

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

MINUTES

BOARD OF DIRECTORS BUSINESS SESSION
Rock Creek Campus, Building 9, Room 122 a/b
December 16, 2010

BOARD ATTENDANCE

Board Members Present:

Denise Frisbee, Jim Harper, Deanna Palm, Bob Palmer, David Squire, Harold Williams

EXECUTIVE SESSION

The Board of Directors convened an executive session for Employment of a Public Officer, Real Property Transactions, and Records or Communications Otherwise Exempt from Public Disclosure (Attorney-Client Privilege) in accordance with ORS 192.660 (2), (a), (e), and (f) at 6:52 PM, adjourning at 7:50 PM.

CALL TO ORDER

Chair Squire called the business meeting to order at 8:03 PM and invited all present to introduce themselves.

APPROVAL OF THE MINUTES

The November 18, 2010 minutes were approved as published.

APPROVAL OF THE AGENDA

The agenda was approved as published.

INFORMATION SESSIONS

Rock Creek Campus Update

Dr. David Rule, Rock Creek Campus President asked Narce Rodriguez, Rock Creek Dean of Students to report on the Rock Creek Campus Women's Resource Center. Ms. Rodriguez introduced Kristen Martin, Interim Coordinator; Alicia Gonzalez, Assistant Coordinator; and Peresa Ferizone, Student Advocate for the Women's Resource Center (WRC) to provide the report. They reported that the first PCC Women's Resource started 15 years ago at the Sylvania Campus and now Southeast Center, Cascade Campus, and Rock Creek Campus as well as 15 of the 17 Oregon community colleges offer similar programs to help Oregonians in need become successful students. They reported that at Rock Creek Campus men are increasingly visiting the WRC to use equipment, obtain counseling, and seek

referrals for needed services. They added that a Transitions Program for men might be implemented in the future. They also reported that care is given to provide a welcoming and supportive environment to all students who go to the WRC to study and to be provided resources and programming that will ultimately give them the confidence and knowledge to help them become successful full-time students. Some recently added services and programs at the Rock Creek WRC include: Transiciones Oeste, the New Directions version in Spanish; the Canteen Project that provides food to about 60 students in need once a month for one or two meals; and in partners with Associated Students of Portland Community College (ASPPC); to provide students Thanksgiving baskets that include food for a complete family meal. They added that food for these projects comes from donations that include food drives throughout the year and that other PCC campuses have implemented similar programs.

Directors Frisbee and Harper commended the efforts of these programs for helping students be successful and take charge of their lives.

Fiscal Year 2009-10 Audit Report

Cherie Chevalier, Associate Vice President Finance reported that the 2009-2010 annual fiscal audit has been conducted and that the results of the audit had been reviewed with the Board Audit Committee.

Mr. Kenneth Kuhns, Partner and Scott Muller, Manager in Charge, Kenneth Kuhns and Company reported the College's financial records were well maintained, all records were available, and that staff does a very good job of maintaining the records. They noted that enrollment increased significantly during this period increasing the amount of tuition revenue to about \$53 million in 2009 and \$62 million in 2010 and federal student financial aid of about \$32 million in 2009 and \$66 million in 2010 was received by the College and distributed to students. Additionally, state support in 2009 was \$49 million and \$77 million in 2010. Mr. Kuhns noted that in part the increase in state funding in 2010 was due to the method of payment distribution rather than any increase in state funding allocation. He said an increase of \$200 million was due to the bond initiative bond funds issued in 2009 from the voter approved 2008 bond initiative to improve PCC programs and facilities. Mr. Kuhns reported his firm's auditing and substantiating of PCC financial records found the basic financial statements presented fairly in all material respects for the College as of both June 30, 2010 and June 20, 2009. He reported the changes in financial position and cash flows for those years were found to be in conformity with generally accepted accounting principles. He added their findings indicate that the Board and all others can have confidence in and rely on the financial information the statements contain.

District President 2010-2011 Goals

Dr. Preston Pulliams, District President reported as part of his evaluation he proposed ten goals for the upcoming year based on Board interests and requests stated at the Fall planning session. He listed the goals and gave examples of how he plans to perform them. The goals are 1.) To continue to strengthen the College's

position regarding innovation and effectiveness with improved planning, instruction, student services and decision-making. 2.) To work closely with the Foundation Board to prepare for a capital campaign. 3.) To continue pro-active lobbying during this biennium, regarding the increase to the Community College Support Fund coming to the College in order to accommodate increased enrollment and to consider lobbying against changes regarding local governance of PCC. 4.) To continue working for a community-building effort in terms of connecting and collaborating with communities within the PCC service area. 5.) To continue the engagement process of being accessible both within the college and external to the College in planning of new PCC facilities. 6.) To continue in his role as District President by promoting access to higher education throughout the state as a member of the State Board of Higher Education, as a liaison to the State Board of Education, serve as President of the Oregon Presidents' Council, and to serve as liaison in a number of advisory areas relating to state policy. 7.) To continue and implement proactive strategies for college-wide diversity. 8.) To continue his professional growth by visiting programs at other community colleges throughout the country regarding fund raising, diversity, and sustainability and then bring back reports to the Board and staff regarding those visits. 9.) To maintain and enhance Board, citizen, and student confidence in the College through his leadership and by providing sound, safe, and responsible daily operation of the College itself. 10.) To continue to develop innovative budget approaches to overcome challenges in these tough financial times and to work to achieve revenue from alternate sources, reduce costs where possible, and eliminate waste and redundancy; all with the objective of maintaining student access, retention, and completion.

Foundation Annual Report

Dr. Pulliams called Kristin Watkins, Associate Vice President, College Advancement; Dr. Betty Duvall, Chair, PCC Foundation Board; and Jeff Van Raden, Vice Chair, PCC Foundation Board forward for their report and commended them for their hours of tireless service to the College and for providing scholarship and grant support to PCC students as well as providing support for PCC staff development activities.

Dr. Duvall introduced Kim Kono, Director, College Foundation Development and thanked Directors Harper and Frisbee for serving on the Foundation Board as liaisons between the Governing Board of Directors and the Foundation Board of Directors and noted that Director Harper had served on the Foundation Board for over 20 years.

Dr. Duvall reported that the Foundation raised nearly \$2.3 million in the 2009-2010 period; increased net assets to over \$6 million; met the Miller Match to receive \$320,000; received approximately \$200,000 from Work Systems, Inc.; awarded over 500 scholarship awards averaging almost \$1,700; provided tuition assistance and other financial support to 79 low-income science and technology students; distributed almost \$800,000 to PCC programs like Middle College, Life by Design, Portland Teachers Program, and numerous PCC departments; and provided Foundation Mini-grants that provided small competitive grants for faculty and staff initiatives. She

reported that the Foundation's increased student support could not have been achieved without the additional support and financial resources the College has provided to the Foundation.

Mr. Van Raden reported that although there has been a four-fold increase in scholarship awards there continues to be a huge gap in that only half of the students applying for scholarships could be awarded. He announced that for the third and final year the Miller Foundation has renewed the matching opportunity for up to \$320,000 but that \$200,000 in scholarship gifts must be raised by March 31 to be eligible to earn funding and that new funding opportunities will need to be identified to sustain the increased scholarship awards. He added the College had other unmet needs as a result of double-digit enrollment growth concurrent with budget cuts and new requirements for student accountability around success and completion. Mr. Van Raden said one such opportunity being evaluated is a major gifts campaign that could raise significant money for the College and students over the next several years. He added that another new fund-raising initiative is Future Connect, a partnership with the City of Portland to provide 200 academically at-risk students with tuition and wrap around support services successfully transition from high school to college. Mr. Van Raden said that in preparation for these ambitious projects and to increase involvement, stewardship, and cultivation of donors the Foundation Board added four new Board members. Additionally, a fundraising consultant will be added, and the Foundation's mission and vision are being refined to better align with the Governing Board's mission and vision.

In conclusion Dr. Duvall thanked the Governing Board for their support in the form of gifts to the Foundation and asked that support be continued because as they seek support throughout the community those they are asking see the Governing Board as well as PCC staff and faculty support as adding credibility and worth to the Foundation's fundraising efforts.

Director Harper pledged continued support from members of the Governing Board and expressed confidence that the Foundation Board success will continue because they follow three important rules for successful fundraising; to make the ask; be credible so that the donor has confidence and they trust; and be clear how the money they are asking for will be used.

2011-2013 Budget Update and Budget Calendar

Cherie Chevalier, Associate Vice President, Finance and Wing-Kit Chung, Vice President, Administrative Services provided a brief budget outlook that included budget principles and processes along with the calendar of budget related events for the 2011-2013 biennium.

Mr. Chung reported the State budget shortfall will be about \$3.5 billion for the 2011-2013 biennium and that funding in all areas of State support will be reduced significantly, including higher education. He said reductions couldn't accurately be determined because the Governor-elect had not released his proposed budget and that the Ways and Means Committee will convene in late January through February

to begin the State budget writing process. He added that although circumstances cause funding uncertainty the law requires the College to have an adopted budget by July 1, 2011. Mr. Chung reported upcoming contract negotiations for the Classified and Faculty/Academic Professional Federations, student enrollment, expected funding allocation changes currently under consideration, along with other unknown factors could impact PCC's budget.

Ms. Chevalier reported the College formally began its work on the 2011-2013 biennial budget about two months ago using the College's standard process as the framework and with the addition of special consideration for how the current financial climate would influence budget decisions. She described four belief statements that would be used as the beginning framework for budget development: 1.) There will be state revenue reductions throughout the biennium. 2.) The College has developed college-wide efficiencies to serve enrollment that has increased over the past two years by 7,000 students; 3.) There will be sustained demand and possibly increased demand on current resources; and 4.) Accountability momentum is increasing along with additional accreditation requirements. She said budget assumptions include: tuition will replace state funding as the most reliable revenue source for the College, PERS and medical costs have increased and will continue to increase, contract negotiations with both federations begin in January, cost increases for goods and services, new initiatives required to stay in compliance with regulations and contractual agreements that could bring revenue to the College such as grants.

Ms. Chevalier said Dr. Pulliams has started Budget Planning Advisory Committee (BPAC) meetings that will continue through June 2011 and their findings and suggestions will be considered in the biennial budget development. She listed significant dates in the process: March 17th the Board will meet as the local budget committee for a budget planning/work session; April 21st the Board will again meet as the local budget committee to review and approve the budget; May 17th staff will present the approved budget to the Tax Supervising and Conservation Commission (TSCC) in a public hearing for their approval and certification of the budget; June 16th a Resolution will go before the PCC Board for final approval of the budget; July 15th is the date by which all final filing for property tax levy forms, adopted budget resolution and adopted budget document with TSCC, county assessors and the Oregon Department of Revenue must be completed. She added that budget information requests have prompted development of "Budget 101" forums for staff and faculty that include time for questions and answers about the budget process.

Dr. Pulliams reported the State Board of Education is going to vote in January on the third reading of a proposal from the Department of Community Colleges and Workforce Development (CCWD) that would freeze enrollment through use of a new funding formula. Dr. Pulliams said that although he testified before the Board of Education that he felt the proposal was not sound policy and that he was concerned about the negative impact on students he expects the Board of Education to adopt the proposal because the Oregon Presidents' Council, with the exception of PCC,

voted in favor of the change. He added that it is unclear what level the enrollment freeze will be.

Access Goal Report

Dr. Christine Chairsell, Vice President, Academic and Student Affairs reported the current Board access goal is worded to reflect the Board's desire to know how the College builds community partnerships to improve student access and the how the use of technology and efficiency is increasing access.

Laura Massey, Director, Institutional Effectiveness reported that almost every aspect of the College has the potential to impact access including the location of facilities and virtual classrooms that allow courses and programs to be offered around the world; when, where, and what programs PCC offers; the cost of attendance; availability of financial aid; the registration process; child care and many more possible aspects. She reported that through community partnerships with area high schools last year almost 4,500 high school students earned college credit through the Dual Credit Program while remaining in their high schools as was reported at the November Board meeting. She said technology has streamlined the registration process for that program in Dual Credit students now register for that program online in their schools and then come to PCC as students already understanding the College's registration system.

She said business partnerships such as the Swan Island Training Center where the business partner contributed about \$250,000, provide better access to students in programs that create a workforce trained specifically an industry. Ms. Massey added that 29% of PCC's credit students take Distance Learning courses and while the majority of these students also take on-campus courses for some students Distance Learning is their only access to education opportunity. She added that conflicts with work schedules, childcare, and transportation are not only dramatically reduced but are virtually eliminated in the Distance Learning environment. She said over 40% of students rely on financial aid not just to pay for tuition and related costs but also for living expenses and that misuse puts the PCC in uncharted territory.

Dr. Chairsell reported that when students shift their focus from using financial aid for attainment of degrees to living expenses they are making choices that have a serious negative impact on their attainment of degrees. She noted this is not just a regional issue but is a national concern that needs to be addressed. She added that the US Department of Education, the provider of much of the financial aid, is going to mandate new rules that are going to put a lot more responsibility on institutions to track progress toward degrees for students receiving financial aid and that students will no longer to be able to take the primarily elective courses and continue to receive financial aid. She said the recently implemented PCC GRAD Plan helps students and the College track progress and will help the College comply with the new financial aid rules when they are implemented. She said that the GRAD Plan program would allow PCC to not only track student progress but also identify

students by degree, major, and catalog year to provide better advising and help students make appropriate choices.

Dr. Chairsell reported the recently awarded Title III grant from the U.S. Department of Education is a \$2 million, five-year grant that has the overall goal of improving student success by reducing institutional barriers to access and the management for students of education related finances. She added the grant allows immediate and comprehensive reform of student financial aid services into an institution-wide high touch, high tech approach that will also create a comprehensive student financial literacy program.

PUBLIC COMMENT ON AGENDA ITEMS

None

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

BUSINESS MEETING

Director Williams proposed approval of Resolutions 10-045 through 10-057. The motion passed unanimously.

Other Reports:

Peter Seaman, Faculty Federation, Executive Vice President, said the Faculty/AP Federation is preparing to advocate for their members interests as well as for other Oregon educators and students during the upcoming legislative session on topics such as PERS benefits.

Mr. Seaman said preparations are underway that include both the Faculty/Academic Professional and Classified Federations for the January start of contract negotiations. He added that bargaining teams have been formed to identify joint interests, such as pay, COLA, steps, healthcare, and working conditions and that a survey is being conducted of Faculty/AP Federation members to identify key bargaining priorities.

Mr. Seaman said the Faculty/ Academic Professional Federation has been meeting with senior college management regarding execution of the 2008 bond initiative. He said the federation continues to request improved workspaces and although commitments have been made that will happen no specific plans have been presented. He shared a story to illustrate the need for private consulting space for faculty and then asked for a commitment that the bond project provide the needed private space.

Phil Gilmore, Classified Federation President said the Classified Federation is working on the same legislature, bargaining, and issues and 2008 bond

implementation as the Faculty/ Academic Professional Federation. He reported that the Faculty/Academic Professional and Classified Federations held their combined holiday party and thanked Chair Squire and Dr. Pulliams for attending.

ASPPC Student Representative, Paula Barreto reported the District Student Council (DSC) meeting held on December 3rd included a number of items including: the history of the Oregon Community College Student Association (OCCSA) dues structure; PCC Sustainability Council structure; an update on the Rock Creek Rocket Composter; selection vs. election of members; a trip to Arizona for the PCC chapter of el Movimiento Estudiantil Chicano de Aztlán (MEChA); and continued participation in all District committees and circulation of committee reports to all ASPPC chapters. She announced the next DSC meeting will be January 7th at Sylvania in the College Center Cedar room from 9:00am-12:00pm.

Board Reports:

Director Williams wished everyone well throughout the holiday season and asked everyone to keep those less fortunate in their thoughts.

Chair Squire also wished everyone well during the holiday season. He thanked President Pulliams for the presentation of his goals. He said the goals have been accepted and that the Board looks forward to working with him on those goals over the remainder of the year.

Chair Squire reported that he and others concerned with governance issues met with Senator Hass and Representative Read to hear their opinions on the Bills Dr. Pulliams spoke of and it was his understanding from OCCA that a number of issues of concern to PCC have now been removed from the Bills. Dr. Pulliams said he would report further and asked that everyone remain vigilant regarding these Bills to prevent potentially harmful results to the College's governance with their passage.

Chair Squire reported that several Board members attended the Oregon Business Council Leadership Summit at which Governor-elect Kitzhauber as keynote speaker painted a very dark picture of Oregon's financial situation and solutions to regaining fiscal health.

District President Report:

Dr. Pulliams suggested moving the January 7 Board work session to January 20 before the business meeting to allow time for an extensive discussion on matters including governance, bond planning and progress, and budget as suggested by the Chair Squire and Vice-chair Harper.

Dr. Pulliams asked Dana Haynes to provide an update of key issues in state government. Mr. Haynes reported not all leadership in the 76th Legislative Session are known but he provided a summary of those who have been identified including their district alignments with the PCC District. He noted that it again is time for the legislature to redefine district boundaries to reflect population changes. Mr. Haynes

also said events with lawmakers have been scheduled and the Board will receive invitations in the near future.

Dr. Pulliams thanked Board members who attended the holiday reception and for their representation of the College at other events. He thanked Chair Squire and Vice-chair Harper for meeting with Mr. Haynes, Representative Read, and Senator Hass to discuss the governance issue. Dr. Pulliams said immediately preceding the Board meeting he was notified the Higher Education Workgroup has reported out its redrafted, 300 page, Bill regarding governance and that the "removal of local control" language has been removed from the document. He said he has concerns because the redrafted Bill still contains language about the State controlling tuition and he suggested that the issue of tuition and fees to be carefully watched to maintain autonomy needed to best serve PCC students.

Dr. Pulliams wished the Board, faculty and staff joyous holidays and a happy New Year.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:45 PM.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on January 20, 2011 at 7:30 PM in Board's Conference Room at the Sylvania Campus.

David Squire, Board Chair

Dr. Preston Pulliams, District President

Prepared by:

Lorna J. O'Guinn
Assistant to Board of Directors
Minutes approved on January 20, 2011