



CHANCELLOR'S ADVISORY COUNCIL
Meeting Summary
May 16, 2014

Present

Linda Thor, Orlando Aguon, Randy Bryant, Karen Chow, Leo Contreras, Robert Cormia, Mayra Cruz, Letha Jeanpierre, Rich Hansen, Kevin McElroy, Joe Moreau, Judy Miner, Blanche Monary, Koosha Seyvani, Roberto Sias, Adiel Velasquez

I. Welcome

Chancellor Thor welcomed council members.

II. Approval of January 17 and March 14, 2014, Meeting Summaries

The January 17 and March 14, 2014, meeting summaries were approved without changes.

III. Governor's May Budget Revision

Kevin distributed an overview of the Governor's Revised Budget, pointing out that additional expenses for healthcare and drought relief have absorbed the state's higher-than-anticipated tax revenues. He explained that the revised budget, while not substantially different than the budget proposed for community colleges in January, included the following changes:

- the cost of living adjustment (COLA) was reduced from 0.86 percent to 0.85 percent;
- funding for enrollment access/restoration, which will not benefit the district because of declining enrollment, was reduced from 3 percent to 2.5 percent;
- deferred maintenance and instructional equipment funding was reduced from \$175 million to \$148 million but will not require a local match; and
- additional funds were proposed for the Economic and Workforce Development Program, property tax and fee revenue offset, and technology infrastructure.

Kevin also advised that the governor has proposed significant increases in state, employer, and employee contributions to the California State Teachers' Retirement System (CalSTRS) beginning in 2014-2015 to address the pension system's deficit. He noted that the proposed employer increase will likely wipe out the district's COLA and increase the structural deficit. Rich added that the governor's proposal is in keeping with what CalSTRS has said is necessary; however, it is a much less gradual plan than those previously discussed.

With regard to the district's budget for 2013-2014, Kevin shared a table from the Third Quarter Report showing the projected net fund balance and carryover. He advised that the deficit going into the fourth quarter will likely be much smaller than originally projected because the state implemented a smaller deficit factor than budgeted and benefit costs were lower than anticipated. Due to increases in expenses and decreases in revenue stemming from the enrollment decline, Kevin estimated the 2014-2015 district deficit at \$6-7 million. He advised that money from the

stability fund will be used to cover the structural deficit and provide the district with another year to evaluate enrollment and plan for cuts needed to bring expenses in line with revenue.

Roberto expressed concern about waiting another year to address the ongoing structural deficit. Kevin and Judy responded that the colleges and the district continue to carefully monitor revenue and expenses but consider leveraging of one-time funds as an effective strategy to mitigate the impact of multi-million dollar cuts.

IV. Online Education Initiative Update

Joe advised that he is in the process of hiring the permanent team for the Online Education Initiative (OEI) and hopes to have new leadership in place by July. He praised the work of the OEI Steering Committee, which includes nine faculty members appointed by the California Community Colleges Academic Senate and has been meeting twice per month, and reported that a call has gone out for colleges to be part of an Online Education Consortium pilot program. Joe provided a tentative schedule for the OEI team for the next year, noting summer plans include completion of the environmental scan of statewide and national best practices; issuance of requests for proposals for the common course management system and tutoring and proctoring services; and development of an online student readiness orientation.

V. New and Revised Policies and Procedures

AP 4236 Honors Courses and Programs (New)
BP 5075 (formerly BP 6126) Credit Course Drops and Withdrawals
AP 5075 (formerly AP 5003) Credit Course Drops and Withdrawals

Linda thanked Rich for editing the credit course drops and withdrawals policy and procedure. Judy suggested that the second sentence of the first paragraph of administrative procedure (AP) 5075 be revised as follows: "The colleges shall adopt practices based upon the procedures outlined below that are appropriate for each organization." The council approved board policy (BP) 5075 and AP 4236 as presented and AP 5075 as amended.

VI. District Opening Day Workshops

Linda announced that keynote speaker Manuel Pastor will highlight the District Opening Day theme of "The Changing Demography and the Equity Imperative" with his presentation of "The New Demography, the New Economy, and the New California." She noted that the Academic and Professional Matters Committee has the responsibility for planning District Opening Day workshops, but she would welcome additional proposals that fit the theme, particularly those that might interest classified employees. Blanche commented that the De Anza Classified Senate might be interested in submitting a workshop proposal.

VII. Other Information and Updates

Linda reported that the Senate Education Committee unanimously passed Senate Bill 850, which would authorize a community college baccalaureate pilot program, after amending the bill to reduce the number of pilot colleges from 20 to 15 and limit the number of degrees to one per district.

Chancellor Thor adjourned the meeting at 3:20 p.m.