

**MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
GOVERNING BOARD OF TRUSTEES**

SPECIAL MEETING

FRIDAY, MAY 20, 2016

2:00 p.m., Lecture Forum 103

980 Fremont Street, Monterey, California 93940

<http://www.mpc.edu/about-mpc/leadership/board-of-trustees>

MINUTES

1. **CALL TO ORDER** – Chair Rick Johnson called the meeting to order at 2:00 p.m.

2. **ROLL CALL**

Present:

Mr. Charles Brown, Trustee

Dr. Margaret-Anne Coppernoll, Trustee

Ms. Marilyn Dunn Gustafson, Trustee

Mr. Rick Johnson, Chair

Dr. Loren Steck, Vice Chair

Dr. Walter Tribbley, Superintendent/President

Absent:

Mr. Stephen Lambert, Student Trustee

3. **PLEDGE OF ALLEGIANCE**

The Board of Trustees recited the Pledge of Allegiance.

4. **STUDY SESSION**

A. Preliminary Review of Collaborative Brain Trust (CBT) Report INFORMATION

The Board received a preliminary review of the [final CBT Report](#) from CBT consultants Mr. Darroch “Rocky” Young and Mr. Michael Hill. Mr. Young and Mr. Hill provided the Board with an overview of:

- Monterey Peninsula Community College District’s fiscal condition and history of external challenges [[Finance Report \(May 3, 2016\)](#)];
- identified areas of improvement; and
- CBT’s recommendations and tools and strategies for improvement.

The preliminary review consisted of the following presentations:

- “[Decision-making, Integrated Planning... and Handbooks](#),” presented by Dr. Alfred Hochstaedter, Academic Senate President, and Ms. Diane Boyton, College-Council Co-Chair. (This presentation summarized the information included in the documents listed below.)
 - “[Resource Guide to Institutional Decision Making at MPC](#)” (developed by the Decision-making Review Team.)

- [“Integrated Planning Handbook, May 13, 2016”](#) (developed by the Integrated Planning Review Team.)
- [Three-Year Budget Planning and Modeling Worksheet](#), presented by Mr. Hill. This is a planning tool recommended by CBT to assist MPC to make projections and to better evaluate our decisions despite constantly changing data. (Mr. Hill noted that this worksheet reflects MPC’s current state; it doesn’t include how the budget may change if MPC implements CBT’s recommendations.)
- [“Operational Enrollment Management Report”](#) – presented by Mr. Young and Ms. Kiran Kamath, Vice President of Academic Affairs.

Mr. Young emphasized that the District can no longer maintain the status quo; MPC must act now and have a plan that addresses our multitude of issues. He advised us to increase our FTES and revenue by recapturing what is available to us, decrease our expenses, address some of our known problems (such as the ERP system), and work to improve student success and meet student needs through our course offerings. He cautioned that if we don’t solve our issues—particularly our financial issues—we are looking at insolvency or radical solutions such as layoffs to balance the budget. He also noted that we could easily reach an impasse because the collective bargaining agreement is an integral part of the solution. He remarked that if this effort fails, we must rethink what our college is, because we would be resigning ourselves to being a 6,500 FTES college that must live within our current revenue limit. He also cautioned that our multitude of issues could result in the college being sanctioned by the Accrediting Commission for Community and Junior Colleges (ACCJC) following the ACCJC evaluation site-visit in October 2016.

Board Responses to Preliminary Review

Trustee Margaret-Anne Coppernoll

- Trustee Coppernoll requested that Mr. Young clarify CBT’s statement, “It is not clear that the District would be able to act quickly enough to realize the benefits of those recommendations before the reserves are exhausted, at which time the budget would still be, in effect, in a suspended pattern.” She noted that the Board has tried diligently to maintain a 10% reserve. / Mr. Young and Mr. Hill explained that the District’s challenge is that we have a multitude of issues and not much time to resolve them. The District has been covering the structural deficit with one-time money, which is going down. If we don’t implement their recommendations and remedial actions, we will have approximately a year-and-a-half before our reserves are exhausted. They suggested that the District attempt to accomplish some of the easier, short-term fixes they recommended to buy us more time to implement their more complicated recommendations.
- Trustee Coppernoll acknowledged that spending one-time funds for operations is not a fiscally sound practice, but stated that our faculty, staff, and administration have done an outstanding job in working on these issues to come up with positive solutions for the future. She affirmed her belief that we are going to make it.

Vice Chair Loren Steck

- Vice Chair Steck questioned what would happen if we become insolvent. He asked if the state would invalidate our collective bargaining agreements. / Mr. Young noted that the state would intervene and appoint a trustee, to whom the Governing Board would be an advisory body. Mr. Young and Mr. Hill suggested that we consult our labor attorneys to find out if the state would invalidate our bargaining agreements, but believed that the obligations under the agreement would remain, unless something is determined to be illegal.
- Vice Chair Steck asked how we might ascertain if we have the correct number of faculty, should we determine that we are organically a 6,500 FTES college. / Mr. Young suggested that we consider how we would construct the school if we were starting over as a 6,500 FTES college with this dollar limit of revenue. By doing so, we could determine that we have the wrong number of faculty, or we could determine that we have the correct number of faculty, but in the wrong areas. He emphasized that it would be important to consider a number of factors, including our expenditures and how to recapture our FTES. / Mr. Hill noted that there are smaller districts in the peer comparison that are successful. He suggested that we begin our internal strategy by breaking down our action plan into manageable pieces so we don't become paralyzed by the magnitude of the task ahead of us.
- Vice Chair Steck inquired about the achievability of the 17.5 FTES/FTEF productivity standard. / Mr. Young responded that the districts where he worked achieved a standard of 17.5 or above.
- Vice Chair Steck remarked that we are trying to grow our average classroom size to 35 students and inquired as to the capacity of our physical structures. / Dr. Tribley responded that although we face challenges with structures that don't have the capacity to hold a large number of students, our lack of efficiencies is more of a barrier at this point than our facilities. He explained that we currently have large rooms that are under-utilized, in part because we have building specific scheduling—classes tend to be scheduled in buildings dedicated to their discipline, regardless of class size. / Mr. Young confirmed that it is critical to emphasize that the college owns the rooms, not people or disciplines.
- Vice Chair Steck inquired about the possibility of funding the ERP through our Measure I Bond funds. / Dr. Tribley responded that the Measure I Bond language included the very broad concept of upgrading technology. / Mr. Young suggested that we speak to our Bond Counsel, who would need to compare the language in our Bond with what we are attempting to do.

Trustee Charles Brown asked for clarification on the Three-Year Budget Planning Model and Worksheet as it relates to CTA Contract Article 16.8 (Salary Schedule Adjustments). / Mr. Young explained that factors of Article 16.8 aren't recognized in

the three-year model because Article 16.8 is a gatekeeper for where the funds are allocated—whether they go on the salary schedule or agreed upon enumerated items. CBT’s conclusion is that Article 16.8 adds costs for the District and will exacerbate its deficit down the road.

Chair Rick Johnson agreed that spending more money than we receive is not a sound business model. He remarked that although we need to stay positive, it is even more important that we are realistic. We must consider, with every decision with which we are faced, if it will help us to get out the very difficult situation in which we find ourselves.

B. Superintendent/President Response to CBT Report

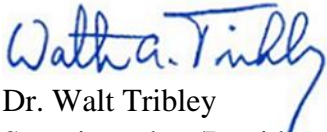
INFORMATION

Dr. Tribley emphasized that this report is a call to action and underscored the importance of a multi-tiered approach to resolving the issues identified in this report, in which we focus not only on growth, but also on increasing our efficiencies and reducing expenditures. (Dr. Tribley’s written response is available [electronically](#).)

5. **PUBLIC COMMENTS** – None.

6. **ADJOURNMENT** – Chair Johnson adjourned the meeting at 5:06 p.m.

Respectfully Submitted,



Dr. Walt Tribley

Superintendent/President

Posted 8/26/16