



Consultation Council Meeting Summary

Meeting Date: May 16, 2019

Members in Attendance: Dolores Davison, Kelly Fowler, Larry Galizio, Dr. Daisy Gonzales, Michelle Hua, Jim Mahler, Marvin Martinez, Jeffrey Michels, Lynette Nyaggah, Manuel Payan, Thomas Greene, Linda Wah, Adam Wetsman

Other Attendees: Cameron Cowperthwaite, Ginni May, Dr. Cynthia Olivo, Morris Rodrigue, Brad Reynolds, Doug Achterman, Monica Souza, Eric Kaljumagi, Xong Lor, Ken Times, Diana Pulido

ITEM 1: CHANCELLOR'S OFFICE UPDATE (DAISY GONZALES)

Deputy Chancellor Dr. Daisy Gonzales presented the Chancellor's Office Executive Team directory to the Consultation Council members, and provided an update that the new Chancellor's Office website redesign will go live in late-June 2019. In addition, Dr. Gonzales reported on the Chancellor's Listening Tour including successes and impactful moments from the site visits. She also explained that funding for California Community College student rapid housing was not included in the May revision, and further details on this matter would be discussed under the May revision item by Vice Chancellor Laura Metune.

Council Comments:

None.

ITEM 2: STUDENT SENATE UPDATE (IIYSHAA YOUNGBLOOD & MICHELLE HUA, PRESENTED BY CAMERON COWPERTHWAITE)

The Student Senate for California Community Colleges provided the Consultation Council members with an update on the Student Senate for California Community Colleges' (SSCCC) current initiatives, legislative stances, and system participation as well as the current status of the board.

Council Comments:

None.

ITEM 3: PROTOCOLS TO MONITOR THE FISCAL CONDITION OF COMMUNITY COLLEGE DISTRICTS (CHRISTIAN OSMEÑA)

This item presented an update on protocols the Chancellor's Office is using to monitor the fiscal condition of community college districts and assign intervention as warranted.

Council Comments:

Lynette Nyaggah (CCA/CTA): Questioned how the 10% was achieved in this proposal. Also questioned what type of reserve would be given to districts in negative ratio with deficit of 5% or greater. Then questioned if it is an irrevocable trust, and mentioned that if it is, then it is not a part of the reserve, and funding accounts should be transparent. Council member Nyaggah insisted that it is important to look at audits, and not only the 311 Form, and recommended showing a balance of revocable and irrevocable trusts. She also requested clarification to confirm that these standards would apply to the 115 colleges as well, and that if the focus is accurately assessing districts, it could be that there are fewer reserves than there appears to be reported on the 311 Form. Believed the Chancellor's Office overview and guidance over districts financial status is good, and wanted all funds shown in evaluation.

- Christian Osmeña (CCCCO): Clarified that the goal was to break up the 73 districts into manageable categories so we could figure out where our support and intervention is most needed. Reported that 56 districts in 10% or greater with no immediate action needed, and six districts in 10% or greater with no immediate action needed. Mentioned the Chancellor's Office is not considering assigning a special trustee at this point. Vice Chancellor Osmeña was not sure if it is an irrevocable trust.

Marvin Martinez (CEOCCC): Requested clarification of Chancellor's Office authority over districts if there are major problems at the district level.

- Christian Osmeña (CCCCO): Answered that the Chancellor's Office has the authority to assign a special trustee that in many ways can limit authority of boards, and ensured a goal of this process is to use special trustees in as limited ways as possible. Vice Chancellor Osmeña explained that this effort is linked to the *Vision for Success* and a districts' financial health is as important to having these types of conversations and moving action forward. He also ensured the Chancellor's Office will take concerns and reports back to the Consultation Council. Indicated that, moving forward, the intent would be to have reports two times a year with one report focusing on the analysis on financial statements, and the second part of the report being about audit concerns with the goal of beginning to track and more systematically provide support related in particular to districts where we see audit concerns meanwhile figuring out and understanding trends across the system toward particular kinds of audit concerns and how do we provide support in that case. Announced this item is intended to be brought to the Board of Governors in July 2019 and will re-agendize this item to present to the Consultation Council in June 2019.
- Dr. Daisy Gonzales (CCCCO): Added, as shown in the May Revise letter, the Board of Governors is committed, and our Chancellor has asked the Legislature and the Governor to make this a priority which is why they have appropriated additional staffing for the office to do this work. Mentioned this is meant as an early alert system, and the real guidance the Chancellor's Office wants to put out is how we help our districts through aligning authority and capacity. Reported that when they had this conversation with the Chancellor the focus is on support and being transparent with

the public in providing this information, and acknowledged that this is a living document that we will continue to improve.

Adam Wetsman (FACCC): Mentioned some districts have high reserves and positive ratios, but expressed concern that these districts are entrusted with providing educational services with public funds and more, and if they can provide more of those funds to help the students be successful and to run those programs is important, but districts shouldn't be making a profit. Questioned what would be done in a situation where there is ongoing income generation where the funds are not going toward student success.

Morris Rodrigue (ACBO): Thanked Christian for his important work on this item, and asked if there has been input in terms of advisory such as CBO advisory groups on the presented rubric and other audit type things that are being brought forth in this conversation. Recommended inclusivity of the development of the parameters that are being used to select schools and the process for actively soliciting input from the CBOs and advisory groups.

- Christian Osmeña (CCCCO): Confirmed this was a topic shared at previous meetings regarding fiscal standards, and the intention of gaining Consultation Council feedback was to include the conversation on how we disseminate this particular rubric and information, how do we work with the system to inform the development, and how do we use those channels as a way of making this type of transparency around districts' fiscal health more effective. Added that this conversation has previously been one the CBOs have been especially interested in, and given our belief that if it effects the districts' ability to achieve the *Vision*, then it should be a broader conversation.

Manuel Payan (CSEA): Reflected on past history on districts regarding broad reserves, and questioned if accounting processes and practices are the same among districts, especially in regards to reserves. Mentioned districts have large pots of reserves hidden. Requested transparency in the scope of health for the district for the benefit from students to staff.

Jim Mahler (CCC/CFT): Reported that many districts transfer their surplus at the end of each year into the restricted fund so their unrestricted fund balance does not get too high. Suggested to modify the 311 Form to have a category or additional box under the restricted fund section that shows exactly how much could be transferred back to the unrestricted fund if the board chose to do so. Believed this would give us a better measure on how much money is actually sitting in the fund balance. Requested for feedback from other constituents to ensure districts, trustees, and CEOs are not hiding money in the unrestricted funds, and to continue this discussion.

Lynette Nyaggah (CCA/CTA): Agreed with Jim, and suggested we look at audits since they show the money put into restricted funds and revocable trusts, but that does not appear on the 311 Form. Recommended we figure out a way to show that in order to see a realistic picture. Concerned if the focus is accurately assessing the district.

Dr. Daisy Gonzales (CCCCO): Requested that CCLC provide feedback on this discussion.

Larry Galizio (CCLC): Mentioned that the CEO board meeting will include this item for discussion in their meeting on Friday for feedback.

ITEM 4: DEVELOPMENT OF THE 2020-21 BUDGET AND LEGISLATIVE REQUEST PROCESS (LAURA METUNE & CHRISTIAN OSMEÑA)

The Chancellor's Office Divisions of Finance and Facilities Planning and Governmental provided an overview of the process for developing the 2020-21 Budget and Legislative Request.

Council Comments:

Marvin Martinez (CEOCCC): Questioned if there was a reason why funds were on rapid rehousing issues not granted to California Community Colleges yet they are given to UC and CSU.

- Laura Metune and Christian Osmeña (CCCCO): Answered that their reasoning was because there was not enough room in Prop 98, and because we have not yet said this is a Prop 98 priority.

Kelly Fowler (CCCCIO): Questioned if the survey is indicating that only the CEOs could submit a request. Wanted to ensure the Consultation Council would receive the email with this survey.

- Laura Metune (CCCCO): Clarified that the submission form states a CEO, a Vice Chancellor at the Chancellor's Office, General Counsel, or a member of the Consultation Council can submit a request. Confirmed the submission form would be emailed to the Consultation Council members.

Dolores Davison (ASCCC): Acknowledged the timeline is set, but expressed concern that having the Consultation Council meeting in the middle of August largely precludes faculty and student involvement. Requested we remain conscious that faculty should be able to weigh in since the schedule is over the summer break.

- Laura Metune (CCCCO): Responded that the schedule is outside of the Chancellor's Office control, and mentioned that we added this August Consultation Council meeting very early on for 2019 so folks could have as much notice as possible that we needed to meet in August. Offered that the Chancellor's Office is open to a different date if it works better.

Lynette Nyaggah (CCA/CTA): Reflected when the Consultation Council had regular budget gatherings about two or three times a year in Sacramento to exchange ideas on the budget which gave a feeling of inclusion early on in order to help build the proposal, rather than serve as a response to a budget proposal. Suggested we consider having more meetings to discuss the budget at different times.

- Christian Osmeña (CCCCO): Explained the Chancellor's Office had a goal that conversations on the budget would occur at the scheduled Consultation Council meetings as it brings together folks from different constituent groups. Mentioned his

desire to understand what would be the value of having a separate conversation with a different group of people.

ITEM 5: OTHER

- a. May Revision Update and Advocacy Day (Christian Osmeña and Laura Metune) Chancellor's Office will take a support position. Focus on students who are currently underserved. Will move forward to the May Board of Governors meeting. Reported on the Board of Governors Advocacy Day scheduled for May 22, 2019.

Council Comments:

Council agreed it should go forth in May to Board of Governors.

Ginni May (ASCCC): Provided clarification on the list of degrees and certificates, that it also includes the local associate degree.

Marvin Martinez (CEOCCC): Suggested we are cautious in our approach to the Legislature in regards to the \$49 million backfill, and asked for Chancellor's Office clarification.

- Christian Osmeña (CCCCO): Clarified our message would be to find the \$49 million outside of the Guarantee, and believed the likelier outcome would be a situation where they ask us where we want the money to come from within the Prop 98 Guarantee this year. Mentioned the Chancellor's message would be that we should discuss whether fulling funding the Funding Formula in 18/19 is a higher priority than the deferred maintenance dollars in the budget.

Larry Galizio (CCLC): Mentioned that the district leadership perspective advocates to look outside of Prop 98 and the use for some technical changes to find money, and that the deferred maintenance money and fully funding the Funding Formula are both high priorities.

Linda Wah (CCCT): Underscored support for the League's point of view, and emphasized that this was the voters will, and pulling money from the students would sour the voters for any future projects.

Dr. Cynthia Olivo (CSSO): Expressed concerns about the transfer proposal for districts, such as Pasadena Area Community College District, with a high number of students outside their area because they would experience detrimental loss of funding due to the community college where they reside getting the credit for the students' transfer. Mentioned she likes the counter proposals of potentially counting a transfer if they complete 12 units or more.

Thomas Greene (ACCCA): Questioned if there has been consideration regarding complete degree and certificate pathways being offered and the impact that has on this proposal.

- Christian Osmeña (CCCCO): Answered that this is certainly something that is driving the conversation about how do we make sure that the Funding Formula can be funded within the original resources moving forward. Reported that the Administration's proposal would be to impose a "hard cap" so that we are not too concerned about that year over year growth. Believed there are better ways of finding the measures, at least in the short term, to address issues like that.

b. EOPS Concerns (Marty Alvarado and Rhonda Mohr)

Marty Alvarado (CCCCO): Reported that initial communications went out, and conversations have taken place, such as more communication and collaboration has occurred with EOPS leadership and directors on May 1, 2019, and the Chancellor's Office legal team has identified areas that really strengthen the supports for students. Gave the example of strengthening the language around AB 540 eligibility, ensuring there are no loopholes, and equally important was raising the cap on maximum work study thresholds given minimum wage increases. Also, clarified that the intent in any changes is to identify elements of the program and regulations that can be adjusted to reinforce the support for students and strengthen the program for students. Expressed importance to address, across programs, how we can think about flexibility on institutions as they go through larger institutional reforms. Reported that the Chancellor's Office currently does not have proposed draft guidelines, but if they are to move forward the Chancellor's Office will work with EOPS leadership and asked for feedback from the Consultation Council.

Dr. Daisy Gonzales (CCCCO): Clarified to the Council that the Chancellor's Office does not have any regulations proposed, and the desire is to clarify the process. Reported that the Chancellor's Office had initial conversations with EOPS directors and engaging stakeholders, and ensured that any regulations would come to the Consultation Council prior to the Board of Governors. Clarified that the initial touchpoint is the first set of stakeholders that are impacted and we need to receive feedback from the EOPS directors before we move forward.

Rhonda Mohr (CCCCO): Expressed the need to continue to engage more one-on-one and go back to step one which is talking through the current guidance and the way the program is structured, and a matter of reformulating our engagement with EOPS in a collaborative effort. Clarified the EOPS regulation proposals regarding strengthening AB 540 students' eligibility will come to the Consultation Council at the June 2019 meeting.

Council Comments:

Adam Wetsman (FACCC): Requested to receive Chancellor's Office clarification and updates. Concerned with the waiver of minimum qualifications, and raised concerns from EOPS groups that consultation will not look the way they want. Requested if possible changes and implementation of guidelines to EOPS could be brought to the Consultation Council first.

Dolores Davison (ASCCC): Requested the Chancellor's Office to send an official memo clarifying EOPS. Concerned with fairly significant changes that could be made and not

knowing how often this is happening, and requested updates and EOPS tracking. Asked for clarification if the waiver is a one-year waiver or indefinite for an individual?

- Dr. Daisy Gonzales (CCCCO): Thanked Adam for bringing this item forward. Reported that the Chancellor's Office has communicated with EOPS directors and the CEOs with a letter sent formally from the Chancellor regarding EOPS and the process moving forward. Mentioned that the Chancellor's Office will share the letter with the Consultation Council with the ask that they send it to anyone who is concerned, and asked for feedback on what listservs would need the letter to reinforce the message.
- Rhonda Mohr (CCCCO): Clarified the waiver is indefinite for that individual staff person the college wants to hire.

Jeffrey Michels (CCCI): Questioned if changes would be made to the implementation guidelines, then would it come to the Consultation Council first, and what that process would look like.

- Rhonda Mohr (CCCCO): Clarified that implementation guideline changes do not need to come to the Council first, and while the Chancellor's Office has the authority, we are committed to bringing them to the Consultation Council for full vetting from the field.

c. 50% LAW/FON (Christian Osmeña)

Christian Osmeña: Encouraged the Council to share their perspectives regarding the workgroup's recommendations and hoped to get additional feedback to frame the conversation for continued discussion. Asked for written feedback from the Council to be submitted to Christian by May 31, 2019.

Jim Mahler (CCC/CFT): Expressed he wanted feedback and a timeline of feedback.

Confirmed the ASCCC, CCCI, CFT, CCA/CTA, and FACCC support the report.

Kelly Fowler (CCCCIO): Confirmed the CIOs plan to submit a written response to the Chancellor's Office.

- Dr. Daisy Gonzales (CCCCO): Recalled the League confirmed they would submit a written response and the CIOs supported in concept but needed to go back. Suggested to send the Council a timeline for written feedback and responses. Expressed the Chancellor was clear that he really wants input and some sort of consensus or middle ground from the Council, and that the Chancellor wants to know what can this office recommend for him to present to the Board of Governors.

Jeffrey Michels (CCCI): Requested a timeline on how this would move forward.

Lynette Nyaggah (CCA/CTA): Confirmed the faculty constituencies that served on the task force group are in support of the recommendations on the report.

Manuel Payan (CSEA): Asked if the faculty groups' sponsorships could be part of the proposal.

- Christian Osmeña (CCCCO): Answered with yes, definitely.

d. Departures

Dr. Daisy Gonzales (CCCCO): Presented Lynette Nyaggah for her service and presented her with a gift card from the Chancellor's Office.

Lynette Nyaggah was elected as President of the CCA in May 2013, and thanked her friends and colleagues on the Consultation Council as she prepares for her well-deserved retirement.

ADJOURNMENT

The meeting adjourned Thursday, May 16, 2019 at 11:52 a.m. The Consultation Council was invited to stay behind to review the May Board of Governors agenda with Deputy Chancellor Gonzales.