

Board meeting of Aug. 31, 2015

SOME HEADLINES

Trustees approved or considered:

- A report on the refinancing of Measure C bonds
- A public hearing on the tentative 2015-16 budget
- Salary schedule changes
- Creation of new administrative and classified positions
- Position appointments, new hires and retirements

Agenda & backup material: <http://www.boarddocs.com/ca/fhda/Board.nsf/Public>

To access supporting documents for items on the agenda, visit the BoardDocs website using the link above. Under the Meetings tab, click on the meeting of Aug. 31, 2015, and then click on "View the Agenda." Supporting documents are included as attachments to the items.

INFORMATION & ACTION ITEMS

College facility rentals

The board approved updated facility rental rates for 2015-16 for use of campus facilities at Foothill and De Anza, as well as service and equipment fees associated with facility use. Trustees also approved a facilities fee policy for De Anza and a policy on use of alcoholic beverages in De Anza facilities.

New courses at Foothill

Trustees approved Foothill curriculum updates for inclusion in the 2016-17 catalog, including new courses in industrial design, community dental health, public health, horticulture and fashion & costume design.

New courses at De Anza

The board approved several dozen new courses in the Computer Information Systems Department and the Honors Program at De Anza for 2016-17.

Closing of bond refinancing

John Sheldon from Morgan Stanley reported to the board on the successful refinancing of \$83.1 million in Measure C general obligation bonds. Similar to refinancing a home at a lower interest rate, the bond refunding resulted in a total anticipated savings to district taxpayers of \$7.4 million. The refinancing means a reduction in debt service of almost \$465,000 annually and an average savings to district property owners of 23 cents per \$100,000 of assessed property value each year through 2036.

The district's excellent credit ratings and strong investor demand contributed to the refunding's success. In the days leading up to the sale, Standard & Poor's upgraded the district's credit rating from AA to AA+ and Moody's affirmed the district's Aaa rating.

Investor demand far outpaced the amount of bonds the district offered for sale, with initial orders of \$206.3 million placed for \$83.1 million in bonds.

The refunding reduced the projected Measure C tax rates for district property owners to an average of \$17.04 per \$100,000 of assessed value. That compares favorably to the district's original projection in 2006 of \$24 per \$100,000 of assessed value.

Vice Chancellor **Kevin McElroy** noted that the planned sale was delayed for several months because of market volatility and increases in interest rates. By watching closely for the rates to come back down, he said, the district was able to come very close to the savings figures it had originally projected.

Approved by district voters in 2006, Measure C authorized the sale of \$490.8 million in general obligation bonds. Approximately \$434 million in Measure C bonds have been issued to date.

District Investments

Commenting on a routine report on the district's investments in the Santa Clara County Comingled Investments Pool, De Anza President Brian Murphy said he believes the comingled fund includes corporate bond investments in fossil fuels. Although the district cannot control the county fund, he said, he suggested letting the fund's managers know that the Foothill-De Anza Foundation has stopped investing in fossil fuel companies, minimized investments in comingled funds that include fossil fuel companies, and divested from any fossil fuel holdings.

Hearing on 2015-16 budget

Vice Chancellor **Kevin McElroy** gave the board a preview of the 2015-16 adopted budget, followed by a public hearing that drew no speakers. The \$197.8 million budget will come to the board for approval next month. It is the best budget in the past five years, he said, and puts the district in a fiscally stable position. Contributing to the positive budget picture are an increase in base funding from the state and an infusion of one-time dollars to reimburse community colleges for a large backlog of unfunded state-mandated costs.

The district's enrollment trend appears to be stabilizing, Vice Chancellor McElroy said. The district projects the colleges will serve 32,158 full-time-equivalent students in 2015-16, down from a peak of more than 38,000 FTES in 2008-09. A slightly larger percentage now are non-resident students. He noted that reductions in enrollment over the past few years have resulted in an ongoing revenue loss to the district of about \$31 million a year.

The district begins the fiscal year with a beginning balance of \$48.5 million. Of that, \$22.9 million will be used to maintain the Stability Fund; most of the remainder will replenish B budgets for the colleges and Central Services and fund a 5 percent budget reserve for emergencies. A small portion is being set aside for use by the colleges to stimulate enrollment as needed. Vice Chancellor McElroy said that maintaining the Stability Fund is important because it gives the district a cushion for the next inevitable economic downturn.

While the fiscal picture looks good, he said, there are some unknowns. These include the

still-undetermined cost of addressing seismic issues at the Flint Center garage, the impact of the end of Proposition 30's sales-tax increase in 2016, fluctuations in the state's economic fortunes, expenses outpacing revenues, the outcome of this year's negotiations with bargaining units, and the unpredictability of enrollment.

Temporary employee salary schedule & job descriptions

Trustees approved revised job descriptions and a salary schedule for temporary employee assignments. A job category of "note taker" was added at \$9 per hour, and hourly rates were increased from \$8 to \$9 for entry-level Child Development Center instructional assistants, and from \$75 to \$110 for educational service providers (professional experts).

HUMAN RESOURCES REPORT

Administrative employment

Trustees approved employment for the following new administrators: at Foothill, **Kyle A. Brumbaugh**, starting Aug. 31 as director of the Krause Center for Innovation's Professional Learning Network to replicate the program in other colleges, funded through the Foothill-De Anza Foundation, and at De Anza, **Tamica Ward** as dean of enrollment services, starting Sept. 1.

Administrative appointment

Trustees ratified the appointment of **Thomas Shepard** as acting dean of student affairs and activities at Foothill through June 30, 2016.

New administrative positions

Trustees approved creation of two new positions, director of the Science Learning Institute at Foothill, with funding through the Foothill-De Anza Foundation, and director of the STEM Success Program at De Anza, with categorical funding through the state student equity program.

Administrator training & retraining awards

The board approved training/retraining awards for two Foothill administrators, **Teresa Ong**, dean of the Disability Resource Center and Veterans Programs, and **Victor Tam**, dean of the Physical Sciences, Mathematics & Engineering Division.

Faculty employment

Trustees approved employment of the following individuals effective Sept. 17: at Foothill, **Eleazar Jimenez** as a counselor, **Lawrence Lew** as a business instructor in Business & Social Sciences, and **Pawel Szponar** as a systems librarian, and at De Anza, **John Irving Fisher** as an instructor in Business & Computer Systems, all effective Sept. 17.

New faculty positions

The board approved a new 50 percent, categorically funded position at De Anza, Student Success & Retention counselor, effective Sept. 1.

Classified employment

Trustees ratified classified employment for the following individuals: at Foothill, **Nagalakshmi Auoprem** as senior library technician and **Behzad (Mike) Mohebbi** as executive assistant in Finance & Administrative Services, and at De Anza, **Jay Harrel** as senior college web coordinator.

Classified retirements

The board approved the retirement of **Peter Wall**, graphic design technician at Foothill, effective Sept. 30 after more than 28 years.

New classified positions

Trustees approved the following new classified positions: at Foothill, administrative assistant I in Counseling; at De Anza, financial aid supervisor, evaluation specialist, enrollment services specialist and office assistant, all in Student Services; and in Central Services, technology resource coordinator in ETS.

REPORTS & HEARINGS OF ITEMS NOT ON THE AGENDA

(Board members cannot discuss items that are not placed in advance on the agenda.)

Public comments

Palo Alto resident **Ken Horowitz**, a recently retired Foothill College instructor, encouraged trustees to look at increasing consistency between Foothill and De Anza. He pointed to an extensive consultant study of alignment in curriculum, course assignment, expectations and other areas between the Palo Alto Unified School District's two high schools. He spoke about the need for instructors to be sensitive to the academic pressures that students face.

Presidents' comments

De Anza President **Brian Murphy** reported that De Anza is partnering with Joint Venture Silicon Valley on an Oct. 6 event at the college focusing on income inequality in Silicon Valley. He said it will focus on a recently released report from Joint Venture's Institute of Regional Studies and will include a panel discussion with students.

Foothill Interim President **Kimberlee Messina** reported that during the lull before the fall term begins, students are lining up for placement tests and students and parents are visiting the campus.

Chancellor's comments

Chancellor **Judy Miner** reported that the district has begun the process for seeking reaffirmation as a member of the board of the League for Innovation in the Community College. Reaffirmation is required when there is a change in the district's top leader. The reaffirmation process involves producing an extensive report for presentation to the League board in March and said staff members will contact the colleges for information about programs and practices that should be featured. After presentation of the report, a subcommittee from the League board makes a two-day visit to the district.

Chancellor Miner commented on a recent flamingo-decorating contest in Central Services organized by Human Resources. Twenty-nine birds were creatively, and in some cases extravagantly, outfitted. Among her favorites, she said, was the "low-bid flamingo," which had no decorations but met minimum bid requirements.

Board comments

De Anza Student Trustee **Arjun Gadkari** reported that he and Foothill Student Trustee **Alexander Park** recently attended a Student Trustee Workshop in Costa Mesa where they received leadership and trustee training and learned about the history of California community colleges. Student Trustee Park commented that it was particularly interesting to learn about fiscal inequities among college districts. He reported that three Foothill students recently took part in the Harvard Project for Asian & International

Relations, traveling to Manila, Philippines, to discuss key regional and global issues and hear from experts with students from more than 50 countries.

Trustee **Joan Barram** reported on attending the recent Education Summit sponsored by Silicon Valley Leadership Group, long with Chancellor Miner and Interim President Messina. She attended sessions on workforce development, education reform and a panel featuring representatives from LinkedIn, Intel and Comcast discussing their companies' involvement in education.

Board President **Pearl Cheng** commented on attending a Cupertino Rotary Club meeting to hear about the vision for transforming the aging Vallco shopping mall into "The Hills at Vallco," down the road from De Anza. **Peter Pau's** Sand Hill Property Co. plans to redevelop the aging shopping center with a mixed-use project combining retail, office and housing. Capping the development would be a 30-acre elevated park and "the world's largest 'green' roof" with 3.8 miles of trails, plus vineyards, orchards and gardens, a play area and amphitheater. In addition, the developer has promised to donate \$20 million for a new K-12 school and science camp endowment, and another \$20 million for new classrooms and an "innovation center" for the Fremont Union High School District. Among other things, President Cheng noted, the plans include building a transit center. Chancellor Miner, Trustee Barram and Student Trustee Park also attended the meeting.

NEXT MEETING

The next regularly scheduled meeting of the Board of Trustees is Monday, Sept. 14, at 6 p.m. in the Toyon Room in the Campus Center at Foothill College. The Toyon Room is the board's temporary meeting location until further notice.

Agenda: <http://www.boarddocs.com/ca/fhda/Board.nsf/Public>

Agendas generally are posted 72 hours in advance. Please check the agenda to verify the time and location of the meeting.

BOARD HIGHLIGHTS

Board Highlights is intended to communicate board meeting news to faculty and staff across the district. These are not the official minutes. Please contact Becky Bartindale at bartindalebecky@fhda.edu or (650) 949-6107 with comments or questions about *Board Highlights*.

Minutes: <http://www.boarddocs.com/ca/fhda/Board.nsf/Public>

Find approved minutes by meeting date under the "Meetings" tab. Minutes are typically approved at the next board meeting. For questions about minutes, please contact Paula Norsell, assistant to the chancellor, at (650) 949-6106 or norsellpaula@fhda.edu.