



Maricopa County Community College District Governing Board Minutes January 27, 2015

An executive session and a regular meeting of the Maricopa County Community College District Governing Board were scheduled to be held beginning at 5:00 p.m. at the District Support Services Center, 2411 West 14th Street, Tempe, Arizona, pursuant to A.R.S. Section 38-431.02, notice having been duly given.

GOVERNING BOARD

Tracy Livingston, President
Johanna Haver, Secretary
Doyle Burke, Member
Alfredo Gutierrez, Member
John Heep, Member
Jane McGrath, Member
Dana Saar, Member

ADMINISTRATION (REGULAR BOARD MEETING)

Rufus Glasper
Maria Harper-Marinick
Debra Thompson
LaCoya Shelton-Johnson
Edward Kelty
Steve Helfgot
Lee Combs
Linda Lujan
Ernie Lara
Steven Gonzales
Irene Kovala
Shouan Pan
Paul Dale
Anna Solley
Chris Bustamante
Jan Gehler
Osaro Ighodaro for Shari Olson
Gene Giovannini

EXECUTIVE SESSION

The meeting was called to order at 5:15 p.m. President Livingston moved to go into Executive Session for discussion or consultation for legal advice with attorneys for the board—ARS §38-431.02, consideration of the dismissal of Mr. Michael Osborn, under section 3.12.9 of the Residential Faculty Policies.

MOTION

Motion 10266

Board Member Burke made a motion to go into Executive Session. Board Member Saar seconded. Motion passed 7-0.

CALL TO ORDER

The regular board meeting was re-called to order at 6:35 p.m.

SUBSTITUTIONS

There was one substitution for a member of the CEC.

PLEDGE OF ALLEGIANCE

The assembly pledged allegiance to the United States of America led by Mrs. Haver.

CLASS ACKNOWLEDGEMENTS

There were no classes present.

STUDENT LIFE REPORTS

Mr. Michael Greene, Director of Student Life and Leadership at Chandler-Gilbert Community College, and Lauren Lancaster, student-President of the Associated Students of Chandler-Gilbert Community College (ASCGCC) presented on the 3-Day Leadership Retreat. Mr. Greene said the retreat was themed after the book, Model the Way, and was a three-day event held in Prescott, AZ. Over 150 students from Maricopa, Central Arizona, and Coconino Community Colleges participated. Ms. Felicia Ganther, Associate Vice Chancellor of Student Services, was a keynote speaker and several other MCCC administrators, i.e., Dr. Paul Dale (PVCC President), Dr. Daniel Corr (SCC Vice President of Student Affairs), Dr. Osaro Ighodaro (SMCC Vice President of Student Affairs), and many more, acted as role models for participants. The event has grown from its creation at Chandler-Gilbert Community College to now encompass the entire district plus other Arizona community colleges. This past year they included student staff in the mix, inviting past student participants to return to work with the new students. Each student worked to identify his/her own personal leadership skills and the importance of service to the community. Student Laruen Lancaster shared reflections on the retreat, noted she learned that being a leader does not necessarily mean holding a leadership position, rather it resides in her personal values and is the foundation of who she is, who she wants to be, and who she strives

to be now. She valued her work with the mentors and got a lot out of the keynote presentation. Leadership can be demonstrated with something as simple as a firm handshake and eye contact. Additional life skills she learned at the retreat: always sleep on the bottom bunk, time management is vital, and she learned about the type of leader she is. Mr. Greene then shared a short video showcasing the retreat.

Karina Palmtier, student-Vice President; Kaitlyn Shellaberger, student-Treasurer; and Johan Hernandez, student-Public Relations Commissioner spoke about the activities of the Associated Students of Chandler-Gilbert Community College (ASCGCC). Karina noted she works with the clubs and organizations on campus. CGCC has 12 clubs, with two new ones forming this year. The college will have its annual Club Fair February 3-4, 2015 from 11:00-1:00 p.m. Board members were invited to attend. Kaitlyn shared information about various ASCGCC activities including the Leadership Retreat spoken of previously. In October they had a Kickin' It With Cody, CGCC's Coyote mascot, to celebrate the new Coyote Center. In November, to combat lagging morale and celebrate the Thanksgiving season, they had hot chocolate in the morning and nachos in the afternoon for students as a pick-me-up ("Nacho Ordinary Day!"). In December, to help combat the stress of finals, they set-up a Pinata Stress Reliever. Johan said they planned to focus on recruiting new club members and new students to the Leadership Team. They recently had Poppin' In The Pavillion to provide information for students and in February they plan to have free ice-cream for students for National Random Acts of Kindness Day. In the future, they will also have a food drive for their local Salvation Army.

Board members thanked the students for their presentation and enthusiasm. They appreciated their emphasis on volunteerism. Their leadership and enthusiastic support of students at the college and in the community are the best recruitment tools for Maricopa.

EMERITUS, AWARDS, AND RECOGNITION

Dr. Anna Solley, President of Phoenix College (PC), thanked the Board and presented a Faculty Emeritus Distinction Award to Debra S. Dorr, Faculty, Drafting Technology. Professor Debra S. Dorr has been a residential faculty member at Phoenix College for the past 18 years in the Architectural Drafting Technology program. She is an alumna of Phoenix College having graduated in 1992 with an AAS degree in Architectural Drafting. While a student at PC and ASU, she worked in various departments including the President's Office, Admissions and Records, and Financial Aid. After graduation from Arizona State University with a Bachelor of Science degree in Industrial Technology in 1995, she taught as an adjunct instructor at Mesa Community College, then was hired as residential faculty at Phoenix College in 1996. Professor Dorr earned a Master of Education degree at ASU in Educational Media and Computers in 2000. She has served as the program director and chair of the Industrial Technology department and the Applied Technology programs, chaired the Drafting Instructional Council for many years, and served as the MCCC Lead ATF member for the Technology Articulation Task Force. Throughout her tenure at Phoenix College, Professor Dorr has served on many committees including Strategic Planning, Master Planning, Commencement, ADA/Disability, Emergency Preparedness, and Staffing, to name a few. She was a zone senator on Faculty Senate and served as the Faculty Senate president during the 2008-2009 academic year. She served on the Phoenix College Alumni Association Board of Directors for several years and the Scholarship Committee as a reviewer. Professor Dorr presented at several conferences during her tenure and served as the Faculty Developer at Phoenix College. She has been an advocate of higher education to the community, a strong believer in servant leadership, and a favorite teacher of her students. Many of her students have transferred to ASU and successfully completed their degrees in Architecture and Construction and are now working in their chosen fields. She was well-liked and respected by her students and colleagues at Phoenix College and MCCC.

Ms. Dorr remarked that it had truly been a pleasure working for Maricopa. She never imagined when, 30 years ago she began her journey as a student at Mesa Community College, that she would be standing before the Board as a faculty member retiree. She has enjoyed her time teaching in Maricopa.

Dr. Solley then asked Mr. James Sousa, Mathematics faculty at PC, to join her at the podium. Dr. Solley remarked that Dr. Sousa is a rock star at PC. His work with Open Educational Resources (OER) and Massive Open Online Courses (MOOC) has really put PC on the map. He recently was selected by the Carnegie Foundation as the 2014 Arizona Professor of the Year for

his innovative instructional methods. His OERs/MOOCs touch students nationally and internationally. The award was a tribute to his outstanding accomplishments. Dr. Solley informed the Board Dr. Sousa would provide a brief overview of OERs/MOOCs.

Dr. Sousa noted he has created over 4,000 math videos and shared them as OERs. He has also created complete OER Math courses which include all materials (e-book, workbooks, videos, online homework, etc.)—for free. PC is part of the Maricopa Millions Project which strives to save student \$5 million over five years by lowering the cost of course materials, providing new OER courses, and allowing students to search for courses specifically with lower or no cost books and resources. He knows Maricopa's faculty are eager to develop more resources for students and they respectfully as for the Board's support.

President Livingston then asked Mr. Roc Arnet, President and CEO of the East Valley Partnership Program, to showcase the award recently presented by his group to Dr. Rufus Glasper. Mr. Arnet remarked it was an honor to introduce the Dwight Patterns Lifetime Achievement Award given to Dr. Glasper. He noted that Dwight Patterson brought back ideas for Arizona's community colleges after seeing what California was doing and was extremely influential in helping to establish community colleges in Arizona. He then shared the video presentation of the award from December's event. He noted the four east valley colleges have been supportive and outstanding to the East Valley's economy, saying there are over 150,000 college students in the East Valley; over half of them students from MCCC and the East Valley is delighted to have them!

Dr. Glasper remarked it had been a pleasure to receive the award and thanked Mr. Arnet for the recognition and award.

CITIZEN'S INTERIM

There were three requests to address the Board.

1. Ms. Dianne Post, representing herself, regarding the proposed closing of the PC Fitness Center; a copy of her presentation is included in the Appendix
2. Ms. Edna Pasqualetti, representing herself, regarding the proposed closing of the PC Fitness Center
3. Ms. Vicky Rivera, representing herself, provided a written copy of remarks addressing recommendations for the District; she did not stay to address the Board in person; a copy of her presentation is included in the Appendix.

Ms. Pasqualetti stated she had been going to PC since 1998 and has enjoyed not only the [fitness] classes she has taken but especially the sense of community from people on the campus. She started attending for her health and kept attending to visit and learn and grow. PC is a college where everyone helps her.

CHANCELLOR

Chancellor Rufus Glasper remarked, in response to the Governor's budget recommendations, that the Governor has proposed a cut to Maricopa, Pima, and Central Arizona colleges' budgets by \$20 million (bringing the total of cuts in state aid over the past six years to \$64 million for MCCC alone). MCCC stands at this point in time with one-half of one percent of its operating budget from the State. He stated that MCCC understands the State has to balance its budget and that K-12 and universities are always before community colleges, which aren't even supported in statute. In conversations with state legislators, he predicted MCCC would see the legislature moving towards zero funding over a five-year period. Now MCCC needs to consider what type of relationship it will have with the State moving forward. MCCC provides a \$3 billion economic impact in the community (for every \$1 spent, the return on investment is \$3). Discussions are taking place on how to replace lost resources by becoming more entrepreneurial—taking into consideration what it would mean to privatize some functions and enhance corporate partnerships. He is looking beyond the box that community colleges are currently in. He is asking for statutory changes [i.e., expenditure limitations imposed on political subdivisions of the state]. In response to state aid cuts, MCCC has become more effective and more efficient and is continuing to refine itself. During the high point of the recessions, MCCC served over 275,000 students. It asks the question of what type of quality MCCC will have. In the short term, MCCC was able to provide savings using creative endeavors, but long-term, MCCC needs the State's support. He invited Board members into the conversation with the legislature, the community, and with corporations.

FACULTY Mr. Keith Heffner, President of the Faculty Association, welcomed new members to the Board and again offered Maricopa's faculty services to the Board as it makes its decisions. He stated that MCCC faculty 'bleed Maricopa' and they want to work with the Board as Maricopa moves forward. He hopes Board members will be amazed at what is done for students as they begin their campus tours. He noted the Association appreciates their willingness to serve.

EMPLOYEE GROUP Mr. Leo Valverde, President of the Adjunct Faculty Association, welcomed new Board members and wished them luck in the new year. He said he represents a diverse set of people including: retired educators returning to teach one class; brand new teachers teaching a couple classes; traditional subject-matter experts teaching on the side; and many who teach for multiple institutions, not just MCCC, to earn a full-time salary. Some members want to become full-time faculty while others are content with their part-time role. The AFA is willing to do anything it can do to help the Board, inviting them to consider their group as an additional resource. Soon the Board will hear about the Outstanding Adjunct Faculty Award; calls for nominations will be out soon, with winners selected in April. He and other members of AFA have been invited to participate in a national adjunct-faculty conference to help facilitate some roundtable discussions. He thanked the Board for its support.

Ms. Cheryl Caldwell, President of the Maintenance and Operations (M&O) Employee Group, provided the following. "To President Livingston, Governing Board Members, Chancellor Glasper, CEC, and guests. My name is Cheryl Caldwell and I am the president of the Maintenance and Operations (M&O) Employee Group. I would like to take this opportunity to welcome our newest Governing Board Members. I need to emphasize the importance of each site having a full and complete M&O department consisting of maintenance, grounds, and custodial support. A department committed to the success of Maricopa as well as their own individual sites. Again, welcome, and we look forward to working with you in the future to continue making Maricopa a shining star in our community. Thank you."

Mr. Dan Huston, President of the Management, Administration, and Technology Employee Group, provided the following. "President Livingston, Members of the Board, Dr. Glasper, Members of the CEC, and guests, my name is Dan Huston, I am the president of the MAT Executive Council, and I represent the MAT Employee group. The MAT Employee group consists mainly of exempt employees working in Management, Administration and Technology. I know firsthand how the Maricopa Community College system impacts lives. Twenty-five years ago this month I started college at Mesa Community College which I attended for two years. I then transferred to ASU. The next generation is now attending our excellent colleges with my five oldest children having attended a Maricopa college. My oldest daughter will be graduating from MCC in May. I share this personal information merely to indicate that I am invested in Maricopa and the success of our students. And in a similar way each employee could come to this podium and share their story and experiences. On behalf of the MAT employees I welcome the new members to the Governing Board, through the Chancellor, and we look forward to working with you to improve student success. Student success is interwoven with employee success, so in the coming months, I will be bringing you updates from the MAT employee group, to help you understand this large and complex organization. Thank you for your commitment to serve all of our community. Thank you."

APPROVAL OF THE ORDER OF THE AGENDA

President Livingston then requested a motion to approve the Order of the Agenda.

MOTION

Motion 10267

Board Member Burke made a motion to approve the Order of the Agenda. Board Member Gutierrez seconded. Motion passed 7-0.

APPROVAL OF CONSENT AGENDA

President Livingston asked if anyone wanted to remove any items from the consent agenda. Board Member McGrath asked items 11.2, 12.1, and 13.1 be removed from consent. Board Member Saar asked item 11.4 be removed from consent.

The following items were included in the Consent Agenda:

9.1 APPROVAL OF THE MINUTES OF THE DECEMBER 9, 2014 REGULAR BOARD MEETING, JANUARY 6, 2015 SWEARING-IN CEREMONY AND WELCOME, AND JANUARY 13, 2015

AGENDA REVIEW AND RETREAT

10.1 APPROVAL OF MESA COMMUNITY COLLEGE VISION, MISSION, AND VALUES—approve the reaffirmation of the vision, mission, and values statements of Mesa Community College.

10.2 APPROVAL OF FACULTY EMERITUS DISTINCTION—PHOENIX COLLEGE—award Faculty Emeritus Distinction to Debra S. Dorr, Faculty, Drafting Technology.

10.3 APPROVAL OF REVOCATION OF CHARTER FOR JMF HOPE COLLEGE AND CAREER READINESS INSTITUTE, LLC AND TERMINATION OF CHARTER CONTRACT—approve the revocation of the charter for the JMF Hope College and Career Readiness Institute, LLC and termination of the charter contract, at the request of the authorized representative of the JMF Hope College and Career Readiness Institute, LLC.

11.1 CONSIDERATION OF EMPLOYMENTS—approve the personnel actions as proposed. Budget approvals have been granted and are on file for the recommended personnel actions in this item.

11.3 CONSIDERATION OF SHORT TERM EMPLOYMENTS—approve the personnel actions as proposed. Budget approvals have been granted and are on file for the recommended personnel actions in this item.

12.2 APPROVAL OF SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY GRANT (SRPMIC)—accept the grant of \$112,000 from the Maricopa Community Colleges Foundation. This grant was made to the Maricopa Community Colleges Foundation by the Salt River Pima Maricopa Indian Community to benefit American Indian students.

12.3 APPROVAL OF CORPORATION FOR PUBLIC BROADCASTING COMMUNITY SERVICE GRANT (KBAQ)—accept a grant from the Corporation for Public Broadcasting totaling \$221,986. Approval of the two-year allowable expenditure period is requested for October 1, 2014 through September 30, 2016.

12.4 APPROVAL OF CORPORATION FOR PUBLIC BROADCASTING COMMUNITY SERVICE GRANT (KJZZ)—accept a grant from the Corporation for Public Broadcasting totaling \$576,831. Approval of the two-year allowable expenditure period is requested for October 1, 2014 through September 30, 2016.

12.5 APPROVAL OF GRANT AGREEMENT BETWEEN MARICOPA COLLEGES FOUNDATION AND HELIOS EDUCATION FOUNDATION—approve the agreement with Helios Education Foundation, for \$500,000, to implement a Reverse Transfer project for 3 years, beginning January 2015 and ending December 2017.

12.6 APPROVAL OF EXCEL STUDENT SUCCESS GRANT—approve the agreement with Helios Education Foundation, for \$1,500,000, to implement the Excel Student Success Project. The grant was made to the Maricopa Community Colleges Foundation by the Helios Education Foundation to benefit the Excel Student Success Project, a program designed to propel first generation and low income students toward degree completion. Using a holistic approach, the program will engage students through their community college experiences to support Associate's Degree and/or Certificate completion, as well as successful transfer into baccalaureate degree granting institutions. The grant term is from July 2014 to June 2017.

13.2 APPROVAL OF LEASE OF SUITE AT RIO NORTHERN TO HEALING ARTS CONNECTION, LLC—authorize the lease of Suite 100 in the building located at Rio Salado College - Northern, 1715 W. Northern, Phoenix, AZ 85021 to Healing Arts Connection, LLC. The lease term begins February 1, 2015 and is for 24 months with an option to renew for an additional 12 months. The monthly rate will be \$12.00 per SF, full service.

MOTION**Motion 10268**

Board Member Burke moved for approval of the Consent Agenda, as amended. Board Member Saar seconded. Motion passed 7-0.

11.2 CONSIDERATION OF SPECIALLY FUNDED EMPLOYMENTS—approve the personnel actions as proposed. Budget approvals have been granted and are on file for the recommended personnel actions in this item.

Board members wanted clarification on the funding source for the five Small Business Analysts listed and what their duties would entail. Dr. Janice Washington, Director of the Arizona Small Business Development Program, stated MCCC'D's Small Business Development Program is funded by the federal Small Business Association with a match requirement for overall funding of the program as part of the grant. The majority of the funds are provided by the Small Business Administration. The analysts will work with entrepreneurs providing one-on-one counseling and offering no/low-cost workshops in addition to leveraging other resources with other funding sources within the State.

11.4 CONSIDERATION OF SEPARATIONS—approve the personnel actions as proposed.

Board members noted that one individual, Mr. Michael Cruza, moved his retirement date one month out and needed to be removed from the list.

12.1 APPROVAL OF FOSTER YOUTH STUDENT SUCCESS GRANT—approve the agreement with the Nina Mason Pulliam Charitable Trust, for \$198,000, to implement the Foster Youth Student Success Project. The grant was made to the Maricopa Community Colleges Foundation by the Nina Mason Pulliam Charitable Trust to benefit the Foster Youth Student Success Project. The grant term is December 1, 2014 to December 1, 2016, with the possibility of applying for a third year of funding.

Board Members asked for clarification on how the two employee positions will help foster students. Dr. Felicia Ganther, Associate Vice Chancellor for Student Affairs, remarked that this was an unsolicited grant proposal to the Nina Mason Pulliam Foundation. It was noted that eligible students did not have any support when transitioning out of high school or into their own places to live. This is the beginning of a bridge, in concert with Arizona State University (ASU), to provide support for the students in the program. A similar program already exists at ASU. Ms. Ganther noted that students who are aging out of foster care are eligible for a full PEL Grant for tuition and fees so what they need is help, not more money. Staff will work with all the colleges and the students identified in the program to navigate through enrollment, support, transfer, etc. Another Board member noted that this would parallel efforts already in place at ASU. MCCC'D already has Nina Mason Pulliam Scholars Program and an MCCC'D/ASU partnership. When they are ready to transfer to ASU, staff will help transition students to a cohort at the university.

13.1 APPROVAL OF LEASE OF RESTAURANT PROPERTY TO BILL JOHNSON'S RESTAURANT, INC.—approve a lease of that property to Bill Johnson's Restaurants, Inc. for a period of up to two years and authorize the tenant to continue operating a restaurant at that location, including the service of alcoholic beverages.

Board members asked for clarification on why the college would be leasing property back to the restaurant if the reason for purchasing the property was to help alleviate parking problems at GateWay Community College (GWCC). Dr. Steven Gonzales, President of GWCC, remarked that offering the restaurant time to close out business was part of a lengthy negotiation process which ultimately resulted in the District's ability to purchase the property for \$255,000 less than its appraised value (\$1.2 million). Another Board member noted that the restaurant in question had recently filed for bankruptcy and had already closed its other locations around the Valley. Dr. Gonzales noted that, although MCCC'D may allow the restaurant a second year, it may choose not to extend the lease. Additionally, parking expansion might be able to occur even with the restaurant in business. A Board member reiterated the less-than-appraised value purchase price and said that allowing the restaurant on the property was not part of a special deal. The first year's rent of \$1 reflected the excellent sale price; the second year's rent would move forward at a current market rate.

MOTION

Motion 10269

Board Member Burke moved for approval of the balance of the agenda. Board Member Saar seconded. Motion passed 7-0.

14.1 APPROVAL OF TERMINATION RECOMMENDATION FOR MICHAEL OSBORN—recommend that the employment of Mr. Michael Osborn be terminated.

MOTION

Motion 10270

Board Member Gutierrez moved for approval of Item 14.1. Board Member Burke seconded. Board Member McGrath asked for a roll-call vote: McGrath—nay; Gutierrez—aye; Haver—aye; Livingston—aye; Saar—aye; Burke—aye; Heep—nay. Motion passed 5-2 (McGrath/Heep).

14.2 APPROVAL OF GLENDALE COMMUNITY COLLEGE BUILDING NAMING PROPOSAL DR. PHILLIP D. RANDOLPH CENTER FOR AUTOMOTIVE TECHNOLOGY—approve the Glendale Community College new Automotive Technology Center be named for former GCC President Dr. Phillip D. Randolph. Building is commonly referred to as “Technology 3”.

Dr. Kovala remarked that it was a privilege to bring this item forward for recognition to Dr. Randolph’s history with Maricopa. He served at GWCC, GCC, and at the District Office during his years of service. She noted there is no one more respected in the Glendale area. GCC exists because of his family’s legacy. He also likes to tinker with cars, so it is especially fitting.

Dr. Randolph said he was honored and humbled by this recognition, paraphrasing his favorite J.F.K. quote that victories are infinitely divisible. Many helped to build the automotive program at GCC and they have made it the gold start program it is today. He thanked the Board for the recognition.

MOTION**Motion 10271**

Board Member Saar moved for approval of Item 14.2. Board Member McGrath seconded. Motion passed 7-0.

15.1 APPROVAL OF PURCHASE OF LAND AND BUILDING LOCATED NORTHWEST OF COLLEGE PROPERTY AT GATEWAY COMMUNITY COLLEGE—approve purchase of the property located to the northwest of the GateWay Community College property, now occupied by the Bill Johnson Restaurant, (3757 East Van Buren Street, Phoenix) for the price of Nine Hundred Forty Five Thousand Dollars (\$945,000) plus closing costs, from the Bill Johnson’s Restaurants, Inc., an Arizona corporation.

MOTION**Motion 10272**

Board Member Gutierrez moved for approval of Item 15.1. Board Member Saar seconded. Motion passed 7-0.

15.2 APPROVAL OF FINAL CONTRACT AMENDMENT FOR CONSTRUCTION OF THE T3 AUTOMOTIVE BUILDING AT GLENDALE COMMUNITY COLLEGE—approve the final construction contract Amendment for an existing Construction Manager at Risk (CMAR) Agreement for the Guaranteed Maximum Price (GMP) in the amount of Five Million, Six Hundred Eighty Thousand, Six Hundred Ninety-Three and no/100’s Dollars (\$5,680,693.00) to Adolfson & Peterson Construction for the balance of the construction for the T3 Automotive Building at Glendale Community College. This is the final GMP of two awards to Adolfson and Peterson for the construction of this project.

MOTION**Motion 10273**

Board Member Saar moved for approval of Item 15.2. Board Member Burke seconded. Motion passed 7-0.

15.3 APPROVAL OF PURCHASE OF LAND LOCATED EAST OF BUILDING Q AT PARADISE VALLEY COMMUNITY COLLEGE—approve purchase of the property located east of Building Q (17811 North 32nd Street, Phoenix) for the price of Three Hundred Forty Thousand Dollars (\$340,000.00) (approximately \$1.77 /sf) plus closing costs, from the Flood Control District of Maricopa County, Arizona, for Paradise Valley Community College.

MOTION**Motion 10274**

Board Member Saar moved for approval of Item 15.3. Board Member Haver seconded. Motion passed 7-0.

INFORMATION ITEMS

16.1 REVIEW OF PROPOSED TUITION AND FEES FY2015-16—review the recommendation of no increase in the current county resident tuition rate of \$84.00 per credit hour. Also, although not part of the requested action in February, a recommendation on the 2% tax levy increase permitted by the Constitution will be part of the budget proposed by the Chancellor. The Chancellor’s recommendation is NOT to access the 2% increase on the FY14-15 levy as permitted by the Constitution or prior year 2% increases in levy authorization that have not

been accessed (the latter as also is permitted under the Constitution).

A copy of a presentation on the preliminary FY2015-16 budget is included in the Appendix.

16.2 REVIEW OF PROPOSED FEE CHANGES FY2015-16—review the varied fee changes detailed on the submitted documentation; these changes relate to course fees at several colleges across the district, detailed by college.

MONITORING REPORTS

17.1 BUDGET ANALYSIS REPORT, FUND 1—GENERAL UNRESTRICTED FUND FOR THE SIX MONTHS ENDING DECEMBER 31, 2014—Expenditure analysis indicates 38.9% of the budget has been expended this year as compared to 42.7% expended at this same point last year. 33.1% of the budget remained unexpended or unencumbered compared to 27.6% in the prior year. Revenue analysis indicated that 61.2% of the budget has been recognized as compared to 61.8% in the prior year. The projected fund balance will increase by ~\$3.4M this fiscal year and the projected ending fund balance for June 2015 is \$167.6M. The District should meet its financial stability requirements.

17.2 2004 GENERAL OBLIGATION BONDS SERIES A (2005), SERIES B (2007), SERIES C (2009), SERIES D (2011) AND SERIES 2013 2004 CAPITAL DEVELOPMENT PLAN SUMMARY AS OF DECEMBER 31, 2014—As of December 31, 2014, \$845.9 million, representing approximately 89% of proceeds from the Series A, Series B, Series C, Series D, and Series 2013 issuances of the 2004 bond have been expended or encumbered and \$105.5 million remains available. Bond proceeds are invested until expended.

BOARD MEMBERS

Mr. Burke had no report.

Mr. Gutierrez reported he had recently attended a South Mountain Community College (SMCC) event which included a tour of the campus and explanation of some new initiatives especially in Developmental Education and it was very impressive!

Mrs. Haver had no report.

Mr. Heep had no report.

Mrs. McGrath reported she was looking forward to attending the groundbreaking ceremony for GCC's new T3, now Randolph, building on Friday.

Mr. Saar reported he had the opportunity to attend several of the colleges' Nursing Pinning Ceremonies in December. He said he understands how much work goes in to becoming an RN and noted that about one-third of the graduates had actually graduated with a baccalaureate from Northern Arizona University—which was a great accomplishment for the students. He also had the chance to attend the Minority Male Empowerment Network's (MEN) kick-off event where participants pledged to complete their degrees. He extended his thanks to Ms. Felicia Ganther for her work with the program. He attended the *Dream It, Do It* event at Rio Salado College which highlighted the gap which currently exists in the manufacturing industry between those eligible for retirement and newcomers in the industry. He said the challenge has been placed before MCCC to fill those jobs with its students.

Mrs. Livingston reported she is commencing her college tours soon and, as a teacher of 14-year olds, she is excited to share everything she will learn about the colleges with her students to get them planning for college now!

VICE CHANCELLOR

There were no reports.

COLLEGE

Dr. Ernie Lara, President of Estrella Mountain Community College (EMCC), shared with the Board that EMCC was awarded the *Arizona Forward/Salt River Project Crescordia Award* which is considered the "Academy Awards" of environmental awards. The Arizona Crescordia (which means 'to grow in harmony') was given to EMCC for the site development and landscape of Estrella Hall. The project's focus was on creating a sustainable structure and landscape. Arizona Forward remarked that EMCC's project appeared complex and wild but was very low maintenance, using little water in a drip system. It shows that a meaningful and engaging learning center can also be sustainable.

AADGB

Mr. Burke provided the following. "The AADGB has arranged for a *Governance Institute for Student Success* (GISS) with the Association of Community College Trustees (ACCT) to be held

on Friday afternoon and Saturday, April 10-11. The institute is open to all governing board members in Arizona's ten community college districts. The institute focuses on discussions relating to policies that lead to student success. Based on assumptions that over sixty percent of new jobs in the next decade will require some level of college work, ACCT has been working with governing boards nationwide to encourage an increased number of graduates. ACCT personnel and scholars from the University of Texas will lead the institute. This event will provide professional growth for board members, and it will provide opportunity for us to get to know other board members from around the state. ACCT will contact board members about the event."

ASBA

Mr. Saar remarked that, although the ASBA is targeted to K-12 boards, several community college board members participate.

ACCT

Mr. Saar reported the Board would be attending the 2015 National Legislative Summit in Washington, DC in February where Board members will be able to talk with Arizona's legislators about community colleges.

President Livingston took a moment to thank the audience for its patience with her first meeting facilitation and thanked Mr. Saar for his dedication and guidance.

NEXT BOARD MEETINGS

President Livingston then announced the following future meetings.

- February 3, 2015, 5:00 p.m., Board Retreat, Governing Board Room
- February 4, 2015, 5:30 p.m., HLC Accreditation Overview, Governing Board Room
- February 17, 2015, 3:00 p.m., Board Policy Committee Meeting, M103
- February 17, 2015, 4:30 p.m., Agenda Review, Governing Board Room
- February 17, 2015, 6:00 p.m., Work Session, Governing Board Room
- February 24, 2015, 3:00 p.m., Board Budget and Finance Committee Meeting, M433
- February 24, 2015, 6:30 p.m., Regular Board Meeting, Governing Board Room

ADJOURNMENT

President Livingston adjourned the regular board meeting at 8:27 p.m.

Johanna Haver
Governing Board Secretary

Appendix

Citizen's Interim

- Post
- Rivera

Proposed Tuition and Fees / MCCCCD FY2015-16 Budget Presentation

Dianne Post
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Phoenix, AZ 85006-3047
postdlpost@aol.com
602 271 9019

January 27, 2015

Maricopa County Community College Governing Board

RE: Maricopa Priorities: Phoenix College

EXECUTIVE SUMMARY

The Maricopa Priorities process encompassed a three-stage information and evaluation procedure. Departments were to complete a self-assessment and submit comparable information. That did not happen. Many departments, notably Business, did not submit the information at all or very little, and most other departments submitted data flawed in many different ways making it impossible to compare in any fair and honest way. Different factors seemed to be in play for different departments (costs, FTSE, community, reputation, location) resulting in differing responses not tied to the information provided.

Many recommendations illustrate a lack of vision, and overall the complete package does not present a coherent picture. While on one hand, certain departments are recommended to become regional hubs (forensics, Hispanic studies, child development) or already are (fitness for communiversities, dental, nursing), the recommendations fail to take into consideration what structural changes need to occur to encompass those changes and ensure their viability nor the administrative overhead that needs to be addressed. The plan for students at the Phoenix Fitness Center would result in them paying more than at most commercial fitness centers. A comparison of the inputs from all colleges shows that they all agree that fitness and wellness is vital and an on campus center is ideal to create a culture of wellness. The cost/benefit analysis fluctuated wildly with some places providing no information at all. Failure to capture the true potential of a fitness center by effective marketing was noted by most colleges.

The financial analysis demonstrates the large unrestricted cash and investment balances that have been transferred out of the general fund for the past several years. In the same time FTSE has increased, yet the percentage of total funding directed at the college level and instruction has decreased while the amounts to the district office have increased. This anomaly plus others e.g. the building of a new fitness center at a suburban location across the street from ASU's new facility at the same time that the fitness center in a diverse, urban area is recommended for closure, points to some misplaced priorities.

The recommendations also demonstrate short term versus long term thinking that does not take into account changing demographics, future job areas (health care, environmental) and sustainability e.g. health care costs and marketing opportunities. The MCCCDC has prepared for short-term disruptions by the large general fund transfers it has made over the preceding years. But the taxpayers, community and students also deserve a coherent long-term strategy that will sustain MCCCDC into the 21st century in a manner that responds to the needs of the community. For all these reasons, we ask that you reconsider the recommendations as they stand and in particular, find other ways to reduce costs than eliminating the Phoenix College fitness center and child care center.

Dear Board Members,

Members of the community are concerned about the Maricopa Priorities process and results at Phoenix College. We have presented information and spoken to the Board in November and December. We know that some new board members have taken their seat since that, and we hope that the new board members have received the earlier information. If not, please let us know and we will be happy to provide it for you.

After the November 2014 board meeting at which I spoke, I requested the entire public record of the Maricopa Priorities submissions for Phoenix College. I received 1194 pages for review. Documents were divided into four sections:

- Recommendations – Instructional
- Recommendations – Support
- Self-Assessment Templates – Instructional
- Self-Assessment Templates - Support

The reading and analysis of the documents has unfortunately not answered any questions or resolved any problems but in fact led to more. Therefore, I am presenting my findings of the detailed analysis with our continued issues and recommendations.

Maricopa Priorities Analysis

ACADEMIC TEMPLATES

Each department was given a template to complete their self- assessment. A three-tiered process then made recommendations based on that information. The three tiers were a task force at the first level, a steering team at the review level, and a “champion” (Dr. Solley). However, many departments did not follow the template and did not supply the required information, thus making the process difficult and in some cases impossible. Some assessments had no cost benefit analysis, some had costs without revenue, some had revenue without costs, some used only salary and benefits, others included indirect costs, some included funds received elsewhere – in other words apples were compared to oranges resulting in non-comparable figures.

Attached as Exhibit A are notes from selected Academic Departments. These reports illustrate the problems of the process, the deficiencies of the data and the fallacies in the recommendations. First, the Business Department, encompassing some thirteen different programs, submitted a totally inadequate report with insufficient financial information. For each program, the champion required them to turn in the requested information by October 31. That information was not supplied to me pursuant to my public records request in December. Regardless of the absence of information, every business program received a recommendation to be “maintained”.

Those reviewing the assessments failed to connect the dots and see the big picture. Phoenix College (PC) is designated a Hispanic serving institution since it has more than 40% Hispanic students. In addition, it houses the Raul Castro Institute. The steering team and champion recommended making PC a regional center for Hispanic issues. Yet, Chicano/a Studies was suggested to be eliminated while at the same time, Spanish Humanities, a one-course program with minimal information and low completion rates, received a recommendation to be maintained. No consideration was given to incorporating these courses and ESL, with its dropping FTSE, into this suggested regional hub, which could result not only in a more coherent program, but in costs savings.

The task force recommended to expand chemistry, which is also required in bioscience, nursing, dental and forensics – all of which are recommended to continue as major programs at Phoenix. PC was recommended as the regional hub for forensics – yet the steering team and champion recommend only to maintain chemistry at its current level rather than to accommodate the probable increase due to making PC a regional hub.

One of the most blatant failures of vision is with IDP Child and Family Studies department. As the report points out, research has verified the need for high quality early education and President Obama has focused on that need nationally. The benefit of such high quality early education results in a \$7 return on every \$1 invested. The Family Care Center has an annual deficit of \$250,000 while the athletic department has annual deficits of nearly \$1 million with no research of the return on investment. The Family Care Center serves 100-125 families and 300 students, while the athletic department serves 255 total.

The recommendation from the task force was to maintain/consolidate in the light that PC has the only program with a family care facility, which is used for student intern/externships. Every campus has an early childhood development program but only PC has a childcare center. The steering team and champion recommended PC be the regionalized center, and Teach AZ scholarship funds make it very feasible. The childcare facility is what makes the program unique and extremely valuable. It provides the location for externs and interns and for innovation and implementation. If PC is to be the regionalized hub, then it should strive to be the standard setter and others should come to the PC facility to learn and model. Replacing the facility with a commercial day care would not meet the high standards PC, as the regional model, is attempting to set. This is an example of the failure of vision. To close the center not only harms the students and

the children, it harms the program, PC's reputation and the possibility for PC to be a national model.

According to the template, Surveying Technology & Civil Engineering Technology Programs is the only such program in the state and is supported by local government, engineering and utility companies. The students are in demand for internships and employment. Yet the steering team and champion recommended to eliminate the program that has an average \$48,000 deficit a year.

The first problem with the Physical Education Department analysis is artificially separating the consideration of credit and non-credit classes and income since they both contribute to the cost/benefit analysis. The department template claims to be a "cutting edge fitness and wellness curriculum designed to serve the current needs of our students and community." If it's to serve the community, why were the noncredit students from the community not included?

The importance of the program is illustrated by, "Historically the MCCCDD once had a general educational physical well-being requirement, but (it) was removed in 1995. Since then, nationwide the rates of obesity, heart disease, diabetes, and cancer have increased exponentially." Access to the Fitness Center is one of the ten most popular activities/classes. The Fitness Center classes offer exercise, an individual fitness plan, wellness goals, proper use of equipment and form, blood pressure monitoring, follow up assessments and personal training. These are not offered at any other gym without significant additional expense. Enrollment is expected to increase. Marketing would improve that enrollment significantly.

The template outlines the life-long benefits of exercise and fitness not only physically but also mentally resulting in better grades and test results. The program outlines the "Call to Action" by then Surgeon General Carmona from Arizona to prevent and decrease overweight and obesity as the "Obesity Epidemic" is the single greatest threat to the public's health. The Arizona Department of Health Services articulated a plan to improve nutrition and physical activity and the department wrote that, "Our responsibility as educators is to respond to the plan's objectives and strategies. In response to community needs we have the opportunity to develop policies that modify environments in ways that will ultimately help Arizona's Residents lead healthier lives."

The Phoenix Business Journal on December 12, 2014 on page 19 had an article entitled "Arizona health ranking is costly for business." Arizona dropped a peg from 28 to 29 in the United Health Foundation ranking. Business likes to attract workers where health is good, education is high and unemployment is low. But in Arizona in the last two years, diabetes has increased 11%. PC could use this opportunity to become a leader in offering corporate discounts to the Fitness Center, not run in the wrong direction.

Some templates list reduced Fitness Center hours as a harmful development and point out that the Dean of the new College of Health Solutions at ASU said, "We spend twice as much on medical care as any other country, but we rank 37th in terms of health outcomes.

Health care consumes 16-17% of the country’s gross domestic product.” The recommendation to eliminate the Fitness Center flies in the face of the facts, the future and local development. As MCCCCD is self-insured, the reduction of health care costs should be a prime concern.

A comparison of selected FTSE costs shows the following:

PROGRAM	2010-2011	2011-2012	2012-2013	Recommendation
Child & Family Studies	\$2817	\$2958	\$3817	Eliminate child care center
HES	\$5259	\$5193	\$6238	Maintain
Interior Design	\$6493	\$7708	\$9150	Become regional center
PED	\$2810	\$3876	\$5071	Eliminate Fitness center

A quick glance illustrates that the more costly programs (HES, Interior Design) are recommended to be maintained while the more frugal programs (Child & Family studies and Fitness Center) are recommended to be eliminated. This seems to be counter-intuitive.

SERVICES/PROGRAMS TEMPLATES

Attached as Exhibit B are notes from selected “support programs and services” templates. Once again, several “big pictures” ideas are totally lost. According to the Communiversities report, Phoenix College is the health care partner. Expanding the Fitness Centers on others campuses while eliminating the one at Phoenix, the “health care partner” is counter-intuitive.

The Family Care Center was built in 1999 as a state of the art childcare center to offer high quality children’s education. It serves 100-125 families and 115-130 children. Naturally it is strongly linked with the Center on Children and Family Studies that has 300 students and a required internship. The existence of the childcare center results in higher retention and graduation rates for students thus meeting the PC goal of “provide programs and services that meet the needs of our diverse community.” It is extremely important for the students who need this service. Several have already said they will have to leave school if the childcare center is eliminated.

The Center also works in collaboration with the dental, the nursing, and counseling programs offering practical opportunities required by those departments to work in pediatric dental and nursing and family counseling. The childcare center also offers real world experience to all seven other colleges that have CFS students.

Wellness Maricopa has won awards as a “fit-friendly” workplace and is “Promoting exercise on campus with walking groups, mile challenge, and discounted Fitness Center membership.” Closing the Fitness Center would eliminate one-third of their offerings

and the on campus focus. “The demand for wellness services is expected to grow in the next five years. MCCCCD health claims continue to climb, our work force is getting older, and national trends for obesity and related diseases like diabetes, CHD, and cancer are on the rise.” Yet, research tells us that \$3 is saved for every \$1 invested in health promotion. Again, since MCCCCD is self-insured, being proactive now would save the district much money later.

Interesting, the Wellness report also says, “We also partner with YMCA to provide our employees a discounted membership.” Why are you competing with yourself? You should offer that discount to employees from campuses without fitness centers and make PC the hub since it is centrally located.

The Athletic department has ten different cost centers, eight sports and two departments. The information is in chart form in Exhibit B. To summarize, the athletic departments serve an average of 255 students per year and has an average annual deficit of \$861,775. It is not clear from the template whether that includes indirect costs, facilities or insurance, which could make it considerably more. But even at the lesser amount, its losses dwarf all other departments.

RECOMMENDATIONS - INSTRUCTIONAL

Exhibit C shows the recommendations the task force, steering team and champion made for the different departments. A comparison of the recommendations reveals the following:

Out of a total of 87 instructional programs/classes:

The task force suggested elimination = 2

The Steering Team = 15

The Champion = 9

As expected, those most removed from the ground floor recommended the most eliminations.

The task force suggested to expand or enhance = 22

The steering team = 3

The Champion = 5

The task force suggested consolidation/regional center = 7

The steering team = 9

The Champion = 6

Of the 87 programs/classes, all three evaluation teams/persons agreed 32 times or 37% of the time; the task force and steering team agreed 35 times or 40%; the task force and champion agreed 33 times or 38%; and the steering team and champion agreed 67 times or 77%. So it's obvious the most agreement was among those most removed from the every day realities.

Reading the templates makes it clear that other factors besides cost came into play in making decisions. The teams looked at reputation of the program, community involvement, community service being offered, need and regionalization as well as cost except for some programs that did not provide the requested information at all.

RECOMMENDATIONS – SUPPORT SERVICES

Exhibit D shows the recommendations the task force, steering team and champion made for the different support programs. A comparison of the recommendations reveals:

Of the 64 services/programs:

The task force recommended to maintain = 37

The steering team recommended to maintain= 28

The champion recommended to maintain = 45

The champion was far more likely to recommend keeping non-instructional programs.

The task force recommended to expand = 17

The steering team recommended to expand= 5

The champion recommended to expand = 5

The task force recommended to eliminate = 2

The steering team recommended to eliminate = 13

The champion recommended to eliminate = 2

The main difference here was that the steering team recommended elimination of all the athletic programs and the champion recommended maintaining all.

The task force recommended to restructure/consolidate = 8

The steering team recommended to restructure/consolidate = 17

The champion recommended to restructure/consolidate = 12

Of the 64 services/programs, all three evaluators agreed on 29 (45%) programs and all three disagreed on two. So there was more agreement with the services/programs than with instructional. The task force and steering team agreed on 5 while the steering team and champion agreed on 16 (24%). The task force and champion agreed on 12 (19%); however, it is very interesting that 9 of those 12 (75%) were in the athletics department. Also, all management positions, deans etc. were recommended to be maintained even when the student need was not demonstrated.

COMPARISON OF MARICOPA PRIORITIES SUBMISSIONS

A comparison of the submissions from various colleges regarding wellness programs and fitness centers illustrated some similarities and differences. All campuses tout the benefits of fitness, exercise and of having a fitness center that is, unlike commercial centers, staffed by university trained personnel. All point out the epidemic of obesity and associated health issues especially for MCCC who is self-insured. Most cite the research showing that for every \$1 spent on fitness, \$3 is returned in benefits.

The difficulty in enrollment and the failure of marketing are cited as causes of falling revenue. As the report from SCC states, “Non-credit revenues could be greatly enhanced if a more robust marketing approach was permitted by the district’s legal department. Because of restrictions regarding competition with commercial operators, outreach and marketing efforts are limited, making it difficult to attract users to the facility. One exciting source of potential revenue is an increase in the number of corporate partners. Another opportunity involves the Silver and Fit program. Silver and Fit closely resembles Silver Sneakers, a program which pays SCC \$3 per visit, and which brought in over \$100,000 in revenue last year, ...”

What is striking is the enormous difference in the standards applied to evaluation of the fitness centers in the district and the ultimate recommendation. Some centers were doing quite well (GCC, PVCC, and SCC) and were recommended to continue. Some centers were doing quite poorly (SMCC and CGCC) and were recommended to continue and in the case of CGCC to expand. Some centers provided very little information and no budgetary information (MCC) and nevertheless were recommended to continue. Only Phoenix College fitness center was targeted to be closed. Both previously closed centers (EMCC, Gateway) recommended re-opening a fitness center on campus. Also one cannot ignore the very different manner in which the expenses of the District office were scrutinized compared to the way the expenses of the colleges were nor the fact that the expenses of the athletic departments were not similarly scrutinized.

In 1993, at **EMCC** 80% of the fitness center use was from community participation. When the center was moved to SWSC in 2011, community useage dropped to 20% in 2012. In 2013, the center was closed and community participation ceased. Yet, community participation is allegedly an MCCCCD value.

The closure was not due to lack of interest. In 2011, enrollment was 781. In 2012, enrollment was 614. When the on campus center closed, enrollment dropped to 301 in 2013. The off campus model does not work. Enrollment data indicates students prefer on-campus fitness centers and EMCC requests return of the fitness center to campus. The recommendation did not deal with their request. Two levels suggested phasing out the exercise and wellness program altogether while the champion suggested restructure and maintaining it.

On the other side of the valley is a completely different picture. **Chandler-Gilbert** had two fitness centers (Williams and Pecos), neither of them doing well, and though it is unclear from their report, it appears that one of them is becoming the Coyote Center. As in Phoenix College, the fitness center also supports the programs such as Law Enforcement Training Academy, Fire Science and EMT.

The use of the fitness center was at a high in 2000 but has declined since then at both the Williams and Pecos centers. ASU has built a new state-of-the-art facility across from the Williams campus. In spite of declines in enrollment and competition, the CGCC is opening a new fitness center, the Coyote Center.

Income for the three years is listed as:

FY 11	FY 12	FY 13
\$22,508	\$26,015	\$54,632

No cost data were given. Yet, the recommendation was to restructure by two evaluators and to maintain by the Champion.

Glendale CC has three fitness centers (Main, North, Adaptive). They have very large attendance by including seniors, families, alumni, students and employees, corporate members and working professionals – in other words, embracing the community not shutting them out. They also support programs e.g. firefighter/paramedic/nursing. The Fitness and Wellness program is a strong revenue driver because of significant outreach.

The number provided were:

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$233,906	\$206,889	\$208,366	\$165,376 Revenue
\$203,372	\$202,499	\$228, 226	\$195,574 Costs
\$30,524	\$4,390	(\$19,890)	(\$30,198)

The recommendation was to maintain the program. Likewise for the Adapted Fitness Center that provides services for those battling diseases, spinal cord injuries or impairments. Wounded Warriors and the paucity of other programs in the valley has made this center very busy and in need of expansion.

Back to the east valley at **MCC**, they also have two employee only fitness centers (Dobson and Red Mountain). Attendance ranges from 282 to 303 employees from 2011-2013. No budget figures were given but yet the recommendation was to consolidate and maintain. Clearly, if the fitness centers did outreach into the community they could greatly increase revenue.

The **PVCC** center added a new Silver and Fit program for seniors in 2014 and demand is expected to increase. They believe that, “Colleges play a critical role in communities providing resources and environments that encourage physical activity and providing information, tools, and practical strategies to help students and community members adopt healthy lifestyles. At PVCC we believe that regular physical education will teach students to respect the role that regular physical activity plays in the pursuit of lifelong health and well- being.”

Revenues for the four years were:

2010	2011	2012	2013
\$216,709	\$184,193	\$183,809	\$156,548
\$190,641	\$178,270	\$170,556	\$189,998 Costs
\$26,608	\$5,923	\$13,253	(\$33,450)

The recommendation was to restructure from two evaluators and to maintain from the Champion.

The **SCC** center is the largest of the district. It serves not only students but also the wider community (approximately 800 members) and of course the Native American community on whose land they sit.

Non-credit memberships totaled \$225,072 during the last fiscal year. The revenue from Silver Sneakers totaled \$100,845. Revenue from the corporate partners program totaled \$26,124 with 120 employees. “In summary, for fiscal year 2012/13, over 1900 members of the local community utilized the FWC, with total revenue from all of the above non-credit sources totaling \$352,041 added to the non-credit account.” It is obvious that proper marketing and outreach in the community could make a considerable difference in every center.

The only other budget information given was, “During fiscal year 2012/13, revenues for the FWC’s non-credit account totaled \$352,041 against \$384,026 in expenses.”, for a (\$31,985) deficit. Regardless of the lack of financial information, the recommendation was to maintain. The SCC Wellness program just purchased two of the standing work stations at the rate of \$2,899 each.

The **SMCC** fitness center is unique in that it is within the athletic department. In the last three years, the FITNESS 800 non-credit courses have averaged 528 students per year. The center serves approximately 300 students per year but no cost or revenue data was provided. The report was clear that if the center was outsourced, they expected to see exactly what happened in EMCC i.e. students in the non-credit courses would not continue.

The recommendation from the local team was to eliminate the center while the steering team and champion suggested to maintain it. The Local Steering Team commented, “Eliminating the Fitness Center is counter to the current direction of the college wellness initiative.” which sentiment was echoed by the SMCC wellness team. This is true for all the colleges and exactly why the fitness center at PC should not be eliminated.

The **MCCD** employee wellness program cited the presence of fitness centers on campus as one of the excellent resources for providing wellness programs and noted that one of the biggest challenges was again – marketing to employees.

The report from **Rio Salado** includes the **District Office** and points out that they have fitness center access for any Rio or District employee but not the public. The enrollment figures are:

PED 115 Life Time Fitness

2009-10	2010-2011	2011-2012	2012-2013	2013-2014
30	40	42	45	60

These figures are significantly lower than the nearly one thousand students and community members who use the Phoenix College fitness center. Over the last three years, attendance at Rio has increased by 10% per year. In a survey, employees found a fitness center a valuable service in percentages ranging from 61% in 2011 to 70% in 2009 and 68% in 2012, the most recent year. Employees are interested in fitness contrary to the conclusions of the Champion in the Phoenix College report. Why should Rio and district employees enjoy a fitness center on grounds but not the employees and faculty of Phoenix College?

The costs outlined are:

2009-2010	2010-2011	2011-2012	2012-2013
\$16,249	\$53,928	\$75,147	\$80,013
	\$45,355	\$46,516	\$48,036
(\$16,240)	(\$99,283)	(\$121,663)	(\$128,049)

Note that these deficits are on average for only 43 employees, far fewer than those who attend the Phoenix College fitness center. In addition, the District purchased seven of the working-walk stations at the cost of \$2,899 each for a total of \$55,293. Yet the recommendation was to maintain, consolidate, enhance, and expand the program.

The benefit of building a corporate culture of fitness and wellness is well argued by the SCC wellness center: “We are a self- insured employer. ... By creating a culture of wellness, and preventive healthcare not only would the cost decrease to Maricopa it would decrease to each individual employee. ... If individuals were preventive in their healthcare over all costs would go down ... So by continuing to create the culture of wellness and balance we can affect the overall cost of benefits and ethically provide good education to our employees.” That is why Maricopa Priorities should focus on maintaining a fitness center on every campus.

FINANCIAL ANALYSIS

According to an analysis by an accounting professor at one of the colleges, in the past decade, MCCCDC has seen their unrestricted cash and investment balances triple, and their unrestricted net assets balance more than quadruple. Annually the general fund expenditures are over estimated. The increase in FTSE with no increase in faculty or

staff resulted in large excesses of revenues over the past decade that were transferred out of the general fund into other funds.

In 2009 and 2010, the district cut the budget 1% in anticipation of state cuts. Yet budget excesses were \$77.4 and \$81.3 million in 2010 and 2011 respectively. In spite of a drop of \$38.4 million in state funding in 2012, \$30 million was still transferred out of the general fund. The percent of expenditures for the District has gone up (an all time high of \$90.4 million), while expenditures for the colleges has gone down (74.4% to 68.6%).

From 2006, FTSE increased from 70,025 to 81,218 or 16%. Faculty increased from 1,307 to 1,374 or .5%. Professional staff decreased from 1,346 to 1,182 or 12%. But management increased from 782 to 942 or 20%. Why are current students expected to pay for services that will presumably be delivered at some later date to some other students? Or worse yet, why are current students paying a premium for increased staff and salary, not to mention wellness equipment, at the District?

Since 2007, revenues have increased from \$489.2 million to \$626.0 or 28%; operating expenses have increased from \$451.4 to \$594.8 or 32%. The excess has decreased from \$35.1 to \$31.2 million. However, only \$5.2 million is included in the general fund balance. In 2013, unrestricted cash and investments totaled \$488.4 million and unrestricted savings \$428.4 million. 2013 alone had a \$41 million positive variance in the general fund.

In every year since 2007, an excess of funds occurred ranging from a low of 5% in 2013 to a high of 13% in 2010 and 2011 before the funds were transferred out of the general fund. Where did that “profit” go? Certainly it is prudent to have savings and investments for an uncertain financial future. For example, the data breach cost \$16.9 million, but as of June 30, 2013, the district could still operate 190 days with zero income. One must ask if these investments and savings are being utilized in the most prudent manner?

One must also question the allocation of the funds for credit and non-credit classes i.e. the non-credit classes at the Fitness center. The general fund is the main operating budget for the instruction and academic support. However, the auxiliary fund supports the non-credit instruction. Are the non-credit classes at the Fitness Center being properly allocated to the auxiliary fund? Is that why the credit and non-credit classes were separated in the templates? It’s impossible to tell from the documents.

From 2003 to 2015, budget expenditures for Phoenix College increased from \$36 million to \$57.8 million or 61%. Expenditures for all colleges increased from \$290.4 to \$531.3 million or 83%, thus PC was frugal. District Office expenditures increased from \$32.6 to \$56.7 million or 74% while District Office Transfers increased from \$55.8 to \$186.1 million or 235%. From 2003 the percent of general fund adopted budget allocated to the colleges decreased from 77% to 69% while the District Office transfers increased from 15% to 24%.

The Endowment fund for medical self-insurance has increased from \$2.6 million in 2004 to \$34.8 million in 2013 or more than 13 times. It would seem prudent for MCCCCD to do all it can to reduce the actual dollars spent on self-insurance by maintaining health and wellness, including a fitness center on every campus.

Conclusion

Not all the departments and services submitted the required information and many were told to present action plans by January 2015. Without seeing those actions plans, it is too soon to know what steps should be taken to reduce costs so it seems that the decisions are premature.

The decision making process appears to use different criteria i.e. fiscal impact, outside funding, reputation, community response, regionalization etc. Artificial separation e.g. family care center from child development program, PED from Fitness Center are made and not reconciled. Regionalization is recommended but not all departments, classes or programs are taken into account nor existing infrastructure and how one program relates to others and to long-term sustainability. The process seems less of a rational decision making process than an arbitrary exercise of power.

The deficits in the Child Care Center and Fitness Center are dwarfed by those in the athletic department, and the two centers serve hundreds more people. Both quality childcare and the fitness center focus on the future (life-long pursuit) and are not easily measured, but are well known to have both short-term gains and long term benefits. The recommended closure of both shows a lack of vision, a focus on short-term over long term results and a lack of adherence to the mission and vision of Phoenix College. We are being penny wise and pound foolish. Tuition was never intended to cover the total cost of education. Education is not a private business. It is a government obligation and an investment in our future.

Recently we have been told that the plan is to have two credit students enroll at the Fitness Center and then pay an extra \$45 to attend the YWCA downtown. Since it is \$84 a credit, the total cost for one semester, four months, at the Fitness Center would be \$168 plus the \$45 to the YWCA for a total cost of \$213. This equates to an annual cost of \$639 – the most expensive Fitness Center in the city. 24 Hour Fitness is \$520 a year, Fitness Works is \$600 a year, LA Fitness is \$460 a year, and even the YWCA by itself is \$565. Surely the plan cannot be for students at a community college to pay more for the Fitness Center than they would pay anywhere else or than they would pay by themselves at the YWCA? This kind of lack of leadership, lack of management, lack of common sense infects this plan from start to finish.

We ask that Phoenix College be required to come up with a plan that is consistent with facts and internally coherent with consideration of short and long term benefits and costs. Any plan should pay special attention to the diverse student body especially in the urban context and that of the community. The fitness center is the best kept secret in town and intensive marketing could dramatically improve its bottom line. Staff time allocation

needs to be studied to reduce costs at the same time. We would appreciate a formal response to our requests.

Sincerely,

Dianne Post, J.D.
Marie Tymrak, RD, MPH
Joy McLain. P.C. Faculty 1966-
1989. P.E. dept.

EXHIBIT A

Maricopa Priorities Academic Programs Self-Assessment Template -
Selected Departments

Business Dept

They presented a totally inadequate report; the budget shows an annual deficit counting only salaries/benefits and tuition.

2010-2011	2011-2012	2012-2013
(\$500,000)	(\$700,000)	(\$500,000)

The Business Department reports were required to have been turned in on October 31. I never received them in my November records request. Were they turned in? If not, why not? If so, why didn't I receive them in my public records request? Yet without the information, all courses were recommended to continue

Chicano/a Studies

Phoenix College is 40% Hispanic and is designated as a Hispanic Serving Institution. It also hosts the Raul Castro Institute. The report had no comparison/cost benefit analysis, but costs were listed.

2010-2011	2011-2012	2012-2013
(\$3905)	(\$1382)	(\$2490)

The recommendation was to eliminate with no consideration to consolidating all the Hispanic offerings into one program that could be restructured, reflect the population, and become a magnet program. On the other hand, in the "recommendations", the steering team and champion suggest making PC the regionalized center. If that is the plan, then this program needs to be factored into the total plan.

Chemistry

Chemistry was one of the few well-written assessments. It listed costs and revenue from FTSE:

2010-2011	2011-2012	2012-2013
(\$1,022)	(\$1,196)	(\$1,509)

The recommendation was to maintain/expand by the task force, but to maintain by the steering committee and champion. However, chemistry is needed in bioscience, nursing, dental, pharmacy, forensics and environmental. Bioscience, nursing, dental

and forensics are recommended to continue as major programs at Phoenix with a recommendation to make PC the regional hub for forensics. The need to expand chemistry for all these other programs was apparently not considered.

The Environmental and Natural Resources Stewardship program is funded to the tune of \$190,000 by grants from BLM to encourage inner city youth to participate. PC has to only provide a \$15,000 match in kind. Further the college president recently made a statement that we need to focus on climate change. It would appear this would be a department to expand to meet that upcoming need.

IDP Child and Family Studies

Since 1959 PC has been a training laboratory with a child care center and parent cooperative. They work with SouthWest Human Development to offer HeadStart. As the report points out, research has verified the need for high quality early education and President Obama has focused on that need nationally. The benefit of such high quality early education results in a \$7 return on every \$1 invested.

2010-2011	2011-2012	2012-2013
\$149,310	\$153,832	\$159,373 (salaries only it appears)
\$111,186	\$118,400	\$114,843 (income – unclear if includes tuition and fees for child care center as well)
(\$38,124)	(\$35,432)	(\$44,530)

These are actually quite small deficits compared to other departments.

FTSE		
\$2,817	\$2,958	\$3,817

HES (Health Education)

The growth of enrollment in this field has been from 232 in 2020-2011 to 281 in 2011-2012 and 354 in 2012-2013. According to the template, the increase is because of the awareness of the community to the emphasis on health and health professions because of the shift to prevention, personal responsibility for healthy life-style and self-care. The program supports exercise science and personal training. In spite of the 34% enrollment increase, the program’s success rate is declining. The task force recommends restructuring but the other two levels would maintain the program.

The figures presented were:

2011-2012	2011-2012	2012-2013
\$110,445	\$132,273	\$186,200 (salary only apparently)
\$44,730	\$58,071	\$68,058 (revenue)
(\$65,715)	(\$74,202)	(\$18,142)

FTSE COST		
\$5259	\$5193	\$6238

The awareness of health issues would mandate a fitness center on site.

Interior Design

The task force notes that FTSE is very high and enrollment barely meets required levels but all three reviewers suggest consolidation and the steering team and champion suggest making PC the regional center. Thus enrollment, FTSE cost, and deficits are obviously not the only determining factor and other considerations are at work.

2011-2012	2012-2013	2013-2014
\$253,211	\$252,219	\$276,793 (total costs)
\$ 83,070	\$ 74,602	\$ 68,970 (tuition revenue)

I would also note that tuition revenue is not the only revenue for a department but the reports do not make clear the total cost breakdown or income breakdown.

(\$170,141)	(\$177,617)	(\$207,823)
FTSE		
\$6,493	\$7,708	\$9,150

The losses and costs are far higher than the Fitness Center.

Spanish Humanities

The task force notes there is minimal information, and very low completion and success rates for this single course. Yet they all agreed to maintain the course with no discussion of integrating it into an existing Spanish program. Here is another missed opportunity. Since completion and success rates are so low, and in “recommendations” the steering team and champion have suggested making PC the regional center for Hispanic studies, why isn’t this single class merged into that center?

2011- 2012	2012-2013	2012-2013
\$107,111	\$89,645	\$100,781
\$57,914	\$56,430	\$48,108
(\$49,197)	(\$33,215)	(\$52,673)

Health Professions, Fitness and Wellness (Massage)

According to the template, this award winning program has a thousand community members who use the services per year. There is a high demand by employees and

community and often 100 people on the waiting list. Obviously there is a community need for fitness and wellness that is ignored by the proposed closing of the fitness center.

Surveying Technology & Civil Engineering Technology Programs –

According to the template, this is the only program in the state and is supported by local government, engineering companies and utility companies. The students are in demand for internships and employment. Yet the steering team and champion recommend elimination the program. So in this case, being unique and in high demand were not factors that were considered important.

2010-2011	2011-2012	2012-2013
\$74,307	\$57,154	\$74,845 (costs)
\$11,928	\$13,452	\$15,276 (tuition)
Note this does not include the support by local government, engineering companies and utility companies.		
(\$62,379)	(\$23,702)	(\$58,569)

PEd – Physical Education

The PEd prefix is the credit enrollment for the Fitness Center and Group Fitness. The credit enrollment and the non-credit enrollment should not be separated as both contribute to the cost/benefit analysis.

Enrollment in 2010-11 was 3,643; in 2011-2012, it was 2,079; and in 2012-2013 it was 1,820 with an 86% completion rate.

2010-2011	2011-2012	2012-2013
\$493,592	\$493,799	\$554,107 (salaries)
\$374,199	\$290,472	\$249,136 (income)
(\$119,393)	(\$203,327)	(\$304,971)
FTSE		
\$2,810	\$3,876	\$5,071

The report does not separate the costs of the group fitness classes from the Fitness Center itself nor does it delineate how the instructors time is allocated between classroom hours and hours in the Fitness Center or if they spend hours in the Fitness Center, which would reduce the staffing cost. The assessment recommends reducing adjunct hours to reduce salary costs. While the age of the facility is noted, the capital expenditures are from student fees. The expenditure for replacement of men’s lockers that were vandalized should be allocated to the visiting sports teams that rent the field i.e. athletics not to the Fitness Center.

EXHIBIT B

Maricopa Priorities Support Programs and Services Self-Assessment Template –
Selected Programs

Communiversit

While both task force and steering team recommend elimination, the champion recommends maintaining the program. If it is to be maintained, it should be noted that Phoenix College is the health care program partner. As the health care program partner, why would PC eliminate the Fitness Center while other colleges are expanding? It seems counter-intuitive and yet another example of the failure to put all the pieces together.

The Family Care Center

The center was one of two in Arizona to receive federal funding through the Department of Education. The template outlines the direct cost as \$273,654 and the indirect cost of \$112,417 with an income of \$60,302. However, the Center was one of the few departments who included indirect cost in their analysis; therefore, the costs might appear to be excessive compared to other departments that have not fully divulged indirect costs.

2011-2012	2012-2013
\$309,063	\$330,107
\$56,668	\$ 70 963
(\$252,395)	(\$259,144)

Fitness Center

Below are the costs and income for the non-credit students only. This does not count the tuition income from the credit students whose monies are counted in the PED program but will be lost if the Center is closed. Further, three residential faculty are instructors of record for all enrolled Fitness Center students. If they utilized their hours in the Center, use of adjunct faculty could be cut to save monies.

2011-2012	2012-2013
\$135,611	\$143,455
\$63,651	\$60,147
(\$71,960)	(\$83,308)

The assessment reminds us that the departments were told to “spend down” because they were carrying large balances specifically from non-credit enrollment. If that was true, then were did those “large balances” go? And if there were large balances, why did large deficits suddenly appear?

The Fitness Center allegedly used \$40,000 of capital funds but no such amount was spent inside the Center nor was the appropriate documentation filed. It appears later in the reports that \$60,000 was spent on vandalism in the men’s locker room. That should not be allocated as an expense to the Fitness Center but to athletics since it was visiting teams that did the vandalism not Fitness Center users.

Wellness Maricopa

The Wellness program has a budget of \$15,605 with expenditures of only \$6,600 or 42% of its funds.

Athletics

Because there are so many different departments in athletics, and the losses are large, I have put the information into a chart form for easier access.

Program	2010-2011	2011-2012	2012-2013
Men’s Basketball			
FTSE	17	12	18
Salaries/benefits	\$79,008	\$144,715	\$172,950
Revenue	\$14,000	\$12,800	\$7,800
LOSS	\$65,008	\$131,915	\$165,150
Football			
FTSE	283	256	216 (1)
Costs	\$181,345	\$213,889	\$165,964
Raised	\$14,600	\$15,200	\$7,300
LOSS	\$166,745	\$198,689	\$158,664
Women’s Soccer			
FTSE	54	29	52
Costs	\$77,784	\$83,108	\$68,689
Raised	\$7,100	\$5700	\$9300
LOSS	\$70,684	\$77,408	\$59,389
Volleyball			
FTSE	42	45	49 (2)
Costs	\$80,519	\$106,240	\$71,076
Raised	\$7100	\$5900	-0
LOSS	\$73,419	\$100,340	\$71,076
Baseball			
FTSE	111	68	89 (3)
Costs	\$42,008	\$105.982	\$124,103

Raised	\$8900	\$7800	\$13,000
LOSS	\$33,108	\$98,182	\$111,103
Women's Basketball			
FTSE	15	11	14
Costs	\$87,248	\$95,148	\$86,822
Raised	\$19,200	\$14,700	\$13,200
LOSS	\$68,048	\$80,448	\$73,622
Men's Soccer			
FTSE	66	64	62(4)
Costs	\$77,506	\$88,771	\$82,560
Raised	\$4,500	\$5,900	\$11,000
LOSS	\$73,006	\$82,871	\$71,560
Softball			
FTSE	44	44	45(5)
Costs	\$42,509	\$45,746	\$87,085
Raised	\$27,000	0	\$7,000
LOSS	\$15,509	\$45,746	\$80,085
Athletic Training			
345 per year(6)			
Cost	\$158,750	\$178,456	\$180,923
Raised	0	\$4025	\$5132
LOSS	\$158,750	\$174,431	\$175,791
Sports Info/Development	\$7,500	\$24,975	\$72,103
LOSS	\$7500	\$24,975	\$72,103
TOTAL LOSS	\$631,777	\$1,015,005	\$938,543

- (1) Benefits up to 110 a year.
- (2) Benefits 13 per year
- (3) Benefits 35 per year
- (4) Benefits average of 18 per year
- (5) Benefits up to 22 per year

(6) It seems unlikely that the Athletic Training department can work with 345 persons year to evaluate, treat and manage injuries when only 255 students are involved on average in all sports combined. Some of these students will be the same ones i.e. students who participate in more than one sport in a year. Of course some students may also have more than one injury in a year.

EXHIBIT C

Recommendations - Instructional

The following lists the recommendations made by the task force, steering team and champion for each department.

Department	Task Force Recommendation	Steering team recommendation	Champion recommendation
AAA/CPD	Restructure	Restructure	Maintain w/Action Plan
ACC	Expand	Maintain	Maintain*
AIS/NAV/N	Maintain	Eliminate	Eliminate
AJS	Expand	Expand	Expand
Architectur	Eliminate	Eliminate	Eliminate
ARH	Enhance	Maintain	Maintain
ART	Maintain	Maintain & expand	Maintain & expand
ASB/ASM	Maintain	Maintain	Maintain
AST	Maintain	Maintain/phase out	Maintain, fall 2016 eliminate if no significant enrollment increase
BIO	Expand	Maintain	Maintain
BPC	Expand	Maintain	Assessment Due*
CCS – Chicano/a Studies	Restructure, consolidate	Eliminate	Eliminate
Child & Family Studies	Maintain/Consolidate, make regional center	Consolidate, make regional center	Consolidate, make regional center
CHM Chemistry	Maintain	Maintain	Maintain
CIS	Expand	Maintain	Assessment Due*
COM	Maintain	Maintain	Maintain
CRE	Enhance	Maintain	Maintain
CRW	Maintain	Restructure	Maintain/consolidat
CUL/FON Culinary	Restructure, expand	Restructure/expand	Restructure/expans
DAE	Maintain	Maintain	Maintain
DHE	Maintain	Maintain	Maintain (1)
Digital Media Arts	Maintain	Maintain	Maintain
Digital Photograph	Maintain & Enhance	Maintain	Maintain
ECE	Restructure	Expand & Restructure	Expand and

			restructure
ECN	Expand	Maintain	Maintain
EDU	Maintain/enhance	Consolidate	Maintain, enrollment by fall 2016 or eliminate
EMT	District-wide restructure and consolidate	Consolidate	Consolidate (2)
ENG	Maintain	Enhance	Enhance
ENH	Assess/restructure (3)	Maintain	Maintain
ENRS	Maintain/Expand	Maintain	Maintain
ESL	Enhance, expand, restructure	Consolidate	Consolidate(4)
Fashion Design	Maintain/Enhance	Maintain	Maintain, Action plan by January
Fire Science	Consolidate, Restructure, make regional center	Consolidate, make regional center	Consolidate, make regional center(5)
FRE French	Eliminate	Eliminate	Maintain, enrollment by fall 2016 (6)
GBS	Expand, restructure, innovate	Maintain	Provide information *
GCU	Enhance	Maintain, phase out	Maintain, enrollment fall 2016
GLG	Enhance	Maintain	Maintain
GPH	Evaluate or eliminate	Eliminate	Maintain, enrollment fall 2016 (7)
Graphic Design	Maintain	Maintain	Maintain
HCC	Maintain short term	Maintain	Maintain
HCR	Maintain	Maintain	Maintain
HES	Restructure	Maintain	Maintain, action plan by January
HIM	Maintain	Maintain	Maintain
HIS	Enhance	Maintain	Maintain
HST	Maintain/enhance	Maintain/phase out	Maintain, plan by January, enrollment by fall 2016
HUM	Maintain/enhance	Maintain	Maintain
IBS	Expand	Eliminate	Require information by Oct. *

IFS	Eliminate	Eliminate	Eliminate
Interior Design	Enhance (8)	Consolidate, regional center	Consolidate, regional center
IPP	Enhance	Maintain	Maintain (9)
ITA/JPN	Eliminate	Eliminate	Eliminate
LBA	Restructure/phase out	Eliminate	Eliminate
LDR	Enhance or restructure	Eliminate	Eliminate
Legal Studies	Enhance	Maintain	Maintain
MAS	No recommendation	Consolidate	Consolidate, regional center for Medical Assisting
MAT	Expand, restructure	Enhance	Enhance
MDL	Maintain	Maintain/phase out	Maintain, plan by January
MGT	Expand	Maintain	Provide information *
MKT	Expand	Maintain	Provide information*
MTC	Restructure	Restructure (10)	Maintain, plan by January, enrollment by 2016
MUC/MTC	Restructure	Consolidation	Maintain
MUP	Restructure	Restructure	Maintain, action plan, enrollment 2016
NCE	Restructure	Eliminate	Eliminate
NUR	Maintain/enhance (11)	Maintain/enhance	Maintain/enhance
OAS	Expand	Eliminate	Provide information *
PED	Restructure	Maintain but for Fitness Center	Maintain but for Fitness Center
PHI	Enhance	Maintain	Maintain, plan by January 2015
PHY	Enhance	Maintain	Maintain
PLB	Consolidate, restructure	Maintain/phase out	Maintain, plan by January, enrollment by fall 2016
POS	Enhance – low FTSE	Maintain	Maintain, plan by January
PSY	Maintain	Expand	Expand
RDG	Maintain	Enhance	Enhance

REA	Expand	Eliminate	Provide information *
REC	Eliminate	Maintain/phase out	Maintain/phase out, plan by January, enrollment by 2016
REL	Restructure – dramatic declines in FTSE	Maintain	Maintain, plan by January
SBS	Expand	Maintain	Provide information*
SBU	Expand	Maintain	Provide information*
SOC/WST	Enhance	Maintain	Maintain
SPA	Restructure/enhance (12)	Maintain	Maintain
SPH	Maintain	Maintain	Maintain
SSH	Expand	Maintain	Maintain, plan by January
STO	Consolidate/eliminate	Eliminate	Eliminate
Surveying Construct	Restructure	Eliminate	Eliminate
SUS	Expand	Maintain	Maintain
SWU	Expand	Maintain	Maintain
THE/THP	Consolidate/restructure	Consolidate/restructure	Maintain, plan by January, enrollment by 2016
WED	Enhance	Maintain/phase out	Maintain/phase out, Plan by January, enrollment by 2016

- The Business Department did not follow the guidelines and provide an adequate individualized assessment and so all departments were asked to provide the requested information by October 31, 2014.
- (1) – DHE – Dental Hygiene is very expensive but has demonstrated high quality outcomes. FTSE is 22 students each fall. Costs are given as \$536,940 for 2010-11; \$627,503 for 2011-2012; and \$616,129 for 2012-2013 with an average of \$35,000 per year in client fees. No information is given for tuition income so while the complete benefit/loss amounts are not known, it is substantial. Therefore, loss is not the only factor being figured into the decision making. The task force points out that, “The Dental Clinic is a vital component to DHE, provides student training, is a valued community service, and helps to support their operations fiscally.” The same can be said for the Fitness Center.
 - (2) EMTs have health and physical fitness requirements that can be met by the Fitness Center.

- (3) The task force points out that many courses have not been offered for many semesters and no data were provided for completion and success. Yet the Steering Team and Champion claim there is no rationale for restructuring.
- (4) All three recognize that PC is a Hispanic-servicing institute and had 21% of the district ESL. Steering Team and Champion suggest making PC the regionalized center. This would seem contrary to cutting the Chicano/a studies and leaving Spanish Humanities as a stand-alone course.
- (5) This is another expensive program in which extensive capital has already been spent that is recommended to continue. Enrollment averages 556 per year, and cost/benefit analysis (using direct costs only) are 2010-11, \$92,229; 2011-2012, \$190,192; and 2012-2013, \$173,443. Even though job availability is limited, this program is suggested not only to continue, but to become a regional center.
- (6) As the task force points out, more often than not the classes have been cancelled over the past three years for insufficient enrollment. There appears no rationale for the recommendation of the Champion to maintain the program.
- (7) The task force points out that FTSE is well below minimum enrollment, neither of the courses are making, and it should be eliminated. There seems no rationale for the Champion's recommendation to maintain.
- (8) Task force points out that costs are high and recent enrollment barely surpasses minimum. Yet the steering committee and champion recommend it becoming a regional center.
- (9) All three groups point out that costs are high but Interpreter Preparation Program offers a significant benefit to the deaf community and should be maintained, thus showing that community concerns are important as well as fiscal ones.
- (10) Both the task force and steering team point out that the cost is high but the program has a positive community image and reputation.
- (11) The task force points out that this is an expensive program but serves a critical need, substantial investment has already been made and success is high. The recommendations in 8-11 point out that considerations other than strictly fiscal are at work.
- (12) FTSE decline in Spanish is a decade long trend. This too should be consolidated into the regional center on Hispanic studies if that occurs.

EXHIBIT D

Maricopa Priorities Recommendations – Support Services

Some questions exist about how “support services” was defined e.g. a fraternity? It seems to conflate administrative jobs, management jobs, and anything left over like PC Downtown.

Department	Task Force	Steering Team	Champion
ACE	Consolidate	Consolidate	Consolidate
Advising	Expand	Expand	Expand
Admissions & records	Expand	Restructure	Restructure
Athletics Information & Marketing	Maintain/phase out	Eliminate	Maintain (1) Plan by January, pay own way by July
Athletics – Mens baseball	Maintain, restructure (this is the same recommendation for all sports at PC)	Eliminate	Maintain, action plan
Mens basketball	Maintain, restructure	Eliminate	Maintain, action plan
Men’s Football	Maintain, restructure	Eliminate	Maintain, action plan
Men’s Soccer	Maintain, restructure	Eliminate	Maintain, action plan
Athletic training	Maintain	Eliminate	Maintain, action plan
Women’s Basketball	Maintain, restructure	Eliminate	Maintain, action plan
Women’s Soccer	Maintain, restructure	Eliminate	Maintain, action plan
Women’s Softball	Maintain, restructure	Eliminate	Maintain, action plan
Women’s Volleyball	Maintain, restructure	Eliminate	Maintain, action plan
Business Services	Maintain	Maintain	Maintain
Case Oso	Restructure, loss of under \$50,000 annually	Restructure/eliminate	Restructure/eliminate, action plan
Career Services	Maintain	Maintain	Maintain
Cashiers	Enhance	Maintain	Maintain

Center for Continuing Dental Education	Restructure	Restructure or eliminate	Restructure or eliminate
Class Scheduling	Maintain	Restructure	Restructure
Communi-versity	Eliminate (2)	Eliminate	Maintain, action plan, enrollment by 2016
Counseling	Maintain, restructure	Restructure	Restructure
CTL	Reduce	Restructure	Restructure
Curriculum	Maintain	Maintain	Maintain
Dean Arts & Science	Maintain	Maintain	Maintain
Dean Industry & Public Service	Maintain	Maintain	Maintain
Dean of Student Affairs	Maintain	Maintain	Maintain
Degree Phoenix	Maintain	Maintain	Maintain
Development Education	Enhance	Enhance	Enhance
Disability Resources	Maintain	Maintain	Maintain
Employee org Learning & development	Consolidate	Restructure	Restructure
Employee Services	Enhance	Restructure & expand	Restructure & expand
Facilities Maintenance	Maintain	Maintain	Maintain
Facilities Management	Enhance	Maintain	Maintain
Facilities Operation	Restructure	Eliminate	Maintain
Facilities Special Services	Enhance	Expand	Expand
Family Care Center	Phase Out	Eliminate	Eliminate
Financial Aid	Expand	Expand	Maintain
Fitness Center	Restructure	Eliminate	Eliminate

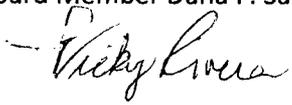
Grants Development	Maintain	Maintain	Maintain
Honors	Maintain	Maintain	Maintain
Institutional Advancement	Maintain	Restructure	Maintain
International Programs	Expand	Maintain	Maintain
IT Dean	Enhance, maintain	Restructure	Expand
IT Help Desk	Enhance	Maintain	Maintain
IF infrastructure	Enhance	Maintain	Maintain
IT Media	Expand	Maintain	Maintain
IT programming	Enhance	Maintain	Maintain
Learning Communities	Consolidate	Consolidate	Consolidate
Library	Maintain	Maintain	Maintain
PC downtown	Restructure	Eliminate	Maintain, plan by January
Phi Theta Kappa	Maintain	Maintain	Maintain
Phoenix College Preparatory Academy	Maintain	Maintain/eliminate	Expand
President's Office	Maintain	Maintain	Maintain
PRIE	Restructure	Restructure	Maintain (3)
Reach/Trio	Maintain	Maintain	Maintain
Student Life	Maintain	Maintain	Maintain
Student Success	Expand	Maintain	Maintain
Testing	Maintain	Maintain	Maintain
Veterans Services	Maintain	Maintain	Maintain
VP of Academic Affairs	Maintain	Restructure	Maintain
VP of Administrative Services	Maintain/restructure	Restructure	Restructure
VP of Student Affairs	Maintain, restructure	Restructure	Restructure (4)
Welcome Ctr	Expand	Restructure	Restructure
Wellness	Maintain	Maintain	Maintain

Maricopa			
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- (1) The champion says, “Several improvements have been made in recent years regarding the efficiency and effectiveness of PC athletic programs and success of student athletes.” The individual reports don’t seem to support that and that information is unsubstantiated.
- (2) The task force notes that the community is far away in a homogenous suburb and does not meet the PC goals of a “diverse urban community”.
- (3) This program has two directors and two employees – an example of the top heavy administration at MCCC.
- (4) It may be significant that the Champion reserves the right to reassess the reporting structure of Athletics in the future (regarding moving athletics from administrative services to student affairs).

Hand-delivered January 27, 2015

To: Governing Board President Tracy N. Livingston
Governing Board Secretary Johanna Haver
Governing Board Member Doyle Burke
Governing Board Member Alfredo Gutierrez
Governing Board Member John B. Heep
Governing Board Member Jean McGrath
Governing Board Member Dana F. Saar

From: Vicky Rivera  480-376-6877

This administration refuses to hold themselves accountable for anything. Innocent people are sacrificed to save the Administration. The Chancellor claims that the buck stops with him yet he is the last one standing while others pay for his negligent behavior. This level of corruption has been sanctioned with a recent \$4 million dollar fine by the Federal Government for fraud yet no one in the Administration is being held accountable.

MCCCD cashed their last bond in 2013. It is now 2015, and MCCCD's reputation is so bad that no one there will go after another bond. MCCCD is burning cash reserves, raising tuition, and raising taxes to save MCCCD and protect the Administration.

Where is fiscal responsibility when millions of dollars in delayed or cancelled IT projects have been wasted? The Chancellor had been told. The Vice Chancellor had been told. Who is holding this Administration accountable? Why are these administrators still on payroll?

Policies and processes are ignored, state laws are broken and corruption is allowed to continue and is dismissed as "part of doing business." Look at what large corporations do to their leadership when scandals like what happened at MCCCD become public. Why is MCCCD any different? Are taxpayer dollars less valuable than stockholder dollars?

Our new Governor recently said "we must stop paying lawyers and start paying teachers." Is MCCCD listening? Millions have been wasted in the security breach lawsuits and millions more will be. The Chancellor and many in his Administration will one day retire and leave us all with a huge bill. You can't afford to delay and not make changes for fear that something worse will happen. Wake up? This is really bad and it is happening now. You will be held accountable as an accomplice if you do nothing.

Why did the Chancellor take the hire and fire privileges away from the Board? This is all employees had left to seek justice in an unfair system that is often manipulated to protect the administration. Why was this done before new Board members were elected? Was it done so the Chancellor could hire a democratic aid for \$150k a year without Board approval?

MCCCD needs a new bond. MCCCD needs new leadership willing and able without baggage to move education forward in our county. This administration has saddled MCCCD with the biggest class action lawsuit in history and many other lawsuits will follow. This administration has sentenced MCCCD to a future plagued with lawsuits and lawyers. Is this what you want to support? Is this how you want to spend taxpayer dollars? Is this the future you want for your grandchildren?

It is time for change. Change that will bring about renewed faith from our community, the media and those who voted for you. Change to resolve all legal issues facing MCCCD and focus on our core mission of teaching and learning. The community spoke in November 2014. It is now time for you to do what you were elected to do. People are tired of corruption, fiscally irresponsible behavior and scapegoating of employees.

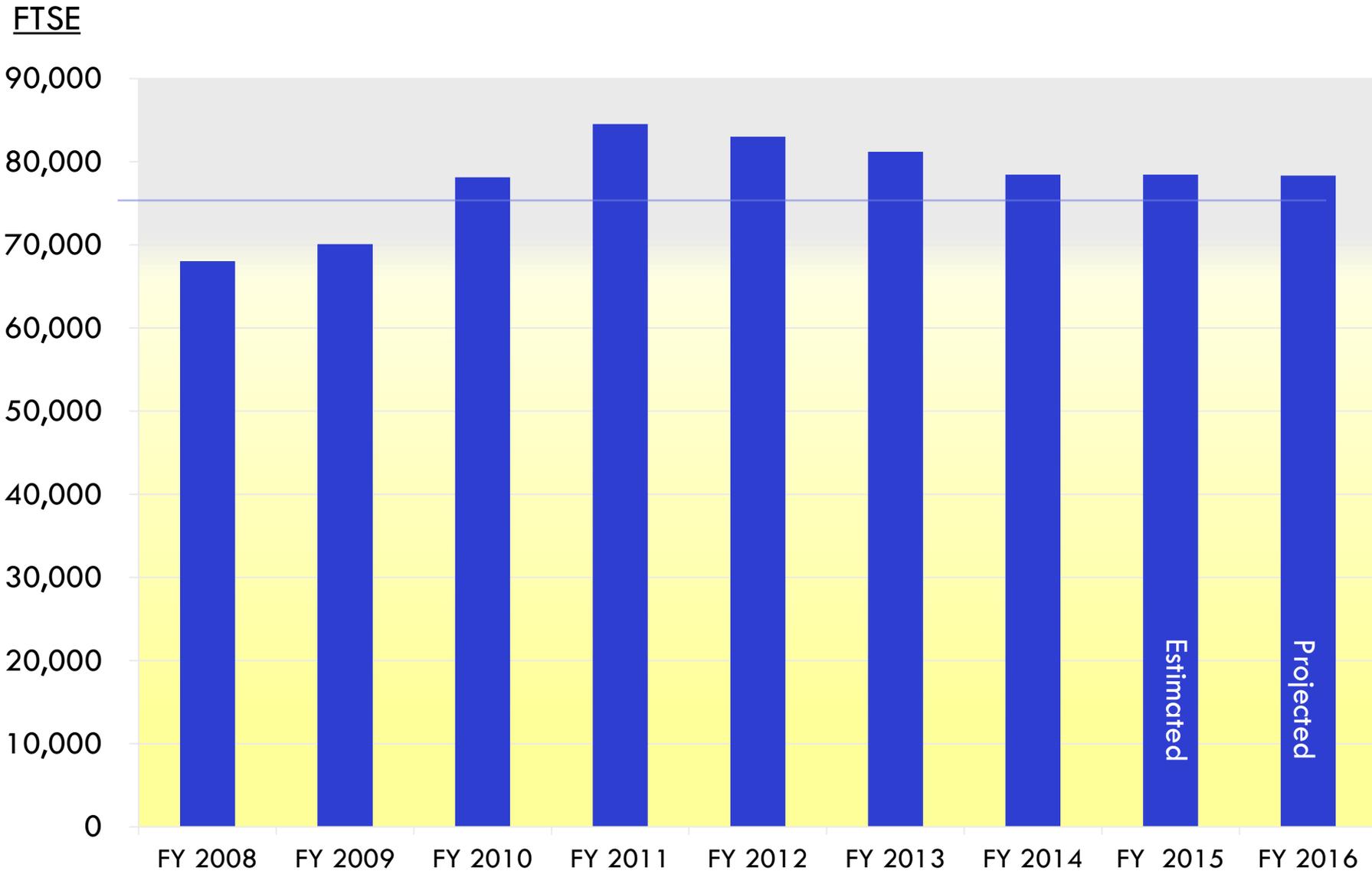


Maricopa Community Colleges

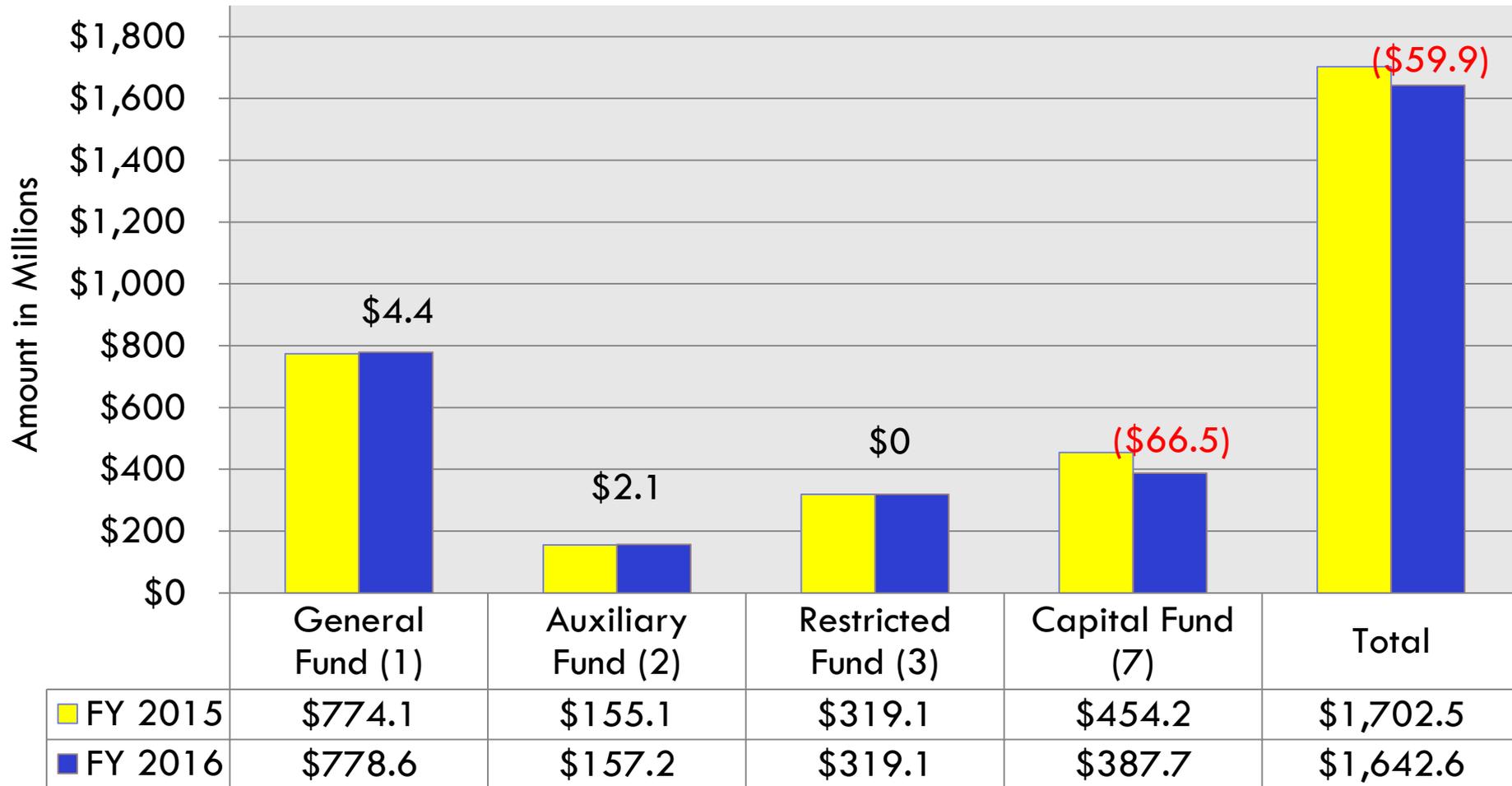
FY 2015-16 Preliminary
Budget Overview

January 27, 2015

FTSE Enrollment History



FY 2015-16 Estimated Budget



FY 2015-16 Projected Resources

New Revenue/Resources	Amount
Tax Levy	
- New Construction	\$ 9,274,816
- SRP In Lieu	(170,503)
- Tax Levy Increase	-0-
State Aid (Governor's Recommendation)	(4,071,200)
Tuition & Fees	(466,952)
Tuition Rate Increase	-0-
Other	(144,924)
Subtotal New Revenue	4,412,237
Reallocation – Uncollected Tax Levy	2,000,000
TOTAL Resources for Allocations	\$ 6,421,237

Proposed FY 2015-16 Uses

Institutional Priorities for Additional Investment	Amount
Employees Manual (Anniv, Educ, Fac PG step incr)	\$ 1,000,000
Operating cost for 2004 Bond Program - Construction	700,000
Operating & Maintenance Cost for Technology	1,100,000
Insurance (Property/Liability)	1,000,000
Student Initiatives – SSE, SSI, SEM, IMORE2	1,901,014
60/40 CGCC, PVCC, EMCC	720,223
Total	\$ 6,421,237

Other Operating Highlights

Auxiliary – Fund 2	Amount
Contract Programs & Auxiliary Training	\$1,501,533
Scholarships & Awards	229,895
Transfers	508,393
Course Materials	(10,517)
Food Service	6,556
Non Credit/Special interest	(105,996)
TOTAL Inc/(Dec)	\$2,129,864

Restricted - Fund 3	Amount
Grants and contracts	\$ 394,999
Proposition 301	3,369,379
Student Financial Aid and Other	(3,764,378)
TOTAL Inc/(Dec)	\$0

Capital Highlights

- ✓ FY 2016 Plant Funds drop \$66.5m moving toward completion of the 2004 Capital Development Program.
- ✓ General Obligation (GO) Bond authorized by 2004 voter referendum issued for a total of \$951m.
- ✓ The Secondary Tax Levy to repay GO Bonds will drop from \$82.9m to \$80.2m (the rate is estimated at \$0.2298 / \$100 of valuation or \$22.98 per year for a \$100,000 home).

Questions?



Chandler-Gilbert | Estrella Mountain | GateWay | Glendale | Mesa | Paradise Valley | Phoenix | Rio Salado
Scottsdale | South Mountain | Corporate College | Maricopa Skill Center | SouthWest Skill Center