

Adopted

HARTNELL COMMUNITY COLLEGE DISTRICT

MINUTES

Study Session – Board of Trustees
CALL 208, Training Room
411 Central Avenue
Salinas, California

June 6, 2011

OPEN SESSION

Meeting called to order at 5:31 p.m. by Trustee Padilla-Chavez.

PLEDGE OF ALLEGIANCE

Trustee Gonzalez-Castro led the Pledge of Allegiance.

ROLL CALL

Erica Padilla Chavez, President
Kevin Healy, Vice President
Candi DePauw
Patricia Donohue
Bill Freeman (arrived at 5:42 p.m.)
Elia Gonzalez-Castro
Shaundra Taylor, Student Trustee – (advisory vote per Board Policy 1030)

Phoebe K. Helm, Board Secretary

ABSENT

Ray Montemayor

Trustee Padilla-Chavez stated the purpose of tonight's study session is to provide the Board and the public an opportunity to have a more in-depth discussion about the 1) Auto Collision Program Recommendation and 2) Tentative Budget for Fiscal Year 2011-2012. Also, she stated that after each presentation the board members and members of the public will be able to ask questions of the presenters and that public will be allowed to address the Board. She stated that no action would be taken and explained that the presentation would be made again on the following evening at the regular meeting of the Board and that action was scheduled at that time.

AUTO COLLISION PROGRAM

Dr. Suzanne Flannigan, Vice President, Academic Affairs gave a presentation of the Discontinuance Process. Her presentation included background information on why the college was placed on academic probation in 2007, the origin, the importance, and the flow of the discontinuance process, as well previous discontinuance decisions. She spoke about how the Auto Collision Program moved to the discontinuance process and what happened during that process. She clarified that this review only deals with the auto collision program and not the other components of auto technology such as auto mechanics, shop management and alternative fuels. (Appendix A)

Dr. Esteban Soriano, Consultant, Applied Development Resources, reported on two studies 1) Center of Excellence, Labor Market Report, Auto Collision Occupations, August 2010 and 2) A Quantitative Review of Students Who Enrolled in Hartnell College Auto Collision Program (AUC) Courses Since 2007, prepared by his firm, Applied Development Resources. (Appendix A)

At the conclusion of the presentation, Dr. Flannigan stated that based on the data which were compelling; the Discontinuance Committee made was unanimous in its recommendation to the Superintendent/President that the Auto Collision Program be discontinued.

PUBLIC COMMENTS James Morgan, Jim Gilbert, and Antonio Nunez, asked questions about the presentation stating that they understood and agreed with many of the findings but that they were in support of keeping the program and urged the Board to not discontinue it.

BOARD COMMENTS Trustee Gonzalez-Castro stated she appreciates the real data and stated that it is not easy to end a program and believes the program needs updating because it lacks what the industry needs.

Trustee DePauw questioned whether the deficiencies of the program have been addressed. She stated that she conducted her own research and the results were not favorable – she was told that auto collision students coming out of Hartnell required re-training and that in order for shops to be eligible for insurance, employees require certification. She believes the program needs to be revamped because does not meet the student needs from an employment stand point.

Trustee Padilla-Chavez stated she learned about program discontinuance process and the program review process. She asked if the Auto Collision Program has ever been reviewed and if there is a vocational education advisory committee. The last program review was conducted in 2002 and there is a vocational education advisory committee. Further, she stated she recalled in 1970 and 1980 community colleges were able to offer hobby-like programs and courses (under community education); however, the focus of the community college must now the focus on ensuring economic viability. The community college we knew yesterday has changed.

Trustee Donohue asked if there are no prerequisites for the program and the response, was there are no prerequisites for the Auto Collision Program.

Trustee Healy thanked the students for their passion and he thanked both Drs. Flannigan and Soriano for their presentation.

TENTATIVE BUDGET 2011-2012 Kent Stephens, Vice President, Support Operations and Al Muñoz, Controller presented the tentative budget for fiscal year 2011-2012. Mr. Stephens thanked Al and his staff for all of their work on preparing the budget. He stated that the Board is required to adopt the tentative budget by July 1 of each year so that the district may spend money the first 75 days of the fiscal year. The final budget is adopted mid-September to allow district to spend money the balance of the year. At this time, Mr. Stephens believes the college is positioned well for 2011-2012 largely due to the concessions the Board and employee groups made back in 2009-2010. (Appendix B)

The Board asked questions regarding the budget. Both Mr. Stephens and Mr. Muñoz clarified their questions and concerns. The Tentative Budget is scheduled for action at the regular meeting of the Board on June 7, 2011. Dr. Helm thanked Mr. Stephens and Mr. Muñoz for their presentation.

ADJOURNMENT On a motion by Trustee Healy, seconded by Trustee DePauw, by vote of 6-0 and by advisory vote of Aye, the Board moved to adjourn the meeting at 7:30 p.m.

Erica Padilla-Chavez
Board of Trustees President

Phoebe K. Helm
Board Secretary

Program Discontinuance Process: Auto Collison

Dr. Suzanne L. Flannigan

Vice President, Academic Affairs and Accreditation

Dr. Esteban Soriano

Applied Development Resources, Inc.

Point of Clarification

*This discontinuance process deals **only** with the Auto Collision Program and not other auto programs including Auto Mechanics, Technology, Shop Management and/or Alternative Fuels*

Outline

- Background
- Origin and Importance of the Discontinuance Process
- Flow of the Discontinuance Process
- Previous Decisions
- AUC Discontinuance Recommendation

Background

- In 2007, Hartnell was placed on Academic Probation - one of the reasons was failure to have engaged in consistent program review
 - A process in which programs are reviewed regularly for currency, relevance, need for improvement and appropriate budget allocation

Origin of the Discontinuance Process

- The Discontinuance Process was developed by Community College faculty statewide, recommended by the Academic Senate and adopted by the Hartnell Board of Trustees in April 2001

Importance of Discontinuance Process

- AB 1725 and Hartnell Board Policy 2005 state that the Board is to "rely primarily on the academic senate (faculty) with regard to academic and professional matters..."
- Program Discontinuance is an academic matter in accordance with AB 1725

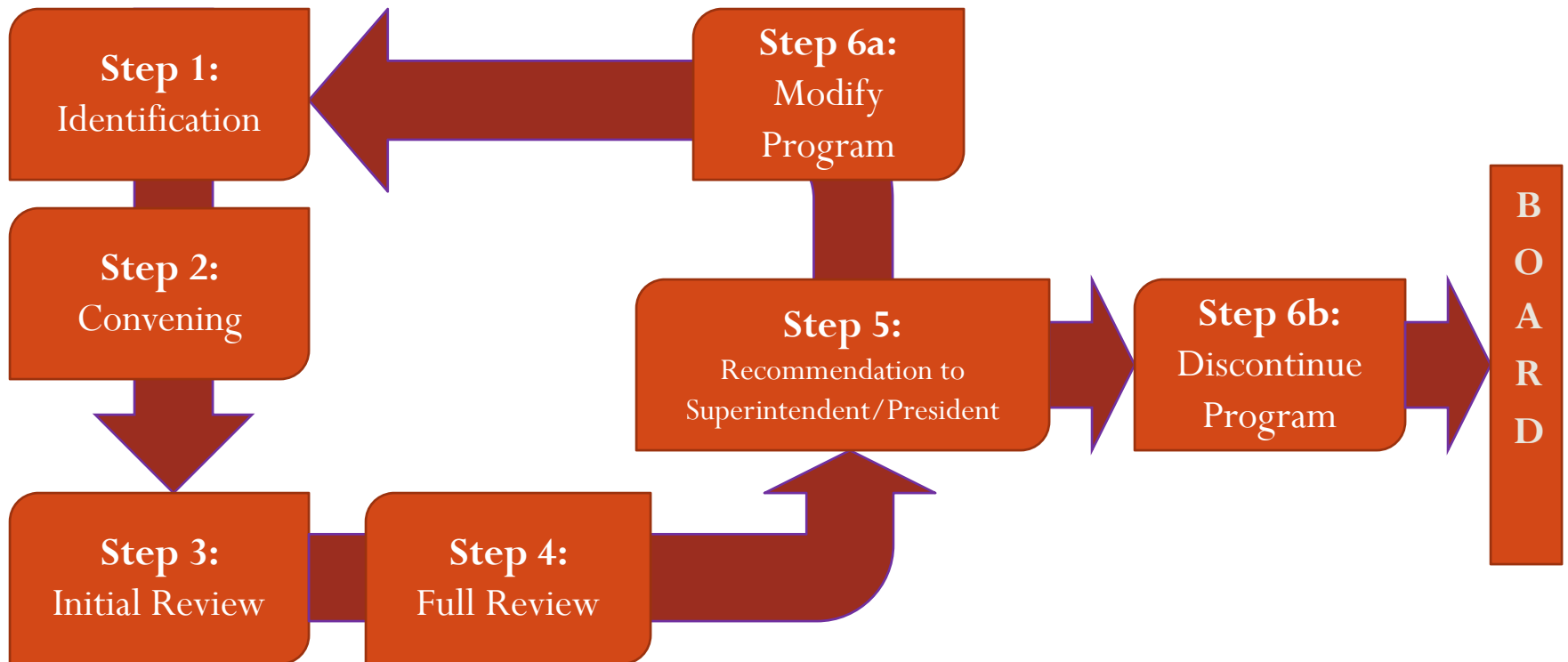
Importance of Discontinuance Process

New Regulation: Gainful Employment

“...the Obama Administration released final regulations requiring career college programs to better prepare students for "gainful employment" or risk losing access to Federal student aid.”

(Justin Hamilton, June 2, 2011)

Flow of Discontinuance Process



Step 7: Teach out

Previous Discontinuance Decisions

- Since Summer 2007, four programs have been recommended for discontinuance:
 - Medical Lab Technology
 - Animal Health Technology
 - Electronics
 - Auto Collision

Moving AUC to Discontinuance

- Auto Collision Program
 - Impacted in 2008 when the Mission Trails Regional Occupational Program (MTROP) stopped its auto collision program due to budget and personnel cuts
 - Concerns expressed by the Associate Vice President of Career Education and the Associate Vice President of Student Services in 2008, as well as the Area Dean in 2009 and 2010 about low completion and low employability rates

AUC Discontinuance Process

- Discontinuance Committee was formed and chaired by the Vice President of Academic Affairs and Accreditation in Fall 2010 and included:
 - 2 deans (neither of which was the dean overseeing AUC)
 - 2 faculty members appointed by the Academic Senate (neither of which was from the program, but one of whom was from Vocational Education)
 - 1 student appointed by the Student Senate

AUC Discontinuance Process

- The Discontinuance Committee met regularly in the fall of 2010 and did an **Initial Review**
 - The unanimous recommendation to the president was to move to a Full Review based on:
 - Very low persistence
 - Very low completion rates
 - Very few jobs

AUC Discontinuance Process

- The Discontinuance Committee met regularly between November and May and did a **Full Review** of a substantial and varied amount of qualitative and quantitative data including:
 - Student Records – Hartnell Admissions and Records Office
 - Labor Market Research – Centers of Excellence; California Community College Chancellors Office
 - Interviews of 63 AUC students conducted in English and/or Spanish (by Applied Development Resources, Inc.)

AUC Information

Employer Needs & Student Data

- **The Need for Trained Auto Collision Technicians in Our Service Area**
 - *From US Labor Bureau and CA Labor Market Reports*
- **AUC Students: Persistence, Graduation & Employment in Auto Collision Field**
 - *From Hartnell Student Enrollment Reports*
 - *From Actual Interviews with AUC Program Attendees/Graduates*

Salinas Valley Auto Collision Labor Market/Employment Needs

- Gathered and analyzed by the independent California Community College Center of Excellence (COE)
- COE was created by CCC to provide all campuses and Boards with access to real data for decision-making
- Sources of data:
 - US and CA Bureaus of Labor Statistics
 - Economic Modeling Specialists, Inc
 - Environmental Systems Research Institute
 - Info USA
 - Official North American Classification System

2010-15 Best Case Scenario for Auto Collision Employment in SV

- **# net new auto body repair jobs** in the Salinas Valley over next five years:
 - **1** (1 new job in 5 years)
- **# of replacement jobs** (requiring work experience) over next five years, per year:
 - **3.4** (per year)
- **5-year total**: 1 new job + 17 replacement jobs = 18 total over next 5 years

AUC Earnings Versus Living Wage in Monterey County

- **Living wage in Monterey County 2010:**
 - Single adult: \$11.49/hr
 - 2 adults, one child: \$25.55
 - 2 adults, 2 children: \$32.66
- **Average wages of AUC worker 2010:**
 - Entry-level, no experience: \$14.95/hr
 - Average in large or union shop: \$29.30
 - Hartnell AUC worker, entry-level: \$12.00
 - Hartnell AUC worker, today: \$17.00

Survey of Hartnell College AUC Attendees and Graduates

- Based on the database of 449 individual students enrolled/completing at least one course since end of 2006
- Completed interviews with 63 AUC students:
 - *3 graduates, 3 near completers, 57 attendees*

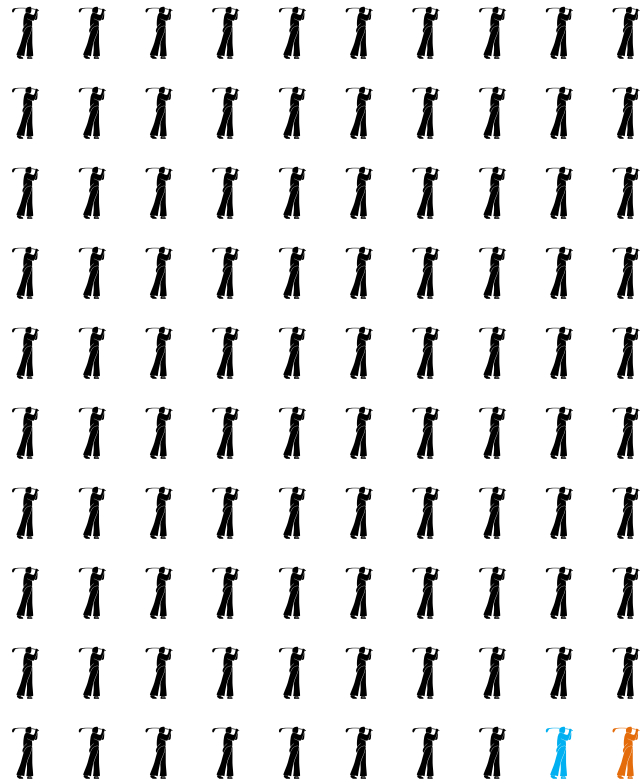
Hartnell's AUC Program: Many Students – Few Graduates

- From end of 2006-10:
449 individual students
- From 2006-2010:
3 AUC degree
3 AUC certificate
6 Total Graduates

OR...

1 in 150 earned a degree
1 in 150 earned a certificate

Every 150 AUC students:



 = degree

 = certificate

Hartnell's AUC Program: Completion Rates

Bottom line...of the 449 individual students:

- 46% (207) took only 1 AUC course
- 84% (379) took only 4 or fewer of the 16 required AUC courses, ever

Hartnell's AUC Program: (As of 1/11)

What Happened to AUC Students?

- Of 3 graduates surveyed (of 6 grads):
 - 0 Ever worked in AUC when entering
 - 0 Got AUC job after graduating
 - 0 Work in AUC field today

Hartnell's AUC Program: (As of 1/11) What Happened to AUC Students?

- Of 3 near completers surveyed (of 8):
 - Ever worked in AUC when entering
 - Got AUC job after finishing courses
 - Work in AUC field today

Hartnell's AUC Program: (As of 1/11) What Happened to AUC Students?

- Of 57 other attendees surveyed:

Working in AUC when entering first
AUC class

Work in AUC field today

- *One was shop owner before & is now*
- *One was a welder before & is now*
- *One is actually an AUC technician*

Sources

For more complete findings and analysis, please refer to the reports:

“A Qualitative Review of Students Who Enrolled in Hartnell College Auto Collision Program (AUC) Courses Since 2007,” by ADR

“Labor Market Report: Auto Collision Occupations, Hartnell College, August, 2010,” by COE

Recommendation to Discontinue

**It is the unanimous recommendation of the
Discontinuance Committee to the
Superintendent/President that the Auto
Collision Program at Hartnell be
discontinued.**



Hartnell Community College District

Budget Update June 6, 2011



Presented by Kent Stephens and Alfred Muñoz



District Budget Update

California Fiscal Condition-Projected Deficit

Fiscal Year	January	Change	May
2010-11	\$7.6 Billion	\$2.8 Billion Higher Revenue	\$4.8 Billion
2011-12	\$19.0 Billion	\$3.8 Billion Higher Revenue \$10.4 Billion Approved Cuts	\$4.8 Billion
Total	\$26.6 Billion		\$9.6 Billion



District Budget Update

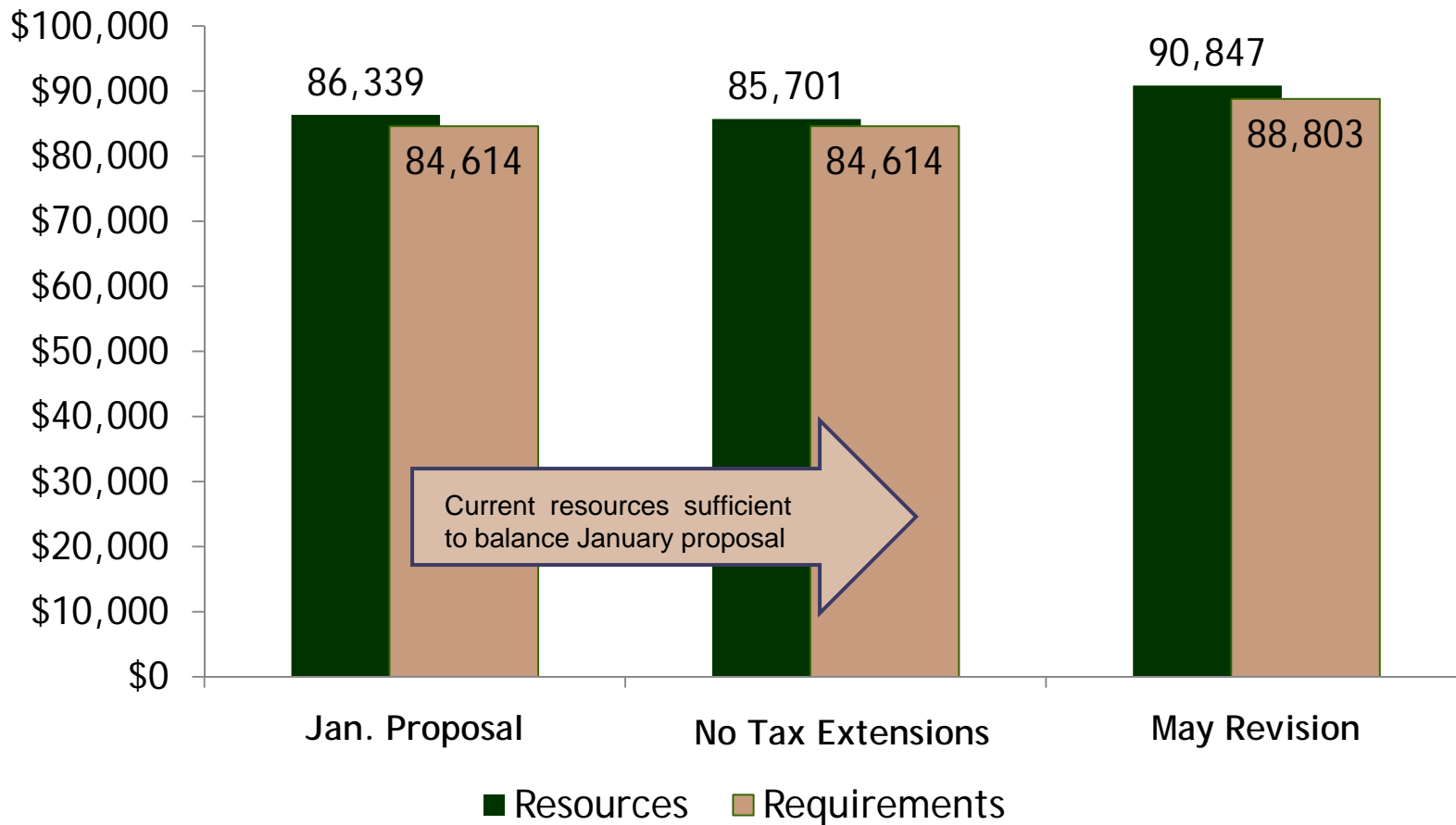
California Fiscal Condition-Governor's Budget

	January Proposal (Requires Tax Extensions)	May Revision (Requires Tax Extensions)
Available Resources (000)	\$86,339	\$90,847
K-12 Education	36,211	38,252
Higher Education	9,814	10,737
Health/Human Services	21,175	21,937
Corrections	9,165	9,768
Natural Resources	2,066	2,009
Other	6,183	6,100
Total Requirements (000)	\$84,614	\$88,803
Balance (000)	\$1,725	\$2,044



District Budget Update

California Fiscal Condition-Governor's Budget



Dollars in Millions



District Budget Update

What Now?

Sacramento: Budget negotiations continue between legislative leaders and the Governor. Will temporary taxes be extended? It appears that projected resources are now sufficient to balance the Governor's January proposal.

Salinas: Approve a Tentative Budget prior to July 1 and continue to build models based on probable funding range. Review tools available to balance the budget.



District Budget Update

Budget Modeling

	\$ (400,000,000)			
	2010-11	2011-12	2012-13	2013-14
State C.C. Budget	\$ 6,231,000,000	\$ 5,831,000,000	\$ 5,992,895,900	\$ 6,237,136,768
Student Fee Inc		110,000,000		
Base FTES	6,819.18	6,993.75	6,633.97	6,693.01
Total % Change	2.56%	-4.65%	0.89%	2.24%
Workload % Change		-5.18%	1.00%	2.50%
Adjusted FTES	6,993.75	6,633.97	6,693.01	6,842.94
<i>Coefficient Deficit</i>	0.9918			
Lottery/FTES	\$ 115	\$ 115	\$ 115	\$ 115
REVENUE				
Basic Allocation	3,598,340	3,598,340	3,598,340	3,598,340
General Apportionment	31,662,174	30,282,874	30,553,541	31,236,899
<i>State General Fund</i>	15,482,299	14,464,608	14,891,789	15,702,626
<i>Local Taxes</i>	17,780,025	17,424,425	17,250,181	17,077,679
<i>Student Fees</i>	1,998,190	1,992,181	2,009,912	2,054,934
Total Apportionment	35,260,514	33,881,214	34,151,881	34,835,239
Other Revenue				
Lottery	804,250	762,907	769,696	786,938
Other	480,000	608,294	624,175	636,389
TOTAL REVENUE	\$ 36,544,764	\$ 35,252,415	\$ 35,545,752	\$ 36,258,566



District Budget Update

Budget Modeling

	\$ (620,000,000)			
	2010-11	2011-12	2012-13	2013-14
State C.C. Budget	\$ 6,231,000,000	\$ 5,611,000,000	\$ 5,770,937,900	\$ 6,010,206,909
Student Fee Inc		110,000,000		
Base FTES	6,819.18	6,993.75	6,361.24	6,417.86
Total % Change	2.56%	-8.18%	0.89%	2.24%
Workload % Change		-9.12%	1.00%	2.50%
Adjusted FTES	6,993.75	6,361.24	6,417.86	6,561.61
<i>Coefficient Deficit</i>	0.9918			
Lottery/FTES	\$ 115	\$ 115	\$ 115	\$ 115
REVENUE				
Basic Allocation	3,598,340	3,598,340	3,598,340	3,598,340
General Apportionment	31,662,174	29,037,919	29,296,282	29,948,571
<i>State General Fund</i>	15,482,299	13,301,554	13,717,165	14,499,044
<i>Local Taxes</i>	17,780,025	17,424,425	17,250,181	17,077,679
<i>Student Fees</i>	1,998,190	1,910,280	1,927,282	1,970,453
Total Apportionment	35,260,514	32,636,259	32,894,622	33,546,911
Other Revenue				
Lottery	804,250	731,543	738,053	754,586
Other	480,000	608,294	624,175	636,389
TOTAL REVENUE	\$ 36,544,764	\$ 33,976,096	\$ 34,256,850	\$ 34,937,886



District Budget Update

2011-12 Tentative Budget Assumptions

- No tax extensions
- \$900 million reduction to CA community colleges
- Reduction will result in reduced FTES workload
- Fee increase to \$36 per unit (signed by Governor)
- Spend funds only after they are earned (growth)



District Budget Update

2011-12 Significant Inclusions

- 7 new faculty (5 previously budgeted)
- 4 new Deans (3 previously budgeted)
- 2 new Vice Presidents (previously budgeted, Student Serv. and Tech.)
- Health insurance, 8% increase (\$270,000)
- Unemployment Insurance, 110% increase (\$190,000)
- Election costs (\$280,000, assessed by Monterey County)
- Redistricting costs (\$75,000)
- Restoration of Summer School (\$900,000)



District Budget Update

General Fund, Unrestricted

Fund Type	2008-09 Actual	2009-10 Actual	2010-11 Revised	2010-11 Forecast	2011-12 Tentative
General Fund					
Unrestricted (11)					
Resources					
Federal	13,629	17,483	17,000	17,000	17,000
State	15,217,145	15,925,614	15,159,366	16,668,213	12,799,853
Local	22,603,330	20,815,919	19,517,854	19,859,551	19,558,285
Transfers In	435,997	379,251	470,000	470,000	460,000
Total Resources	\$ 38,270,101	\$ 37,138,267	\$ 35,164,220	\$ 37,014,764	\$ 32,835,138
Requirements					
Academic Salaries	13,700,149	11,991,663	12,427,736	11,994,563	13,236,725
Classified Salaries	7,249,762	6,263,450	6,939,907	6,894,260	7,286,808
Payroll Costs/Benefi	7,328,482	6,282,525	7,080,834	6,265,333	6,925,891
Supplies and Materi	346,252	393,480	509,069	498,767	504,050
Operating Expenses	8,881,502	4,973,195	7,143,494	6,317,197	5,288,125
Capital Outlay	111,236	177,681	263,180	193,234	238,500
Transfers Out	49,904	6,047,501	800,000	800,000	499,800
Total Requirements	\$ 37,667,287	\$ 36,129,495	35,164,220	32,963,354	33,979,899



District Budget Update

General Fund, Unrestricted

One-time Expenses Funded by One-time Resources

- 2011 Summer School (\$900,000)
- Redistricting Costs (\$75,000)



District Budget Update

Next Steps

- Tentative Budget Approved prior to July 1
- Administration Continues to Monitor State Budget
- Business Office Refines Budget Models and Prepares Final Budget
- Budget Hearing is held in September
- Final Budget is Adopted by Board Prior to September 15

Questions?