

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

MINUTES

BOARD OF DIRECTORS BUSINESS SESSION
Sylvania Campus, Board Rooms A/B
September 16, 2010

BOARD ATTENDANCE

Board Members Present:

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

EXECUTIVE SESSION

The Board of Directors convened an executive session for Real Property Transactions, Records or Communications Otherwise Exempt from Public Disclosure (Attorney-Client Privilege), and Litigation in accordance with ORS 192.660 (2), (e), (f), and (h) at 6:45 PM, adjourning at 7:40 PM.

CALL TO ORDER

Chair Squire called the business meeting to order at 8:45 PM and invited all present to introduce themselves.

APPROVAL OF THE MINUTES

The June 15, 2010 and July 15, 2010 minutes were approved as published.
Frisbee/Palmer

APPROVAL OF THE AGENDA

The agenda was approved as published. Harper

INFORMATION SESSIONS

Presentation of Dragon Boat Race Trophy

Dr. Christine Chairsell, Vice President Academic and Student Affairs;
Dr. Chairsell introduced Lennie Kesterson, staff advisor for the PCC Zen Dragons dragon boat racing team since 2004. Dr. Chairsell provided a brief history of the team that was started in 1989 by Fran Palk a former faculty member/advisor. She noted approximately 96 teams from around the world compete annually in the Portland Rose Festival dragon boat race and that teams are divided into four divisions based on their race times over a two-day period. Dr. Chairsell reported in this year's event the PCC Zen Dragons won third place in division four. She

added that this team of first year rowers was led by Student Captain Kelaiah Holveck. Mr. Kesterson accepted the trophy on behalf of the team.

OCCA's Discussions Regarding the WICHE and NCHEMS Report

Andrea Henderson, Executive Director, OCCA

Dr. Pulliams said Ms. Henderson would present information about a Oregon Community College Association's (OCCA) lobbying plans and the Higher Education work group's deliberation on community college governance and the Oregon Education System.

Ms. Henderson reported there are several major issues Oregon community colleges currently face including budget cuts, future state funding, significant enrollment increases, Oregon unemployment, capital construction, and community college governance proposals to name a few. She said there are some glimmers of good news including the Oregon business community's increased interest and lobbying on behalf of community colleges.

Ms. Henderson said an issue of great concern is proposed changes in the governance structure of community colleges that could greatly reduce local government control currently in place for Oregon's 17 community colleges. One proposal from the legislative work group on higher education would create a higher education coordinating board at the state level that would be responsible for financial aid as well as coordination between Oregon University System (OUS), Oregon Health and Science University (OHSU), and community colleges with the Oregon Board of Education, the Commissioner's office, and local boards following. She said this would be a significant change from the current system with community colleges under one coordinating board with K-12.

Director Harper asked who would appoint the coordinating board. Ms. Henderson replied the coordinating board would be appointed by the governor and confirmed by the Senate. She added this proposal would mean there would be two coordinating boards above community colleges; the Community College Coordinating Board and the Higher Education Coordinating Board above that. She added that this structure could undermine the current local governance system in place in Oregon. She advised that Oregon community colleges will need to carefully craft a response to this proposal if local governance is to be maintained. Ms. Henderson added that the local governance is a large part of its ability to respond to their community's needs.

Director Palm asked what is not working that has caused this perceived need governance to come to the forefront now. Ms. Henderson responded that this proposal comes from a group that included Dennis Jones, David Loganecker from WICHE and Aims McGuinness from NCHEMS and two concerns they had. They believe community colleges under a coordinating board with K-12 rather than universities are less effective and that a more formal structure is needed for Oregon community colleges to be able to continue their positive achievements because they believe achievements are coming from individuals doing a good job

rather than an effective system. Ms. Henderson said the OCCA board comprised of members from each Oregon community college will review the issue and create a position to preserve and protect what Oregon community colleges care most about.

Director Williams said he, like Director Palm, questioned the value of the additional layer of bureaucracy the proposal would bring and asked who selected Mr. Loganecker, Mr. Jones, and Mr. McGuinness to develop the proposal. Ms. Henderson replied that the members of the legislative work group selected these people because they are recognized national experts on post-secondary governance. She added that because of extreme state budget shortfall there is not going to be enough money in the next legislative session to do what has been done in past sessions and when that happens there is more emphasis on finding ways to do things differently.

Ms. Henderson said over the next few months the OCCA Board will look carefully at this issue and is asking local boards to also review what is being presented and to talk to legislators and explain why this plan is not a good idea. She cautioned that care must be taken on selection of which positions need to be opposed. Dr. Pulliams added that three areas important to remain under local governance include adoption and control of budgets, determination of tuition and fees, and hiring.

Chair Squire asked how much money would be saved if the proposed option were to be adopted. Ms. Henderson said this proposal is too early a stage of development for that to have been determined. She added that it will be important in the process to bring as much detail as possible regarding the financial impact of the proposal to Oregon community colleges. She added that the new Higher Education Coordinating Board would have the power to propose the budget to the Governor and to the Legislature for all post-secondary education and if in looking at the higher education budget in its entirety community colleges were determined to be the more cost effective for the first two years of a college degree that could become a reason to look at the budgets separately.

Director Williams posed the question of financial needs of rural vs. urban community colleges and the possible impact this proposal would have on PCC's budget. Ms. Henderson said it is an important question because as it is currently envisioned the new coordinating board would not only be responsible for crafting the budget request but also for distribution of funds to community colleges, OHSU and OUS. She added that part of the legislative committee's recommendation was the funding distribution model be changed from fte based to performance or completion funding model. Ms. Henderson added that as Oregon Community College advocates they will advocate in whatever basis the 17 community college boards decide best protects their interests.

Director Frisbee asked what steps the OCCA Board is going to take to move the dialogue along, how the PCC Board can participate, how information will be provided and what the decision will points be. Ms. Henderson responded that

with the short timeframe for preparation work has to move quickly. She added that in an OCCA executive committee workshop earlier in the week a plan was laid out that includes appointment of a governance committee that includes OCCA board member, one or two current state board members, and college presidents who will take a deeper look at the issue and has greater knowledge. She added that she is in the process of gathering information from the past three governance studies that have been done in recent years and hopes to have that ready in less than a week. She said the October 8 OCCA board meeting will be primarily dedicated to discussion on governance and crafting of a comprehensive policy statement and direction for advocating the community college position on governance. Ms. Henderson said this will go to local boards in early November to allow each local board time for discussion before the December OCCA board meeting where the plan would be adopted in preparation for the upcoming legislative session.

Director Palmer asked Ms. Henderson how she anticipates the legislature will respond to the Higher Education Coordinating Board's proposal and how much support they will give to it. Ms. Henderson said that is difficult to predict because the November election will bring a new governor and may also change the makeup of the legislature. She said she is concerned and believes the matter needs serious consideration and that is why she wanted to speak to the Board about it. She reiterated earlier statements that care must be taken in the OCCA response to the proposal to state Oregon's community college position and to assure that they maintain a seat at the planning table to represent all 17 community colleges in the decision making around local governance.

Director Williams asked how this additional bureaucracy would impact OCCA's representation of PCC. Ms. Henderson replied that OCCA is a Council of Governments of Oregon's 17 community colleges and that those community colleges belong to OCCA. She added that OCCA will remain the advocate for those colleges, not any other coordinating board or other interest. Director Williams asked how having someone else determining budgets and distribution of funds would affect OCCA representation. Ms. Henderson replied that currently funding distribution between Community colleges, CCWD and the State Board of Higher Education is somewhat collegial but if this change were to be adopted OCCA would have to adopt more of an advocacy role for community colleges. Additionally, she said they would have to lobby the new board.

Director Palm asked if this is the third governance process community colleges have gone through has consideration been given to introduction of legislation that preserves local governance. Ms. Henderson replied there is currently little statutory authority on the powers of local community college boards but that consideration could be given to introducing some.

Director Frisbee said it was her understanding this proposal was driven by issues dealing with OUS and asked if there were counter proposals being considered that address those issues rather than revamp local governance for community

colleges. Ms. Henderson said there are currently several proposals including one that deals with OUS and creates a new structure for them that separates them from their current state agency status. Another proposal from the governor's Reset Committee is to move to performance based funding. Gubernatorial candidate John Kitzhauber proposes to create a K-20 board where all Oregon education would fall under a consolidated budget for education. She believes the proposal she presented to the Board is the one that is the most developed and has the most need to be acted on.

Investment Standards and Procedures Update

Cherie Chevalier, Associate Vice President Finance and Dee Wilson, Treasury Manager

Dr. Pulliams introduced Ms. Chevalier and Ms. Wilson and asked them to provide information to the Board regarding investment standards and procedures that have been approved by the State Short Term Board and are before them for approval as Resolution 10-020.

Ms. Chevalier said Ms. Wilson's presentation would include changes to the college's investment standards.

Ms. Wilson reported that only a few adjustments were needed for the investment standards and procedures due to PCC's sound financial policies. Those few changes were due primarily to funding from the 2008 Bond Program and the collapse of the global credit market. She said steps taken in the process were: 1.) Studies were done to assure statutory references were up to date and titles were correct. 2.) Review to assure accounting standards were being met. 3.) A draft of the revisions was sent to the Oregon Short-Term Funding Board staff for a preliminary review. 4.) Their suggestions were incorporated into a second review. 5.) A letter was sent to Chair Williams to inform the Board that the investment guidelines were being reviewed in preparation for submission to the Board for approval. 6.) The revised investment standards and policy were then sent to the Oregon Short-term Fund Board for comments and recommendations for revisions. 7.) Their recommendations were incorporated and the document was sent to the Oregon Short-term Fund Board for final approval. Ms. Wilson added that the final step is Board Adoption of Resolution 11-020.

Goal 2 – Student Success

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

Ms. Massey noted the Student Success report is the final goal report for the 2009-2010 academic year and reported the College saw record breaking enrollment as well as many improvements and accomplishments. She reported there was tremendous growth in Lower Division Transfer classes as well as other areas with the only area of decline being Community Education classes. She added unemployment levels played a significant role in enrollment and that high enrollment created the opportunity to offer additional classes. Ms. Massey also reported that the year saw increased student retention and that one challenge for

the future will be to maintain the increased enrollment trend when students are back at work full-time. She reported that instruction delivery changes in some areas such as English for Second Language Speakers (ESL) have helped students who in the past had difficulty transitioning from non-credit to credit ESL classes. Ms. Massey also noted that degrees and certificates awarded increased by 30% over last year partly as a result of the change in board policy that eliminated student fees for admission, graduation eligibility assessment, and others. Ms. Massey said another measure of student success is the high pass rates for certification and licensure of PCC students. She concluded the report saying PCC prepares students transferring to four-year institutions well and that their academic performance is as good as and in some instances excels students who begin at those institutions.

Chair Squire and Director Frisbee complimented the report and the college's work to assure continued student success.

Dr. Pulliams noted that there is a national movement to change the community college funding formula from fte to outcomes based making the new policy changes even more important to the College. Dr. Chairsell noted that another trend is that holders of bachelor degrees are returning to community colleges to earn additional certificates in their fields.

Goal Revision Feedback from the Board Retreat

Dr. Christine Chairsell, Vice President of Academic and Student Affairs
Dr. Chairsell reviewed value and goal revisions requested at the August retreat by the Board in the areas of accountability, leadership, innovation, continuous improvement, efficiency, and sustainability. She described the process and reasoning for the changes and the importance the Board places on business partnerships and making students marketable for jobs in the future. She said that student success was addressed in the revisions as was degree completion, university transfer, and economic development. She concluded her report saying that measures for goals would be included in the October Board meeting.

PUBLIC COMMENT ON AGENDA ITEMS

None

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

BUSINESS MEETING

Director Frisbee proposed that Resolution 11-021 be removed from the consent agenda for further consideration. The motion passed unanimously. Director Frisbee proposed approval of Resolutions 11-013 through 11-020. The motion passed unanimously.

Other Reports:

Michael Morrow, Faculty Federation President, reported that he and other federation leadership have been busy with preparation for the upcoming year with events and activities including meeting with the Board Chair, District President, District Vice President, Vice President of Administrative Services, and Vice President of Academic and Student Affairs to establish areas they will be involved in including bond building design in areas faculty and APs work; ramifications of assessment and outcomes issues on accreditation. He said meetings have been conducted with new full-time and part-time faculty to share important information and that PCC's 1,900 faculty and APs are ready to begin the new school year and look forward to working with management. He also noted the impact to over 2,000 students that have not yet received their financial aid awards.

Phil Gilmore, Classified Federation President, reported that the annual Classified Federation Labor Day picnic was a huge success with 200-300 federation members and their families attending. He said a federation goal for this year is for members to increase community outreach with organizations such as Habitat for Humanity and Special Olympics. He also noted that some a couple of federation members participated in Human Resources training. He added that an unfair labor practice mediation will be conducted in the near future that he hopes will resolve a disputed matter. Mr. Gilmore said the Classified Federation is selecting their team and preparing for upcoming contract negotiation. He concluded his report saying in his recent vacation in Scotland he visited with family members that work in education there and they report many of the same issues facing PCC such as funding and staffing.

ASPCC Student Representative, Paula Gretta, District Student Council Chair, reported PCC student leaders have been busy with many activities including: 1.) attendance at the Oregon Student Community College Association (OSCCA) conference along with other Oregon student leaders; 2.) conducting a student in-service where Dr. Pulliams spoke that about 100 students attended; 3.) removing invasive plants at Crescent Park in Washington Park; and 4.) started discussions regarding district goals with DSC students from Sylvania, Rock Creek, Cascade, and Southeast. She concluded her report saying student leadership is looking forward to the upcoming academic year.

Board Reports

Director Palm reported the grand opening of the Hillsboro Intermodal Transit Facility was very nicely done and she thanked Dr. Pulliams for attending.

Director Frisbee reported the District In-service had good attendance and was an enjoyable event.

District President Report:

Dr. Pulliams expressed his appreciation to the Board for renewal of his contract for another three years and said he looks forward to working toward solutions to the funding challenges all Oregon community colleges are facing.

Dr. Pulliams thanked board members for their support of PCC in attending a variety of events throughout the district and reminded them of the groundbreaking for the Newberg Center on October 13 and the opening of the CLIMB Center on September 28th.

President Pulliams noted that Fall term begins September 20th with enrollment currently about 10% over last year making the enrollment increase over the past two Fall terms 37%. He thanked staff and faculty for their effort to help students get into the classes they need to give them a good start to the new academic year. Dr. Pulliams asked Kristin Watkins to provide a brief report on PCC's 50 year anniversary celebration.

Ms. Watkins said the 50th anniversary kick-off will be at the 2011 district in-service and that the planning committee has met to begin planning celebration events. She noted that a website has been set up at www.pcc.edu/50th where people can submit ideas for the celebration as well as their own stories of how PCC has impacted their lives. Ms. Watkins said she would periodically report to the Board upcoming event plans.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:05 PM.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on October 14, 2010 at 7:30 PM in the 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 October 14, 2010