



Board of Trustees Budget Committee (BBC)

SBCCD Board Room, 114 S. Del Rosa Drive, San Bernardino CA 92408

Meeting Minutes

March 23, 2017

Members Present – **Donna Ferracone, Gloria Macías Harrison, Joseph Williams, Mike Strong, Jose Torres, Larry Strong, Scott Stark**

Members Absent – None

Guests Present – **John Dacey**, Esquire, Bergman, Dacey & Goldsmith (via phone)

I. Welcome & Introductions

Gloria called the meeting to order at 10:34 a.m. Due to public interest, the committee opted to discuss the agenda out of sequence with item V.A. FCC Auction Proceeds Strategic Financial Plan being addressed first.

III. Public Comment (out of sequence)

Gloria invited public comment.

- Cassie McDuff addressed the BBC as a private citizen. She stated her belief that the FCC auction proceeds should be invested in KVCR. She commented that SBCCD educates the public through this medium.
- Jordan Mack addressed the BBC as a private citizen. He stated he is an alumni of CHC and currently volunteers at the college. He suggested that some of the auction proceeds could be used to expand or enhance the Student Life Department.
- Rocio Aguayo spoke as President of the SBVC Associated Student Government. She had just returned from visiting Washington DC and questioned how SBVC students will be impacted by federal budget cuts. She mentioned her belief that student leaders be compensated, similar to programs like the Youth Action Project. Gloria asked Rocio to also address the SBCCD Board of Trustees Standing Committee on Student Success.
- Mary Fran McCluskey spoke as a new member of the KVCR Foundation board. She was surprised to learn of the auction proceeds and hopes that they will be given to KVCR in order to promote more programming.

Gloria clarified that KVCR and its licensing are the property and asset of the San Bernardino Community College District. She advised that the BBC will not be determining how auction proceeds will be spent, rather it will work to develop strategic principles and parameters for the use of the funds. The BBC will then make a recommendation to the Board of Trustees.

Kelly Goodrich, Recorder

Jose summarized the FCC auction process. The incentive auction was a nationwide effort to free up bandwidth for the growing demand of mobile and wireless providers. It played out in two separate auctions — a reverse auction, which determined the price at which broadcasters would voluntarily give up their high frequency bandwidth, and a forward auction which determined the price companies were willing to pay for that bandwidth. The FCC demanded that all this remain silent. Jose clarified that KVCR is just moving channels – not going off the air. Donna mentioned that if SBCCD had not participated in the auction it could possibly have been forced to give up its frequency without realizing the auction proceeds. All this information is available online at [KVCR's website](#).

IV. Approval of Minutes

Committee members reviewed the minutes of March 23, 2017. Donna made a motion to approve them, which Mike seconded. The motion carried with the following vote:

Ayes: Gloria, Donna, Mike, Larry, Jose
Noes: None
Abstentions: Joseph
Absent: Scott (temporarily away from the meeting)

V. New Topics

A. FCC Auction Proceeds Strategic Financial Plan

Jose commented that as part of meeting accreditation standards, the Board of Trustees' role is to establish parameters while SBCCD staff develop methods to meet them. This is in keeping with Gloria's earlier comments. A Proposed Outline of Contents for the Strategic Financial Plan was distributed, reviewed and discussed. The following tasks were set.

- 1) A binder of materials will be assembled over the next two weeks to serve as a tool while developing the plan. The following will be included:
 - March 9, 2017 board agenda item
 - Excerpts from Educational and Facilities Master plans including the KVCR Strategic Plan
 - Board of Trustee Budget Directives
 - Board Goals
 - District Asset List
 - District Strategic Plan
 - SBCCD Board Policy and Administrative Procedure on Investments
- 2) While the binder is being assembled BBC members will consider the proposed outline.
- 3) The BBC will hear from an entity that has developed an endowment, such as Loma Linda, and/or from an endowment expert.
- 4) Some of the items to be considered when developing the plan include investment goals (risk vs. return), student success, and preservation of principle.
- 5) A timeline will be developed.

- 6) After the data has been developed and reviewed, the BBC can consider holding a hearing to get public input.

II. Closed Session (out of sequence)

A. Public Comment on Closed Session Topics

Gloria asked for public comments on the closed session agenda item.

- Cassie McDuff asked about notification of the public prior to meetings of the BBC and whether or not the public would have access to the notebook. She was advised that agendas are posted online and at SBCCD facilities 72 hours prior to meetings. Jose mentioned that the assembled notebook will be posted online.

B. Convene Close Session

Closed session convened at 11:29 a.m.

C. Reconvene Public Meeting

The public meeting reconvened at 11:47 a.m.

D. Report of Action

There was no action taken during closed session.

V. New Topics (continued)

B. Early Retirement Incentive Results

BBC members reviewed a handout outlining early retirement incentive plan results. Jose advised that due to an insufficient number of respondents, the plan was no longer feasible. Jose commented that Bruce would communicate this news to the trustees and those employees that had submitted resignations would have an additional week to rescind them.

VI. Updates

A. Solar Electric Procurement Project

Gloria mentioned that the Public Utilities Commission (PUC) is planning to conduct public hearings on its change in primetime for solar energy as well as an increase in rates. She felt someone from SBCCD should be present to speak on behalf of the District and provided the name and number of a PUC contact.

A handout was distributed which estimated net savings to the general fund from the proposed installation of a solar photovoltaic system at SBVC. The yearly average savings was approximately \$64,000. There are several challenges to this project, including 1) the plan proposes closing all the parking lots at the same time, 2) in order to keep the favorable peak period, the project would have to be complete and online by the end of this calendar year,

3) the parking lot solar structures may invite vandalism. Jose promised to keep the BBC updated.

B. Bookstore

Negotiations with CSEA are ongoing. The Bookstore RFP was issued and drew two responses which have been reviewed by committee and ranked. Business Services will pursue contract negotiations with the top-ranked vendor.

C. Bond Construction

No update on this topic.

D. Enrollment

Gloria asked for a report on enrollment after P1 that forecasted FTES through the end of the year. She commented that the report should be repeated at P2 and P3. This regularity of reporting will promote understanding among trustees and staff districtwide. Jose promised to bring the report to the April 13 BBC meeting and possibly develop a monthly information board item.

Mike left at 12:34 p.m.

VII. Future Topics

Committee members agreed that they need to look into the potential impact of federal cuts to SBCCD and the California Community Colleges system. This item will be added to next month's agenda.

Joseph asked for a briefing on the effect of the salary increases on the District and campuses. Jose offered to review this expense with the BBC using the Resource Allocation Model at the next meeting.

VIII. Adjournment

The meeting adjourned at 12:42 p.m. The next meeting is scheduled for April 13, 2017 at 10:00 a.m. and will take place in the SBCCD board room.