



**Maricopa County Community College District
Governing Board Minutes
March 14, 2017**

A Policy Committee, Agenda Review, Work Session, Executive Session and Special Meeting of the Maricopa County Community College District Governing Board were scheduled to be held beginning at 4:00 p.m. at the District Support Services Center, 2411 West 14th Street, Tempe, Arizona, pursuant to ARS §38-431.07, notice having been duly given.

GOVERNING BOARD

Alfredo Gutierrez, President
Johanna Haver, Member
Laurin Hendrix, Member
Linda Thor, Member
Jean McGrath, Member
Dana Saar, Member

Absent:

Tracy Livingston, Member

ADMINISTRATION

Maria Harper-Marinick
LaCoya Shelton
Sue Kater for Paul Dale, Interim EVC & Provost
Gaye Murphy
Edward Kelty
Christina Schultz
Chris Bustamante
Charles Nwankwo for Bill Guerriero
Jan Gehler
Shari Olson
Sasan Poureetezadi
Maggie McConnell, Legal

**Policy Committee
Call To Order**

The Policy Committee was called to order at 4:01 p.m. by Board Member Dana Saar. Mr. Saar commented that the Board had been spending this past year going over Governing Board Outcomes and today would be spent finalizing the Board's decision on Policy 1.4 Community Development and Civic and Global Engagement. Included with the agenda was the current policy, supplemental information, metrics, and part of the presentation in November for this outcome. It was suggested that titles be changed, omit "ands," and add more to it.

The Chancellor provided historical information about the Outcomes which used to have many other statements prior to the Board deciding to engage in this. The decision was to have not more than four categories. The last one could have become "what else was left" and these were not embedded in with the others which is the reason for all the "ands." It is tricky to find metrics for some of these. Everyone would welcome a change to this. How can the fourth outcome be better utilized? How can we progress on this and vote on it before June 30?

Discussion was held about the term "vocational" in 5i and 5iii. Need to agree on same terminology (vocational, occupational, now CTE). Vocational skill centers no longer called that. In Section 2 "Limitations", then "Interpretations" has created need for potential changes. These are listed as Existing and Proposed. Concern about negative phrasing that was

encouraged by Carver. Need to have things phrased in a positive fashion, i.e., Chancellor will have services for students, or Board will provide funding.

2.2 Treatment of Faculty and Staff is a policy position of the Board. We have made professional development a matter of policy on an ongoing basis. If we don't support this, then Chancellor can't be held to this.

With respect to 2.4 Financial Condition and Activities, we don't spend money, we invest it.

Suggested Changes to 2.11 Mission Sustainability include the following rephrasing: *"With respect to mission sustainability, the Chancellor will not fail to embrace national best practices in institutional operations that adequately produce measurable outcomes. In addition, the Chancellor will not allow the documented needs of local businesses to go unfilled."* Change Interpretation: This year they did not change but they will become effective July 1.

3.4 Monitoring the Chancellor's Performance: The Chancellor's Evaluation Committee met on February 7 and concluded that the process should continue and will include a new instrument (such as used at Foothills DeAnza) that evaluates how the Chancellor works with the community, staff, faculty and community organizations, as well as ethics, honesty, effective communication skills and diversity. Timeline for this year is to have this completed May 2017.

First Read on this revision (3.4) will be on March 28 and adoption in April. The Chancellor stated she was in agreement with what has been proposed. Agreed that having a document that is clear would be welcomed. The timeline can be managed.

**ADJOURNMENT OF POLICY
COMMITTEE MEETING**

The Policy Committee adjourned at 4:35 p.m.

Agenda Review

President Gutierrez called to order the Agenda Review at 5:00 p.m.

Minutes: Deemed to be too lengthy by one board member.

12.1 Curriculum

Board Member Jean McGrath commented that pages 9 – 12 included carpentry training classes which appeared to be tailored for the Carpenters Union. Each one had a *"prerequisite of registered apprentice status with the Central Arizona Carpenters Joint Apprenticeship Training Committee or permission of apprenticeship coordinator."* Mrs. McGrath said it sounded like we were doing classes for the Carpenter's Union and asked if the classes were paid for by the union which would be a violation of right to work provisions. It appeared we were forcing someone to join the Union, pay

Union dues when $\frac{3}{4}$ of the tuition is paid for by the taxpayers. Mr. Gutierrez noted it would be helpful to clarify the role of the Apprenticeship Coordinator.

**Adjournment Of
Agenda Review**

The Agenda Review adjourned at 5:30 p.m.

**Work Session On Comp
And Class Implementation
Update**

Vice Chancellor of Human Resources Lacya Shelton provided a quick overview of the information to be covered during this work session. This included:

- Implementation Plan and Timeline
- Communications
- Reconsideration Window
- Policy Considerations
- Current Status of the Study
- Consultant Methodology

Ms. Shelton commented that during the information sessions held, they were looking for and inviting feedback from attendees about owning this rollout. Employees don't always go to Human Resources but rather to supervisor. In order to provide enough information about this new program, it had been decided to delay the implementation from July 1 to October 15. They have aligned HCM to coincide with the new timeline. October 16 will be the first actual payroll associated with this new program. Paycheck amounts should not be affected with exception of those falling below minimum.

Timeline

President Gutierrez stated he had no objections but felt CSC and FEC should have been told before tonight. Ms. Shelton responded that implications of how changes made that same day did not allow for notifying these employee associations. Mr. Saar commented that this is the biggest change the organization has gone through in a long time and is open to anything that makes this work. Wants to get this right. These are two groups that communicate to their members and keeping them apprised is important. Getting it right to make it right is important to employees. Ms. Shelton responded that this delay will allow for a better rollout and will be more widely accepted if it is thorough.

Mr. Saar asked how job families and series within these have been identified?
Response: Class Specification and Complexity. Before they get their allocation there is a discussion and understanding of what family structure looks like. There will be "Train the Trainer" sessions on how to navigate the new system. Letters will be provided and delivery will vary. This will be synchronized. August 14 is a crucial date for notification. Even though this is very close to the start of the fall semester, the notification was pushed out as far as possible and adjusted as necessary. August 21 through September 8 will be used as Reconsideration Window Dates for employees to have their jobs reviewed if they do not agree with the job class they were assigned to. Everyone will be on new system by October 7. There will be system-wide coordination.

With reference to recommendations of the Board on policy revisions, the Limitations will determine whether we think this is correct or not. All employees will be reclassified. 4,000 employees will be reclassified except faculty, temps, and adjuncts. The reclassifications are a means to modernize jobs.

Dr. Thor commented that the 2017-18 Budget includes a small cola and wanted to know if this had been taken into consideration. Barbara Basel responded that they are interested in ensuring that what they recommend in salary increases aligns with the Board's policy system. The new system will support pay for performance. With reference to recognizing educational achievement, the payment strategies have not been worked out.

Adjournment

Due to time constraints, the Work Session adjourned at 7:03 p.m. and Board Members proceeded to go into Executive Session as scheduled. A subsequent work session to be scheduled.

Executive Session

Board Members entered into Executive Session at 7:10 p.m. and concluded at 7:35 p.m.

Special Board Meeting

Board President Gutierrez called the Special Board Meeting to order at 7:40 p.m. It was announced that there was a quorum present after two board members (Saar and Haver) recused themselves. Board members present were McGrath, Thor, Hendrix, and Gutierrez.

President Gutierrez read the following statement:

Statement by President Gutierrez on behalf of MCCCDC Governing Board

"The agenda item for this meeting is related to the Board's consideration of the adoption of a notice of intent to revoke the charter contract and notice of hearing for Hope College and Career Readiness Academy.

MCCCDC is the sponsor of Hope Academy, which is a charter school. MCCCDC is legally required to oversee the school and make certain that it complies with all of the requirements included in the charter contract and the law. Only if it does so, can Hope Academy continue to operate and receive state funding, and by law, MCCCDC provides the oversight regarding the school's compliance.

MCCCDC has received information that Hope Academy has failed to pay its debt to Core Construction under a March 2016 contract for the construction of the Hope Academy Facility. Hope Academy occupied the completed building in October 2016 but it has not paid Core Construction, despite Hope Academy's Receipt of State Funding for its school operations, previous attempts to obtain financing, and a forbearance agreement that allowed Hope Academy several additional months to attempt to find financing.

Payment of debts as they fall due or in the usual course of business and appropriate management of the school's finances are requirements of Hope Academy's charter contract with MCCCDC, and the notice of intent to revoke the Charter contract is premised on Hope Academy's failure to comply with

those requirements. Failure to comply with these requirements jeopardizes school operations and student achievement, and indicates potential improper stewardship over public funds. This payment failure is also the same basis for MCCC'D's March 1, 2017 notice of default to Hope Academy under the ground lease agreement between Hope and MCCC'D.

In considering whether to adopt and issue the notice of intent to revoke, it is important to make clear the limited scope of the question presented to the Board at this time. We are not discussing or deciding the merits of the allegations, nor will we consider at this time evidence contesting or supporting the allegations. Rather, the sole issue before the Board tonight is whether the allegations contained in the notice of intent to revoke would, if proven, constitute cause for revocation of Hope Academy's charter. If so, we will adopt the notice of intent to revoke.

If we adopt the notice of intent to revoke, the charter contract gives Hope Academy six months to attempt to remedy the basis for the potential charter revocation. If it has not done so by then, the Board will hold a hearing at which Hope Academy may contest the allegations of the Notice of intent to revoke. At that hearing, Hope Academy and MCCC'D may present evidence regarding the potential revocation, consistent with due process and Arizona law.

We will provide an opportunity for a representative of Hope Academy to address the Board for five minutes tonight. However, given the limited nature of our decision tonight, we will not consider or respond to any comments addressed the merits of the underlying allegations in the notice of intent to revoke.

Statement by Harry Valenzuela Garewel on behalf of Hope Academy

Mr. Garewel, Chairman of the Board of Hope Academy's Governing Board, thanked the Governing Board for the opportunity to speak about the issue being discussed this evening. Mr. Garewel commented that in 2013 a national publication listed Arizona, specifically Phoenix was number one in the country in disconnected youth (16-23 year olds) who are not in school or working. Of the 90,000 disconnected identified in Phoenix, the largest number (3800) of these were listed as living in South Phoenix. That was the genesis for the concept of building Hope Academy and a partnership was pursued at that time with South Mountain Community College and community at large. Today they have 120 youth-serving organizations, faith and community based organizations, as well as elected officials that support them. It is their belief that the original enrollment goals can be achieved. Core Construction is also in support and have extended a forbearance agreement which provides an opportunity to put financing in place through April or May. In attendance this evening with him were two investment principals that have been very successful with charter schools, one in particular at 27th and Bethany that was an empty shell but they were able to get investors who believed in the mission of that particular school. This financial team has come together and restructured this transaction to make

this a more viable deal for investors. They are planning to be in the market in about sixty days. If the Governing Board decides to move forward with this notice of intent to revoke the charter, it will be more difficult to obtain funding. Mr. Garewel respectfully requested that the Board table this action on behalf of their students in order to make it less difficult to get funding.

**Closing Comments and
Vote**

President Gutierrez commented for the record that as the Governing Board proceeds forward this evening and agreement is reached between Hope Academy and Core Construction, this becomes a six-month process that we can rescind. President Gutierrez did not want anyone to think that this will close discussions between Hope and Core. The item before the Board is to have Notice of Intent to Revoke the Charter.

Motion: 10476

Board Member Hendrix moved to approve the issuance of the Notice of Intent to Revoke Charter Contract and Notice of Hearing to the Hope College and Career Readiness Academy. Hope Academy will have six months in which to cure the contract breach noted in the Notice. Board Member McGrath seconded the motion. No discussion. Motion passed 4-0 (Haver and Saar recused).

Adjournment

The Special Meeting adjourned at 7:55 p.m.

Dr. Linda Thor
Governing Board Secretary