Program and Randy McEwen, District Vice President

Mr. McEwen said v 1.6 describes each initiative and its anticipated costs. He said full project costs are all of the costs associated with developing each initiative and are comprised of allowance items (Land acquisition and associated costs), direct construction costs (all expenses necessary to construct a building), and indirect project costs (planning, design, and other costs). He noted that recent legislation requires that 1.5% of the construction or renovation budget be used for solar except for specifically excluded items. Mr. McEwen said v 1.6 was created using costs from 2006. The projected escalation cost of \$50 million allows for anticipated escalated costs through completion of all of the bond projects, anticipated to be 2016. He said costs to complete campus initiatives along with the cost to complete district-wide initiatives will be monitored to assure adequate funding will be available to complete all of the initiatives.

Ms. Degman said Resolutions for approval to award architecture and engineering contracts for Sylvania Campus and Southeast Center are in the November consent agenda and the resolution for Cascade Campus will be submitted for approval in the December consent agenda.

She reported that the hiring process to select the project manager for Cascade Campus is nearing completion and a job offer will likely be made this week. The final position, the TSS project manager, will likely be hired by the end of December.

Ms. Degman reported that Willow Creek and the Willamette Block projects are on schedule. The Willow Creek move in would begin November 20 for the Oregon Employment Division and PCC staff who work directly with them and that the plan is to be operational by November 23rd. Remaining Willow Creek occupants will move in mid-December. The Willamette Block building renovation will be completed in mid-December with move in planned for January and February to be followed by a clean out of the Capitol Center. Currently planning and review for Rock Creek is underway with the opening of the first building at Rock Creek anticipated for 2013. She said planning for each campus includes project managers and campus representatives.

Fiscal 2009 Audit Report

Cherie Chevalier, Associate Vice President, Financial Services, Kenneth Kuhns and Scott Muller, Auditors, Kenneth Kuhns and Company

Mr. Kuhns reported that PCC staff were very well prepared and ready for the audit. He noted that PCC's records were well maintained and accurate and added that the financial statements in the audit report were in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board. Mr. Kuhn said his firm expressed a clean, unqualified opinion on PCC's financial statements for the 2008-09 fiscal year; the best opinion any entity can earn or receive.

Mr. Muller reported that because the College receives large amounts of federal funds the audit team was also required to conduct the audit in accordance with Government Auditing Standards. The resulting report on the college's internal control over financial reporting as well as compliance with various laws and regulations are included in the CAFR. Only one small deficiency was found and no areas of non-compliance with laws and regulations. He also reported that the College is a local government within the State of Oregon and as such his firm was required to comment on PCC's compliance with Oregon laws and regulations, compliance of investments using surplus public funds, review the College's requirements related to debt, compliance with local budget law and compliance with wording of public contracts. He said the firm found that the College complied with all of the laws and regulations with one minor exception he added that in local budget law there was one minor over expenditure but overall PCC has complied with the various state laws and regulations.

Mr. Kuhn concluded by reporting to the Board that the College earned a clean opinion on its financial statements which means the Board can rely on the financial information within them and that there was only one exception in the internal control related to items that carried over from last year. He said this year's records were very clean and accurate, in compliance with the federal program rules and regulations with a very minor exception on Perkins loans. The records were well kept, it was a very clean, very good audit.

Staff Recommendations for Audit Committee

Randy McEwen, District Vice President and Wing-Kit Chung, Vice President, Administrative Services

Mr. McEwen said that in response to the Board's request that Dr. Pulliams continue with development of an audit committee a draft charter has been created from a synthesis of ideas from audit committees from other community colleges from throughout the United States. Since there was no uniform or consistent model staff attempted to reflect the best of those thoughts in a way that seemed consistent with the Board's conversations on the subject.

Chair Williams asked what an audit committee function would do that would be different from the annual independent audit. Mr. McEwen said that as a standing committee of the Board of Directors an audit committee would be the Board's vehicle for assuring the soundness of the College's financial statements and financial integrity that would provide a more structured approach by the Board of Directors to assure the financial integrity of the College than only receiving the annual auditor's report. Mr. McEwen added that the Board has also expressed the desire that the College have an internal auditor function that would work with the annual auditors and the staff. Mr. McEwen noted that the audit committee is not part of the management structure of the College but is an added governance feature that the Board would provide to the College.

PUBLIC COMMENT ON AGENDA ITEMS

None

PUBLIC COMMENT ON NON-AGENDA ITEMS

Jason Barbour, a PCC student, complimented PCC for being open to different viewpoints, embracing an increasingly diverse student population, encouraging student participation and said he holds the college in highest regards and respect. He believes however, that the current hiring process for ASPCC is ineffective and inappropriate. He suggested that the increasingly diverse student population would be better served by a district-wide process than the current campus-by-campus hiring.

Michelle Mundt concurred with Mr. Barbour's assessment of the current ASPCC hiring practice as well as the solution he proposed.

Michael Leighton, Humboldt Neighborhood resident, reported that his issues and concerns of last year have been resolved and that information regarding modifications to Cascade Campus is being shared by the College with the neighborhood. He asked that the College retain the neighborhood fabric and that Cascade Campus growth be done in a manner that is healthy for the campus and the neighborhood.

BUSINESS MEETING

Director Squire proposed approval of Resolutions 10-027 through 10-040. The motion passed unanimously.

Other Reports:

Frank Goulard, Faculty Federation representative reported Faculty Federation concern regarding the lack of inclusion on several items and issues over the past 6-12 months and requested a better process for informing classified, faculty, casual or any other interested parties early in the planning or resolution process. He added that not being included creates contention especially when people feel they are not brought into the processes early enough to be involved in planning and decision making. He said that progress on bond projects at campuses and the upcoming Newberg site cause concern in those new teaching positions that would be generated would be filled primarily with part-time faculty making part-time/full-time ratios even more disparate. He asked that consideration be given to filling those positions as often as possible with full-time faculty.

Deborah Hall, Classified Federation President noted both Willow Creek and Willmette Block facilities are nearing completion and will soon be ready for move in.

She also reported that as an affiliate of American Federation of Teachers Classified are working for passage of Ballot measures 66 and 67 and that the Classified and Faculty Federations, local affiliates and national unions have contributed about \$500,000 funding to the campaign.

Ms. Hall thanked the college for hiring Tim Donahue noting his positive attitude and hopeful message to his staff has created confidence and renewed enthusiasm in his custodial staff. She noted some classified custodial staff have been moved to AP level jobs and thanked Mr. Donahue and the College for their confidence in staff. She also noted that following a meeting with Dr. Pulliams the concerns she expressed at the October Board meeting are being resolved.

Ms. Hall invited Board members to attend the Federation holiday party on December 10 at Sylvania Campus.

ASPCC Student Representative noted four priorities identified at October District Student Council (DSC) meeting; sustainability, transportation, outreach in a variety of areas important to students, and childcare. She said campus by campus feedback is being collected from students through forums regarding

DSC budget and tomorrow those proposals will be presented to the voting body of DSC regarding budget items to be moved forward. She said that about 400 PCC students gathered at Cascade Campus to attend the 9th annual Students of Color conference to discuss issues important to students and network with other Oregon college and university students. She thanked Cascade Campus for hosting the event for PCC students.

Board Reports:

District President Report:

Dr. Pulliams asked Dr. Gerber to update the Board about the recently received grant and a congratulatory plaque PCC received from the Governor. Dr. Gerber, reported the plaque is from the Oregon Department of Energy congratulating the College on receiving a \$1 million grant from the state Energy program Recovery and Investment Act that was presented by Governor Kulongoski in a ceremony at Sylvania Campus. She said that this grant will be combined with \$14 million to complete the first stage of Sylvania Campus' E⁶NetZero project that will significantly reduce Sylvania energy use and greenhouse emissions and costs related to energy will be reduced by about 72% and reduce greenhouse emissions by 57%. Dr. Gerber added that District-wide reduction in emissions will be about 40%. She thanked Mr. McEwen and Mr. Chung for their work and noted that Donahue's Department will be implementing project.

Dr. Pulliams wished everyone a happy holiday and reminded Board members that the December Board meeting is just two weeks away.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:35 PM.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on December 3, 2009 at 7:30 PM in Board's Conference Room at the Sylvania Campus.

Harold Williams, Board Chair

Dr. Preston Pulliams, District President

Prepared by:

Lorna J. O'Guinn
Assistant to Board of Directors
Minutes approved on January 21, 2010