

Session #903

A Retreat of the Mt. Hood Community College District Board of Education was held on August 8th, 2015, at 8:30 a.m. in the Red Fox Room at McMenemy's Edgefield.

Board members present: Susie Jones, Jim Zordich, Sonny Yellott, Michael Calcagno, Kenney Polson, Teena Ainslie, Tamie Arnold

Staff present: Debra Derr, Rick Doughty, Al Sigala, Christie Plinski, Carrie Toth (recorder), Tambi Boyle, Marilyn Pitts

CALL TO ORDER/APPROVAL OF THE AGENDA

A Retreat of the Mt. Hood Community College District Board of Education was called to order 9:07 a.m.

Jim Zordich made a motion to approve the agenda. The motion was seconded and passed unanimously.

Susie Jones, Board Chair, distributed Board Policies 9080 and 9081. Board members reviewed and signed the policies.

MASTER PLANNING UPDATE

Rick Doughty, Vice President for Administrative Services, provided an overview of the College Master Plan. A version was completed in 2010, but it was limited in scope and does not include subsequent changes, including the \$8m in state money that would be used for an Applied Technology center. He stated that the College needs to move toward a more comprehensive plan. A seismic evaluation was recently completed with the help of KPFF. It showed that seismic retrofits will be expensive, but not as much as originally thought. The bond ask had originally set aside \$41m, but he would like to propose using the additional money for upgrades to our Maywood campus. Maywood has significant structural problems and could be more efficient to rebuild, rather than retrofit. Doughty shared a mock-up of a new Maywood building.

GO BOND PLANNING

Derr, Doughty, and Sigala presented on the potential General Obligation Bond. A GO Bond is intended to help Community Colleges address capital needs. MHCC has not successfully passed a bond since 1974. Because we have not passed a bond in 41 years, emergency needs have been addressed through Certificates of Participation – we borrowed the money. The electrical and HVAC systems have required loans. Roofing, parking lots, lighting systems have also been expensive. We are paying over \$2m per year in loan payments, which contributes to our tight financial situation and prevents us from addressing long-term needs. PCC has a mechanism in place to address deferred maintenance and campus needs through bonds. We

last attempted a bond 13 years ago. The board has not yet taken formal action on a bond; when that happens, no bond planning can happen with MHCC staff on work time, including the President. They can only provide information.

Polson asked about the board action on the bond – what can the President still do? Derr stated that she cannot advocate during her work time. She can only present information. The board and students can advocate, however.

Sigala distributed an updated timeline. The board first discussed a GO Bond at the February 2014 retreat. Since then, a PAC was formed, with Fred Sanchez and Doug Walker as co-chairs. The bond committee of thirteen members meets monthly, with representatives from OEA and all employee groups. First survey completed this spring in three amounts; the amount did not matter, and we heard that people love the college, but that people believe the college is doing well. We need to do a better job in communicating what our issues are. Derr stated that we need to have a balance of communicating those problems while showing that we are being good stewards of our funds, but we have had major challenges.

Sigala stated that the bond message will tie in with our 50th anniversary, which will help illustrate some of our challenges. The next step is to begin the communication campaign. A second survey would take place in December after our communication plan is underway. The \$8m match is now available to high schools, which means that they are now having to go to voters as well.

Doughty stated that Mt. Hood is currently only funded by tuition and state support in a significant way; our Foundation is growing. GO Bonds must be part of the long-term picture. Public-private partnerships can be integral.

Ainslie asked about the potential for solar energy – currently, we utilize solar panels, but we have the potential to do more.

Arnold asked what kind of effect it would have on local municipalities due to compression. Doughty responded that he does not believe the \$125m amount would create such issues, but that Jennifer DeMent will be able to provide a definitive answer. Calcagno raises a concern that technology requires training, which isn't always available – would the technology be used? We would need to factor in professional development. Plinski commented that we do not often utilize smart boards, but that internet access is a problem across campus. We need to work on building our technology infrastructure.

Sigala shared key messages that will accompany the bond ask. Jones stated that she does not see anything as a frill; the items in the bond ask are urgent needs. Polson asked whether we will conduct town hall-style meetings. Derr responded that part of our strategy includes going out into the community, including community-based organizations and government agencies, to spread information. We will have town-hall meetings and visit these organizations. It will be

critical to have board members, Foundation board members, and students to communicate and advocate. Jones noted that we have spoken with Clackamas, who said that they believe their bond passed because of the amount of personal contact they made. Calcagno stated that he would like the new board members to be able to discuss the big goals in the bond, with the example of addressing small business development. Derr responded that a lot of work has been underway with our SBDC. Calcagno responds that more discussion and a bigger-picture view of the college and the future could be needed. Arnold and Calcagno emphasized that messaging will be key – our current needs are important, but they are not necessarily aspirational or easy to market. Derr responded that, historically, asking for improvements for things such as the Aquatics Center were not supported, and that we have to respond to what our community told us. A consultant will help us with the messaging. Plinski responded that we need to fundamentally change how we do business, transformationally – how we bring people in and increase our enrollment. The board will have tremendous input at that level. Calcagno would like to see more of an effort to reach our more impoverished areas, such as success centers in elementary and middle schools – how do we increase access for those people? Arnold asked what our “backup plan” would be – Derr responded that we would go out again. Derr will provide further information on Head Start, All Hands Raised, and the Superintendents Council.

20/20 AND BEYOND

Derr distributes the Strategic Plan document. MHCC representatives met with people in each Board Zone, high school district, and our business partners to seek vision and input from community members. They heard that people believe in the College, but that we have lost some of our community connection. We have tremendous competition, but our vision is to be the first choice for education. Our community wants us to be innovative – the primary need we heard was that people want to work, and work in jobs that support their families. They value social, cultural, and recreational contributions. Transforming Lives: Building Communities still resonated – mission has not changed. Core themes came from all our points of contact: Learner Success, Community Pride, Partner Innovation. The terminology is tied to our Accreditation.

Our values are structured to relate back to our core themes so that we reflect what our community tells us it needs. In 2013 – 2014, we conducted a climate survey and found that we have morale issues across the board. MHCC has work to do in rebuilding trust. The People Strategies Council has developed a Culture of Excellence with four pillars – Derr will provide information to new board members. Strategic Priorities are detailed in the Strategic Plan and are what we base our operational planning on. Accreditation places responsibility on the board to make sure that the Mission, Vision, Values and core themes are being actualized. We have not historically done a good job of tying our budget to our Strategic Plan.

ACCREDITATION

In response to recent events such as the closing of the Corinthian Colleges, the accreditation agencies have stepped up what they are looking for. The Accreditation team will visit MHCC in

October of 2016. Some of our sister schools have recently undergone the accreditation process. Derr reviewed the role of the board in accreditation. The board will have to be able to show that it is meeting its responsibilities, which include policies, evaluating the President, and others. More information will go in a Dropbox folder for accreditation. The board is responsible for fiscal stability and the approval of the budget. Jones stated that what they are asking for, the board already does. Derr responded that we need to do a better job of creating a culture of evidence – having evidence to back up information and perform continuous quality improvement. The board must be able to show evidence that we are moving toward our vision and supporting our strategic priorities. Plinski stated that institutions are not expected to be perfect, but they need to be aware of their gaps and show that they are planning to improve them. Ainslie asked about monitoring student loan payoff; Plinski responded that that is part of the Financial Aid area, and that it is monitored. Financial Aid will be covered in a workshop. A Financial Aid 101 document from AACC will be put into Dropbox.

Arnold suggested that we leave time at the end for suggestions. She asked what we use for our quality program; Derr responded that we have not embraced a particular strategy. Ellucian recommended that we develop and use a particular method for process improvement.

ACADEMIC PLAN

Developed by Christie Plinski and a task force, the Academic Plan was brought to the board in April. Plinski distributed the Executive Summary of the Academic Master Plan. The group pulled plans for other colleges to give them a framework. They broke into subgroups, and each subgroup was assigned a task. She noted that mission of community colleges has changed; they used to be about open access, but because of financial aid and economic changes, we have almost 70% of jobs in the US that require some level of post-secondary education. About 50% of our students are first-generation and do not have the background and basis for academic success. We are about 18% down in enrollment this fall from last fall, which has a huge impact on our financial resources. An Enrollment Crisis Action Team has been formed, and meetings have been productive – suggestions have come abundantly. Plinski stated that cross the campus, our employees are passionate about our students. Students need more support across the board than we have provided. We cannot lower the rigor of courses, but we must increase support. We have systemic issues, one of which is our schedule. Many students are now working full time or multiple jobs, have families, etc. – most of our courses are offered during peak hours, which do not always work. We have tried offering classes at other times but did not get the enrollments needed. Cohorts need to be developed, along with “stackable credentials.” MHCC needs more flexibility to provide training that students need – must be able to look at what is working and what is not. Community Colleges have had a “cafeteria plan” type of students, which is a concern. Our students do not know what they need – Advising needs to be more proscriptive. We need to provide students with a map, particularly our first-generation students. We also have low-skill students who haven’t been in class for more than ten years; most place into at least one developmental education and have to take and pay for multiple

sections before they can take the needed classes. MHCC is working with the state on a Developmental Ed redesign. We now have a focus on the Equity Lens and have recently hired a Diversity Officer. The task from Christie's perspective is that we have a demographic that needs our help; we need to be more strategic and plan long-term. Jones stated that our largest drop in Enrollment is in recruitment. She asked if PCC has a tuition corridor. MHCC used to, and it was successful. Plinski remarked that some of our high school relationships have deteriorated, and we need to rebuild. Jones reiterates the importance in going out into high school classrooms. Plinski noted the huge gap between students who complete applications and those who enroll. We have too many steps in our application process. Jones asked if the amount of Pell grant money has increased – Derr responded that it has not increased but remained consistent; however, many students do not even apply. Jones stated that we could encourage high school students to apply for Pell grants.

TUITION/BUDGET

Derr opened the discussion by noting that our 2015-2016 budget was built on projected funding of \$535m from the state. Funding came in at \$550m, so there is additional revenue of \$1.57m. However, enrollment is significantly lower than expected. The board at the April meeting had voted to dedicate the additional money, if it came in, to offsetting a tuition increase. Rick Doughty presented three scenarios: no tuition increase, a \$2 increase, and a \$3.50 increase. The College saved last year on expenses, but cost-cutting would involve time and focus on revenue generating.

Zordich stated that he is concerned by the 18% enrollment decline figure. If the board had been aware at the April meeting when he authored the board action, he would not have worded it the same way. The board did not want to disappoint students; it was a difficult decision. Derr stated that the enrollment caught everyone by surprise.

Derr noted the possibility of exploring tuition corridors. Jones stated that the GO Bond could help make up the dollar amount, if we decreased tuition slightly. It will be important that our current students support the bond. She would like to look at other assets like our FCC license and asked what other solutions are available besides tuition increases and staff cuts. Plinski stated that other incentives are being explored. Doughty noted that there is a fund balance, but dipping into it could violate board policy and lower our bond rating. Zordich had concerns about gambling on the bond passing – what is the alternative?

Calcagno stated that a different board made the tuition decision under different circumstances, but he has concerns about breaking the trust of the students. It would create a divide.

Derr summarized that the board believes some action needs to be taken, either as a tuition decrease or tuition incentive. Plinski stated that students need to know that the board hears them.

Marilyn Pitts noted that staff have stepped up on the ECATS team to help with creative solutions, calling students and following through with students who began applications but did not enroll.

The board agreed to meet in a special session prior to the September regular meeting to discuss tuition scenarios, incentives, our bond rating regarding our ending fund balance, and assets like our FCC license.

POLICY GOVERNANCE

Susie Jones distributed materials related to policy governance. Policy Governance is a specific model called Carver Policy Governance. She stated that our board sets policy, approves the budget, and hires the president. The purpose is to guarantee to the taxpayers that we are giving them a good return on their investment. What does that look like, and are we doing that? The board oversees the President, who is responsible for the operations of the college. The board is supposed to know what our community wants and what their needs are. Jones provided an example of Yavapai Governing Board's annual report to the community, showing how they are meeting community needs. It is based on outcomes. She used the example of the budget – the board receives a completed budget and approves it reactively. Regarding policy, Jones noted that some of our policies are operational and should not be part of the board's scope. With the Strategic Plan, the board was asked to vote on something when the work had already been done. The board receives a monthly financial report, but it is not necessarily the information that the board needs. Jones stated that the board has had nothing to do with setting goals for the institution. She believes that now would be a good time to review and possibly overhaul our policies, especially as we are due to review our policies. Jones has reached out to boards who use a Carver model.

Arnold responded that she is interested but would like to look into the other models. Jones is familiar with this model and the traditional models.

Derr noted that our board policy states that we are a policy governance board. If we took our current board policies and knew that we were in compliance, the only thing the board would take action on are those things related to a particular policy. We have not necessarily adhered to that model; Carver is very proscriptive and very clear on the role of the board related to the long-term viability of an institution, and also very clear on the role of President and what President will be evaluated on. Jones stated that policy governance clarifies roles – the staff is not trying to write policy for board, and board is not getting into operations. It is also forward-thinking. Polson remarked that he appreciates the reports as opposed to rubber-stamping. Arnold stated that she would like to be able to think through and do research. We could easily take best practices. Derr will provide articles and research.

GOALS

Jones reviewed the goals set by last year's board, noting that the board did not meet the stated goals, though it did make some progress on goals one and four. Jones asks what goals new members would like to see.

Jones would like to see board development, passing the GO Bond, and Board Policy review, including looking at Policy Governance. Yellott would like to see more improvement on #1 – more exposure and involvement in the community. Arnold wants the board engaging in being innovative and transformational. Calcagno agreed, suggesting the board develop a mechanism to encourage innovation. Arnold responded that, yes – the board could capture this through policy or an annual audit. Calcagno suggested a Chief Innovation Officer who could share ideas at board meetings. Board and community members would have input. Derr responded that we have the new pilot program process. Calcagno clarified that ideas like the tuition corridor would be an example. It would come from both board members and community members/staff.

Yellott suggested the board engage with the business community and enhance graduate employment opportunities. Arnold wants the board to take a more structured advocacy role - a goal could be to write letters, attend a session, give a report, or write an editorial.

Zordich emphasized community involvement and keeping the community informed. Polson stated that we have a need to keep college affordable for those who do not have the means to make it happen, and to make sure things are equitable.

Calcagno noted that transparency is important, and that the board needs to do more to be transparent and get at least audio recordings and video made available. Eventually having live broadcast meetings would increase accessibility. Development of easy-to-read report to community to hand out to citizens and community leaders could be a goal.

Calcagno stated that youth unemployment very high. As a board, they could develop some sort of inter-board commission with representatives from each board and K-12 districts within our boundaries to come together and meet and address how we let many of our youth slip through the cracks, thinking big and outside the box, perhaps developing some sort of community experiential learning requirement. Community college could give some sort of credit for those activities if they chose to enroll.

Arnold brought up the health of our students and how we might be able to intervene. She recalled that the ASG Vice President was concerned about food quality and access to food. Arnold also stated that we make ourselves more visible as a leader in disaster readiness/as a center for emergency preparedness.

Jones stated that these goals will be summarized for next meeting.

CLOSING THOUGHTS

Jones appreciated the opportunities to hear everyone's ideas. Zordich liked the concrete data provided. Polson noted that the board was able to have a healthy discussion on tuition. Arnold appreciated that all were respectful of each other's opinions. She stated that they may not all agree, but she appreciated that people feel comfortable sharing their concerns. She suggested more time for breaks in the agenda and a larger room for future retreats. The other board members agreed.

A workshop will be scheduled for September to continue the tuition discussion.

ADJOURNMENT

The meeting adjourned at 4:20 p.m.