



President's Cabinet Action Notes

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1. Cabinet discussed the Governor's January 9th proposal for the 2015-16 state budget. Attached are 1) the [full text](#) of the budget proposal, 2) a [brief summary](#) of the full proposal, 3) the full text of the [community college portion](#) of the budget, 4) portions of the proposal for [K-12 that are relevant to community colleges](#), 5) comments by [Chancellor Brice Harris](#), and 6) analysis by [Patrick McCallum](#), head of the lobbying group that represents Mt. SAC. Below are some perspectives on the budget discussed by Cabinet. Funded items:
 - \$100 M for Student Success and Support and \$100 M for Student Equity. About \$1.7 M to Mt. SAC for SSSP but with a 1:1 match and about \$2.4 M for Student Equity with no match. The campus put considerable work into the SSSP and Student Equity Plans approved by the Board last fall. Consequently, we have a solid "game plan" to make good use of these funds. Note also that this largest funding augmentation is not discretionary so does not help directly with escalating operating costs or with the need to provide equitable compensation to our employees.
 - \$125 M to increase base allocation funding. This is proposed to be discretionary funding but limited to operational costs excluding salaries and benefits. The \$125 M equates to an augmentation of about 2.3%. Our biggest unfunded budget concern has been increases in the STRS employer contribution which went from 8.25% to 8.88% this year and will go to 10.73% on July 1, 2015. This two-year increase is thus 2.48%.
 - \$106.9 M for Increased Access. This is 2% growth in enrollment; \$2.7 M for Mt. SAC if fully earned. The CCC system has been struggling to grow, and we at Mt. SAC have worked hard to grow over our cap funding. This will mean continued work on enrollment growth next year, AND this will mean continued increases in student access to our quality courses and programs.
 - \$92.4 M for COLA at 1.58%; about \$1.1 M for Mt. SAC. Much better than this year's 0.86%
 - \$49 M for Career Development and College Preparation (CDCP) noncredit enrollment. In the past, noncredit has been funded at about 2/3 of the credit rate (\$4,636 per FTES for credit courses; \$3,282 per FTES for CDCP noncredit). Mt. SAC is the 4th largest noncredit community college so this will mean in the neighborhood of \$2 M per year ongoing for us. WOW!
 - \$48 M for CTE. The title of this fund enhancement is Career Pathways which is defined by previously enacted SB 1070 but the Governor's language reflects the CTE Enhancement Fund of this year. Clarification is needed but we are HAPPY to have more CTE money.
 - \$29.1 M for apprenticeships. Note that there is an additional \$15 M for innovation. California just recently (13-14) transferred control of RSI (Related Supplemental Instruction) from Department of Education to Community College Chancellors Office. For more information follow this [link](#).
 - \$39.6 M for Prop 39 energy projects. This is a continuation, the third year of five funded by Prop 39. Mt. SAC is making good use of this money, about \$800,000 for 15-16.
 - \$94.5 M for deferral pay down. This fully pays off this obligation.
 - \$353.3 M to pay down mandates. When the state mandates an activity, it must provide the funds. When funds were not provided in the past, a future obligation was created. This 15-16 year amount partially pays down this obligation. These funds would likely be allocated to districts on an FTES basis as a block grant that could be used, without match, for instructional equipment and scheduled maintenance.

2. Cabinet welcomed a team from Foothill Transit including Doran Barnes, Executive Director; Kevin McDonald, Deputy Executive Director; David Reyno, Director of Governmental Relations; and Katie Gagnon, Special Projects Manager. The group presented an overview ([attached](#)) of the Mt. SAC Class Pass pilot. During the three semester pilot, Mt. SAC Class Pass students logged over 1 million boardings—about 5% of overall Foothill Transit ridership. In total, 10,657 Class Passes were issued. The group discussed implementation of the Transportation Fee passed by Mt. SAC students last November. A contract is needed to spell out all the particulars of making Class Pass ongoing. Because of the time needed to implement the fee, Mt. SAC would not be able to begin the contract until Fall 2015. Cabinet inquired about extending the Foothill Transit subsidy of Class Pass through Spring 2015. Executive Director Doran Barnes indicated that he was supportive of this request and would agendaize the item for the next meeting of the Foothill Transit Board. The above linked document contains an analysis of the three pilot semesters including funds that would have been generated by the Transportation Fee at the measured ridership level and the cost for that ridership level. The data shows a good match between expected revenue and cost for the Class Pass going forward. It was agreed that Foothill Transit would bill Mt. SAC monthly for the ridership cost. **Mike will continue working with the Foothill Transit folks to complete the contract language.**
3. Cabinet reviewed an updated history of FTES generation from 1988/89 to 2013/14 ([attached](#)) and discussed preliminary data that project approximately 5.25% growth in Mt. SAC's 2014-15 FTES. State funded growth for 2014-15 is 2.75%. Our target for growth has been 5% so the 5.25% is right on target. We can capture growth funds not earned by other districts this year by generating this 2.5% overcap FTES.
4. Cabinet discussed President Obama's America's College Promise proposal released last Friday. The FACT SHEET ([attached](#)) explains the proposal as do the notes from the webinar ([attached](#)) attended by Director of Marketing and Communication Yen Mai. If enacted, this program would be a boon to community college students, especially those of limited means. It was noted that over 70% of Mt. SAC students do not pay enrollment fees because of their income eligibility. Cabinet generally felt that the proposal gives high positive exposure to community colleges. However, the high cost and the current gridlock in Congress make funding problematic. Some felt that federal funds for community college students would be better invested in expanding Pell Grant eligibility and grant levels.
5. We received notice ([attached](#)) of the potential benefit of refunding outstanding general obligation bonds. This could reduce taxpayer property tax bills by approximately \$2 million over the life of the bonds. **Mike will look into the possibility of refunding bonds.** It was noted that this reduction might produce some "cap room" below the \$25-per-\$100K assessed value limit for Prop 39 bonds such as our Measure RR.
6. Good news was received ([attached](#)) from Monica Lin, Associate Dean of Undergraduate Admissions in the University of California Office of the President. UC has approved Mt. SAC's "Statway" courses (and those of other colleges as well). The approval includes the transferability of the courses and equivalency for the intermediate algebra requirement for transfer students. Note: Mt. SAC's Statway curriculum (Math 70S-Integrated Intermediate Algebra & Math 110S Integrated Statistics) is an accelerated two course sequence that takes

students who have passed Math 50-Prealgebra and gets them through Statistics. It is a project of the Carnegie Foundation in which Mt. SAC is one of the pilot colleges.

7. Bill shared the agenda ([attached](#)) of the Accreditation Institute put on by the Academic Senate for California Community Colleges and held February 20-21 in San Mateo. Panels for “Accreditation Challenges in Multi-College Districts” and “Team Training—Views from Visiting Teams.” The Institute overlaps with Spring Faculty Flex Day so Bill will be jetting up to San Mateo right after his Flex breakout “Conversations With the President” from 10:45 to 12:00 on Friday, February 20.
8. Cabinet discussed the selection by Chancellor Brice Harris of Denise Noldon as Interim Vice Chancellor for Student Services ([announcement attached](#)). Dr. Noldon is currently president of Contra Costa College and formerly was Vice President of Student Development at Folsom Lake College.
9. Bill shared a message ([attached](#)) from Joan Sholars, Math Professor and VP of the Faculty Association pointing out the dearth of food services for evening students. Cabinet agreed that this should be remedied. **Mike will look into this and talk to Sodexo about getting this done.**
10. Mike presented cost analyses on two alternatives to the current Parking Structure plan (2200 spaces at the Lot A site). These two alternatives were requested by the Board of Trustees and will serve as the basis for the Board Discussion item tomorrow night, January 14th. The first alternative would be to move the Parking Structure to Lot F; the analysis ([attached](#)) shows that the cost for this alternative would be \$14,470,000. The second alternative ([attached](#)) would downsize the Parking Structure by removing Section C (200 parking spaces) but retain the Lot A location and would cost an additional \$5,820,000. Both would produce deficits in needed parking spaces as shown on the [attached chart](#). As there are no sources of funds to pursue these alternatives, the utility of these analyses is to demonstrate that the existing plan for 2200 spaces on Lot A is the only fiscally feasible choice.
11. Cabinet reviewed the list of Marketing 2015 Projects ([attached](#)). Cabinet will review the list with staff and assure that staff level coordination is in place.
12. Items for future agendas (items for the **next** Cabinet meeting are shown in **BOLD**):
 - a. Emergency Response Plan Implementation (Karen Saldana, 2/17)
 - b. International Student Initiative-Support and Services (Audrey, 2/17)
 - c. Classroom Utilization Project (**Mike & Irene, 1/20**)
 - d. AP 4255, Dismissal and Readmission (**Audrey, 1/20**)
 - e. Methods to Reduce Student Accounts Receivable Debt (**Mike, 1/20**)
 - f. Upgrade Radio Phone Communication System (**Mike, 1/20**)
 - g. Dual Enrollment Offerings at Local High Schools (**Irene, 1/20**)
 - h. Implementation of SSSP & Student Equity Plans (**ALL, 1/20**)