

Minutes
May 15, 2019

MINUTES OF BUDGET COMMITTEE

CHEMEKETA COMMUNITY COLLEGE
4000 Lancaster Drive NE
Salem, Oregon

April 17, 2019

A. PLEDGE OF ALLEGIANCE

Ray Beaty, Budget Committee Chair, led the group in the Pledge of Allegiance.

B. CALL TO ORDER AND ROLL CALL

Ray Beaty, called the meeting to order at 4:30 pm. The meeting was held at the Salem Campus in the Board Room, Building 2, Room 170. Roll call was taken.

Members in Attendance: Ray Beaty, Chair; Ed Dodson; Betsy Earls (arrived at 4:40 pm); Jackie Franke; Gustavo Gutierrez-Gomez (arrived at 4:44 pm); Ken Hector; Neva Hutchinson; Barbara Nelson; Don Patten (arrived at 4:34); Mike Stewart; Joe Van Meter; and Diane Watson, Vice Chair. Absent: Ron Pittman

College Administrators in Attendance: Julie Huckestein, President/Chief Executive Officer; Jim Eustrom, Vice President/Campus President, Yamhill Valley Campus; Miriam Scharer, Associate Vice President/Chief Financial Officer, College Support Services; and Rich McDonald, Director, Budget and Finance.

C. APPROVAL OF MINUTES OF APRIL 10, 2019

Jackie Franke moved and Neva Hutchinson seconded a motion to approve the minutes of April 10, 2019.

The motion CARRIED.

D. QUESTIONS FROM PRIOR MEETINGS

There were no questions from the prior meeting.

E. PRESENTATION OF 2019–2020 OTHER FUNDS

Miriam Scharer reviewed the agenda and noted copies of the slides are in the budget committee folder and the corresponding page(s) in the spiral-bound Proposed Budget book are also listed on each slide, in addition to the budgeted amount, purpose, highlights, and current number of FTE positions by employee group in each fund. Miriam, Rich McDonald, and Jim Eustrom reviewed the Other Funds in detail and answered questions.

Miriam referred to Slide 4, a pie chart of the Summary of All Funds. She noted last week the General Fund was covered which totaled \$89,700,000. Today Other Funds will be covered which amount to \$204,156,000 for a total of All Funds of \$293,856,000. The chart shows a percentage breakdown of all the Other Funds, as well as the General Fund.

The Other Funds covered were: Capital Development, Plant Emergency, Special Projects, Self-Supporting Services, Debt Service, Chemeketa Cooperative Regional Library, Auxiliary Enterprise, Intra-College Services, Student Government, Student Clubs and Student

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Newspaper, Athletics, External Organization Billing, and Financial Aid. Position changes, eliminations, reductions in force and investments are noted on the slides. The following highlights or questions were noted:

Capital Development Fund

- Major project includes moving from the design stage to the construction phase of the agricultural complex, a \$12 million project, half funded by the college reflected in this fund and the other half reflected in the special projects fund. Estimated completion date is Fall 2020.
- Capital maintenance projects include reroofing of Buildings 2 and 9.

Special Projects Funds

- This fund ensures budget authority for grants such as Carl Perkins, TRiO, College Assistance Migrant Program (CAMP), and High School Equivalency (HEP), and Chemeketa Accelerated Pathways to Success (CAPS). The full list of grants is on pages 160–161 in the Proposed Budget booklet.
- Includes \$6 million for the Ag Complex received as a grant from the state.
- Reduction of 1 FTE Adult Basic Education instructor position in the HEP program.

Self-Supporting Funds

- This fund accounts for activities that supplement the general fund programming and is self-supporting or self-sustaining. Some of the bigger programs include eLearning and Academic Technology, Center for Business & Industry (CCBI), Corrections Education, High School Programs, and International Programs.
- Eliminated one exempt eLearning supervisor position due to retirement; one vacant Building Inspection faculty position which was a trial status position; and a vacant .5 Robotics/ Electronics faculty position (the other .5 was eliminated from the General Fund).
- Transfers or funding from the General Fund for a few positions: Community Education (.07 exempt), two trial status positions in Pharmacy Tech (1.0 faculty) and Engineering (1.0 faculty), Evening and Weekend (1.0 classified), and Medical Office Assisting (1.0 faculty).

Debt Service Fund

- There are three types of long-term debt—Certificates of Participation (COPs), General Obligation bonds, and PERS bonds. On Slide 10, a table showing the remaining amounts, maturity date, and number of series for each obligation was shared.
- Includes a PERS Reserve fund. The PERS rate will increase to 3.5 percent for the next biennium so 1 percent will come from the General Fund and 2.5 percent from this fund.
- Chris Brantley asked how long will the reserve last based on a 2 percent increase. Rich said it would last 6–10 years.

Chemeketa Cooperative Regional Library Service (CCRLS)

- CCRLS levies their own tax to fund their operations.
- A separate CCRLS Reserve Fund is funded by a \$65,000 transfer each year from the CCRLS budget to cover technology upgrades and to replace the courier truck every seven years.

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Auxiliary Enterprise Fund (Bookstore)

- While the textbook affordability initiatives have been saving money for students, bookstore revenues have declined. There are sufficient fund balances for continued support for now.
- Funding for .25 FTE exempt supervisor position moved from General Fund.
- Add .25 to an existing .75 classified position for a centralized furniture buyer position.

Intra-College Services Fund

- This is an internal service fund for copying, printing, and telephone.
- Includes two reserve funds for insurance reserves (premium relief for employee health insurance) and self-insurance for unemployment.

Athletics Fund

- Includes a transfer of \$25,000 for two women's sports that have been added—cross country (fall) and long distance track (spring). This results in an increase from seven to nine athletic teams—three men and six women sports teams—consisting of men and women's basketball, men and women's soccer, men's baseball, women's volleyball, softball, cross country and long distance track.
- Athletes continue to fund raise \$35,000; and a portion of the universal fee is designated for athletic revenue.

External Organization Billing Fund

- A pass-through account for billing external organizations that lease space and for professional organizations when the college is the fiscal agent or treasurer.

Financial Aid Fund

- This is the second largest of all the Other Funds, representing 22.6 percent of the total budget. This is primarily a pass-through for federal, state, private, and college paid tuition scholarships, including Chemeketa Scholars and the Oregon Promise.
- Dollar amount similar to last year; however, some funding has moved from federal to state with reduced disbursements in federal based on enrollment; increases in state aid with Oregon Promise and the Oregon Opportunity Grant.

Slide 18 is a table of All Funds FTE Changes for both the General Fund and Other Funds. It reflects a reduction of 7.18 FTE in Other Funds and a reduction of 19.27 in General Fund for a net reduction of 26.45 FTE.

Slide 19 is a Summary of Other Funds FTE broken down by employee category: 22.25 faculty; 110.76 classified; and 24.85 exempt, for a total of 157.86 FTE salaried positions funded under Other Funds. Slide 20 is a Summary of All Funds FTE broken down by employee category: 230.50 faculty; 353.40 classified; and 104.60 exempt, for a total of 688.50 salaried employees funded by Other Funds and the General Fund for the next budget year.

Chris Brantley asked if the college has a plan to bring up the ending fund balance (EFB) to the 10–15 percent range. It was noted that the plan is to receive 100 percent of revenues and not spend 100 percent of expenditures so that the balance can go towards the EFB, and with the elimination of positions and savings throughout the year, this will help to right-size the EFB.

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F. COLLEGE PROGRAM UPDATE

Don Brase, executive dean, shared an update on Guided Pathways, which is highly structured student experiences that guide students on the pathway to completion. This is a national movement with over 250 colleges adopting this model. Slide 23 covered the definition; the college effort which is a change in processes, systems, and culture; equity so all students have an equal chance to obtain a degree; timeline for implementation is Fall 2022; and resources including investments in software, systems, and advising will be needed.

Manuel Guerra, executive dean of Student Development and Learning Resources, shared an update on the Chemeketa Accelerated Pathways to Success (CAPS) grant. In October 2018, the college was awarded a five-year, \$2.4 million federal grant to implement a seamless student support system especially for Latinx and low-income students. The two main goals are to improve student access, engagement, persistence, progression, and completion and to strengthen institutional efficiency and effectiveness in order to improve the overall student experience. Key activities include early risk assessment, expand early alert systems, expand peer-led faculty professional development, and enhance articulation and transfer. The overall goal is to create effective practices that are sustainable, institutionalized, and benefit all students long term.

Manuel introduced James McNicholas, CAPS coordinator, and Melissa Frey, dean of Enrollment Services and project director of CAPS. The grant provided four student navigators (student success coaches) and one systems analyst.

Manuel answered questions as to whether navigators and resources will be available at YVC and outreach centers, and if this program is for transfer students or CTE-bound students or both. Julie noted it's not about the four navigators, this is a transformation to improve student access and engagement so that student who sees any advisor, faculty, or staff member will have the same tools and information to get the support and services they need.

G. PRESENTATION OF BUDGET RECOMMENDATION—ACTION REQUIRED

Rich McDonald referred to the Motion for Approval in the budget folder that lists the figures for the resolution and noted the total of all funds is \$293,856,000. This is the budget that the college recommends to the budget committee for approval, which will go to the board for adoption. It also lists the property tax rates and amount to be imposed. The following budget recommendation for the 2019–2020 proposed budget was submitted for approval, including the following totals by fund:

General Fund	89,700,000
Capital Development Fund	23,000,000
Plant Emergency Fund	750,000
Special Projects Fund	14,575,000
Self-Supporting Services Fund	28,435,500
Debt Service Fund	40,500,000
Chemeketa Cooperative Regional Library Service Fund	4,166,000
Reserve Funds	390,000
Auxiliary Enterprise Fund	9,600,000
Intra-College Services Fund	14,927,000

Student Government, Clubs, and Newspaper Funds	300,000
Athletics Fund	450,000
External Organization Billing Fund	550,000
Financial Aid Fund	<u>66,512,500</u>
Total All Funds	\$293,856,000

And that the Budget Committee establish and approve the following property tax rates and amount to be imposed:

Chemeketa Community College	\$0.6259/\$1,000
CCRLS	\$0.0818/\$1,000
General Obligation Bonds	\$10,300,000

H. PUBLIC TESTIMONY REGARDING PROPOSED BUDGET

None was heard.

I. DISCUSSION OF RECOMMENDED BUDGET

Budget Committee members acknowledged staff for their work in putting together a clear and well-organized presentation of the budget and answering questions throughout the process.

J. ACTION ON RECOMMENDED BUDGET

Ken Hector moved and Jackie Franke seconded a motion that the 2019–2020 proposed budget of \$293,856,000 be approved and the property tax rates for Chemeketa Community College at \$0.6259/\$1,000; CCRLS at \$0.0818/\$1,000; and General Obligation Bonds of \$10,300,000 be imposed.

The motion CARRIED unanimously.

Ray Beaty thanked the Budget Committee, the Board of Education, and all the college staff for their work, dedication and making a difference to the students and the community. He also thanked Dr. Jessica Howard for attending the two budget committee meetings. Lastly, Ray expressed huge thanks to Julie Huckestein for her love, wisdom, and all the great accomplishments she has made at the college during her tenure as president.

K. ADJOURNMENT

The meeting adjourned at 5:38 pm.

Respectfully submitted,



Board Secretary



Budget Committee Chair



President/Chief Executive Officer

5/15/2019

Date

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CHEMEKETA COMMUNITY COLLEGE

**BOARD OF EDUCATION
MEETING MINUTES**

April 17, 2019

II. A. EXECUTIVE SESSION

The College Board of Education met at 5:38 pm for Executive Session. The meeting was held at the Salem Campus in the board dining room, Building 2, Room 172.

Members in Attendance: Ed Dodson; Betsy Earls; Jackie Franke; Ken Hector; Neva Hutchinson, Chair; and Diane Watson, Vice Chair. Absent: Ron Pittman (excused).

College Administrators in Attendance: Julie Huckestein, President/Chief Executive Officer; David Hallett, Vice President, Governance and Administration; Jim Eustrom, Vice President, Instruction and Student Services/Campus President, Yamhill Valley; and Miriam Scharer, Associate Vice President/Chief Financial Officer. Guest: Jessica Howard.

Executive Session was held in accordance with ORS 192.660(2)(d) negotiations.

Executive Session ended at 5:55 pm; and open session reconvened at 5:56 pm.

II. B. ADMINISTRATION UPDATES

Updates were shared or discussed with the board on the Association of Community College Trustees (ACCT) Conference in San Francisco; Board Chair and Vice Chair for 2019–2020; new president transition; board calendar preview; PACE insurance; legislative update; Brooks update; pull approval of EMT certificate; diesel update; board policies; staffing; Marion-Polk Food Share/ Americorps date change; and board agenda preview.

A recess was taken at 6:50 pm.

III. REGULAR SESSION

A. CALL TO ORDER

Neva Hutchinson, Chair, reconvened the meeting at 7:02 pm. The meeting was held at the Salem Campus in the Board Room, Building 2, Room 170.

B. PLEDGE OF ALLEGIANCE

Neva Hutchinson led the group in the Pledge of Allegiance.

C. ROLL CALL

Members in Attendance: Ed Dodson; Betsy Earls; Jackie Franke; Ken Hector; Neva Hutchinson, Chair; and Diane Watson, Vice Chair. Absent: Ron Pittman (excused).

College Administrators in Attendance: Julie Huckestein, President/Chief Executive Officer; David Hallett, Vice President, Governance and Administration; and Jim Eustrom, Vice President, Instruction and Student Services/Campus President, Yamhill Valley.

Board Representatives in Attendance: Riley Dunagan, Associated Students of Chemeketa (ASC); Gail Williams Pickett, Chemeketa Classified Association; and Rory Alvarez, Chemeketa Exempt Association. Absent: Justus Ballard, Chemeketa Faculty Association.

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D. COMMENTS FROM THE AUDIENCE

None were heard.

E. APPROVAL OF MINUTES

Jackie Franke moved and Diane Watson seconded the approval of minutes from the March 20, 2019.

The motion CARRIED.

F. REPORTS

Reports from Associations

Riley Dunagan said the ASC report stands as written. The Stop Violence Against Women event was held today and a Latino Celebration will be held on May 29. The faculty association report was accepted as written. Gail Williams Pickett, who reported in place of Terry Rohse, and Rory Alvarez, reported the classified and exempt reports stand as written.

Reports from the College Board of Education

Ed Dodson attended three Storm women's softball games; First Thursdays at 3; Spring Art Show; regional high school math competition; the American Association of Community Colleges (AACC) awards; and the Stop Violence Against Women event.

Ken Hector attended a legislator visit with Representative Denyc Boles and Julie; two hearings of the Ways and Means Subcommittee on state funding for community colleges; two meetings of the Silverton Chamber Business Group; Santiam Rotary luncheon where Julie was the guest speaker; and the SEDCOR Forum lunch.

Jackie Franke attended a Jan Ree Hayesville Neighborhood Association meeting; two legislator visits with Representatives Teresa Alonso Leon and Brian Clem with Julie; a launch of Every Child in Marion County; and the Stop Violence Against Women event. Jackie commended staff in the Multicultural Student Services and the Diversity and Equity office for the exceptional speakers and presentations.

Betsy Earls attended a legislator visit with Senator Arnie Roblan and Julie and two West Salem Rotary meetings.

Diane Watson attended the Ways and Means hearing; Woodburn Rotary; the regional high school math relay; a Keizer conversation with the police at Starbucks; the evening of A Capella; and met with budget committee member Gustavo Gutierrez-Gomez, Elias Villegas, and Marshall Roache to hear updates about the Woodburn Center and Brooks, respectively.

Neva Hutchinson met with Jessica Howard to discuss transitions and the Salem-Keizer area, and Neva spent spring break with her grandkids.

Reports from the Administration

Jim Eustrom reported this is the sixth and final year of the initial program review process. Out of 88 program and service areas, 61 program reviews have been completed and 15 are in progress.

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The cycle will start over next year to revisit their progress. Jim acknowledged Mary Ellen Scofield who created this process and Lori Jones who provided support.

G. INFORMATION

Budget Committee Member Selection Process for Vacancies in Zone 4 and Zone 6 for 2019–2020

David Hallett reported there will be two vacancies on the Budget Committee for next year in Zone 4, Mike Stewart; and Zone 6, Gustavo Gutierrez-Gomez. If necessary, the vacancies will be advertised by or before June 10, 2019. Applications will be screened by a board subcommittee, and appointments will be made when appropriate. This process will be brought back to the board in May for approval.

College Policies #2415, College Public Safety Authority; #2550, Integrated Pest Management; #3510, College-Funded Student Employees: Definition; and #6060, Chemeketa Community College Reserves Policy

Rebecca Hillyer pointed out the minor changes in the first three policies which were reviewed by the President's Advisory Council (PAC). The board suggested signs with the phone number of Public Safety be posted in the parking lots so visitors or students can call to report any incidents.

Miriam Scharer reviewed Policy #6060, which is a new policy and recommended from a recent credit rating review by Standard and Poore's as well as best practices from the Government Finance Officers Association (GFOA). Miriam noted this policy formalizes the college's existing practices related to financial reserves for the general fund, capital, plant emergency, CCRLS, debt services and intra-college. The policy calls for Executive Team and presidential approval of changes to the use of internally restricted reserves. PAC reviewed this policy; board action will be requested at the May meeting.

College Policy #4310, Academic Freedom

Jim Eustrom reported the major change is the procedure has been merged into the policy and the language comes directly from the faculty contract. A minor change is replacing his/her to gender neutral terms. The Academic Standards Advisory Council reviewed this policy; board action will be requested at the May meeting.

Proposed Schedule of College Board of Education for 2019–2020

Dates for next year's board meetings and the summer and winter board planning meetings were shared. The schedule for next year will be brought back in May for approval.

Presidential Evaluation Process

Neva Hutchinson said that since Julie's retirement date is July 7, the president's evaluation process and timeline will be modified and brought back next month for approval.

Direct Support Professional Associate of Applied Science (AAS) Degree

Johnny Mack reported this new program is the result of community and employer feedback for training needed in this area. Three classes in therapeutic recreation, management and supervision, and a practicum component were added to an existing program to offer a Direct Support Professional AAS degree. Graduates in this program would be able to work as

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paraprofessionals in public and private agencies serving people with cognitive disabilities and mental health issues. Human Services faculty members Peter Davis, Yolanda Martinez, and Christine Steiger were introduced and were thanked for developing this program. Board action will be requested next month.

H. STANDARD REPORTS

Personnel Report

David Hallett said the report stands as written.

Budget Status Report

Referring to the Statement of Resources and Expenditures report, Miriam Scharer noted Tuition and Fees includes some of spring term and was pleased to report that tuition and fee revenue is slightly higher than budgeted for this year despite the enrollment decline which is reflective of the tuition increase. There is continued growth in interest revenue and as discussed in the budget presentation last week, interest revenue for next year was increased to align with this growth.

The Budget Status report is in line as vacant positions are on hold and will add to the anticipated ending fund balance. In the Status of Investments report, one new investment was made this month.

The Quarterly Update of Other Funds was included in this month's report. This report itemizes other resources and obligations in both revenue-based and budget-based accounts. Miriam reported a decline in the Auxiliary Services budget due to a decline in sales revenue and enrollment; a decline in Intra-College Services reflective of the utilization of reserves; and Athletics has been reduced by the final \$150,000 transfer to pay for a portion of the athletics complex.

Miriam drew attention to two items on the consent calendar—Action Item No. 3, Approval of Resolution No. 18-19-13 to Amend Resolution No. 14-15-14, Local Contract Review Board Adoption of the Community College Rules of Procurement (CCRP) and Action Item No. 4, the green sheet in the board folder, Approval of Contract Award for the Agricultural Complex Construction Manager/General Contractor (CM/GC) for the Agricultural Complex.

Miriam referred to the green sheet noting two of the proposers were invited for presentation, Swinerton Builder and Howard S. Wright, both from Portland. The committee recommended Swinerton Builder based on their experience with cross-laminated timber construction; their experience working with higher education institutions such as Portland Community College, Oregon State, University of Oregon, Western Oregon, Portland State, and OHSU; reference checks were stellar; and they were the lowest cost.

Capital Projects Report

Rory Alvarez noted the report stands as written with one addition. The quotes for re-roofing Building 2 and new coating on the roof of Building 9 came in lower than the engineer's estimates. This work will be done over the summer.

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College Advancement Report January 2018–March 2018

David Hallett said the report stands as written. He drew attention to the Grants Activities report which lists Julie Peters, director of Organizational Effectiveness. Julie will provide leadership and supervision of the grants department. David noted the college was just notified that the Willamette Workforce Partnership grant listed on page 44 was declined. However, Julie Huckestein said the *Salem Reporter* reported that the college was the successful recipient of this grant. The *Salem Reporter* was contacted and a correction was made to the online post.

On the Chemeketa Foundation Quarterly Report, the upcoming STARS receptions will be held on May 10 at Broadway Commons at 3:30 pm and on May 17 at YVC at 3:30 pm. These two events recognize both the students who receive scholarships as well as the donors who contribute to scholarships. Lastly, the report said the Foundation anticipates awarding approximately 500 or more scholarships for the 2019–2020 academic year; however, the Foundation will be awarding closer to 600 scholarships. Jackie Franke asked what is the average scholarship amount. David said he would research and provide the information to Jackie.

Winter Term Enrollment Report

Winter reimbursable FTE is down 4.4 percent from last winter and headcount was down 8 percent; year-to-date reimbursable FTE was down 2.2 percent; and year-to-date unduplicated headcount was down 8 percent.

Recognition Report

Julie Huckestein acknowledged all the employees in the written report. Julie congratulated the board for being one of three finalists for the national AACC Exemplary Board/CEO award for collaboration and working relationships that are exemplary in promoting effectiveness in community college governance. The board received a plaque that is displayed on the shelf in the board room. Neva said the award is reflective of the quality and cooperative spirit of all staff.

I. SEPARATE ACTION

Approval of Resolution No. 18-19-14, Shirley A. Comstock; Resolution No. 18-19-15, Wendy L. Sahnaw; and Resolution No. 18-19-16, William E. “Bill” Riffle

Diane Watson read the retirement resolution for Shirley A. Comstock; Betsy Earls read the retirement resolution for Wendy L. Sahnaw; and Ken Hector read the retirement resolution for William E. “Bill” Riffle. Ed Dodson moved, and Betsy Earls seconded the motion.

The motion CARRIED.

J. ACTION

Ron Pittman moved and Diane Watson seconded a motion to approve consent calendar items No. 1–6:

1. Approval of College Policies #3020, Employee Evaluation; #3030, Job Descriptions; #3410, Part-time Hourly Temporary Personnel: Definition; and #6110, Signatures on Payments [18-19-142]
2. Approval of 2019–2020 Faculty Sabbatical Leave Requests [18-19-143]

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3. Approval of Resolution No. 18-19-13, to Amend Resolution No. 14-15-14, Local Contract Review Board Adoption of Community College Rules of Procurement (CCRP) [18-18-144]
4. Approval of Contract Award for Agricultural Complex Construction Manager/General Contractor (CM/GC) [18-19-145]
5. Approval of Grants Awarded January 2019–March 2019 [18-19-146]
6. Acceptance of Program Donations January 1, 2019–March 2019 [18-19-147]

The motion CARRIED.

K. APPENDICES

College mission, vision, values, core themes; campus and district maps.

L. FUTURE AGENDA ITEMS

None were heard.

M. BOARD OPERATIONS

None were heard.

N. ADJOURNMENT

The meeting adjourned at 8 pm.

Respectfully submitted,



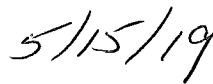
Board Secretary



Board Chair



President/Chief Executive Officer



Date