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**Klamath Community College Board of Education**  
7390 South Sixth Street \* Klamath Falls, Oregon 97603

Regular Meeting – Tuesday, May 28, 2019 6:00 PM

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**MINUTES**

**I. CALL TO ORDER**

Dave Jensen called the regular meeting of the Klamath Community College Board of Education to order at 6:00 p.m.

**Members Present:** Dave Jensen; Kate Marquez; Mike Fitzgerald; Al King; Barbara Headden; Kathy King; William Riggs; and Kenneth DeCrans, Non-voting Board Member, ASKCC President. A quorum was confirmed.

**Members Absent:** None.

**Staff Present:** Dr. Roberto Gutierrez, President; Allison Bryson, Vice President; Joanna Lyons-Antley, Vice President; Jamie Jennings, Vice President; Michael Blade, Executive Director; Charles Massie, Interim Vice President; Lacey Jarrell, staff; Kathleen Walker-Henderson, faculty; Sgt. Shane Mitchell; Leann Meeds, staff; and Shannon Childs, Secretary to the Board.

**Guests:** Helen Petersen, student; and Lieutenant Randy Swan.

**II. SHOWCASE**

Sgt. Shane Mitchell introduced himself and gave updates to the Board of his time at the College. Sgt. Mitchell walks around and visits various areas of campus at least 2-3 times a day. He appreciates the College and what he is involved in, such as bringing the Sheriff's office to the campus. Sgt. Mitchell has also been in classes to assist with various learning opportunities, such as fingerprinting. There is a Student Resource Officer briefing held at Klamath Community College (KCC) every morning. The Board took a tour of the Sheriff's office on campus.

**III. CONSENT AGENDA**

- A. Board Minutes (Regular Meeting April 23, 2019 and Budget Committee Meeting May 7, 2019)
- B. Personnel Action
- C. Administrative Reports
- D. Appropriated Objects (Financials)
- E. Enrollment Dashboard

**Motion: To accept the consent agenda.**

Motion by: Al King

Second by: William Riggs

Discussion: Under State Report, it should read million, not billion. It should also read "Trustee Marquez shared that the plan includes the schools and all public employees."

**Amended Motion: To accept the consent agenda with revisions.**

Motion by: Al King

Second by: William Riggs

Public Comment: None.

**Action: Motion passed. Unanimous approval.**

#### **IV. ADOPTION OF AGENDA**

**Motion: To adopt the agenda.**

Motion by: Al King

Second by: Michael Fitzgerald

Discussion: None.

Public Comment: None.

**Action: Motion passed. Unanimous approval.**

#### **V. PRESIDENT REPORT**

- a. The first President's Tour of the quarter was held. There was great feedback from attendees.
- b. Under the new Executive Directors leadership, there was an official ask for a family who would like to name a room in the Apprenticeship Center.
- c. At this time, there is nothing official under the Wendt Family ask. Conversations are being held.
- d. Dr. Gutierrez referred to the handout which lists the high schools KCC is working with. This started with Lakeview back in 2013-2014 and moved to North Lake. North Lake was very pleased with KCC. The Lake Superintendent asked Dr. Gutierrez to be a keynote speaker at the Annual Superintendents Retreat. Dr. Gutierrez was later invited to a K-12 conference and was a conference speaker. The superintendents who were at the conference spoke very highly of KCC. KCC has shared that if other community colleges start serving the high schools on the list, the College will pull out. There is a state wide community college committee looking into this.
- e. Senate Bill 3 passed today at the House. It has already passed in the Senate. Governor Brown has shared she will sign the bill. KCC is preparing to start the process, which will be coming to the Board. Many community colleges who begin offering applied bachelors, change their name, mainly for marketing purposes. This will also come to the Board if it is considered. In the near future there may be a recommendation from administration to move forward with the Bachelors of Science in Nursing (BSN). OHSU lowered their tuition in nursing significantly, which can be considered a positive effect. Dr. Gutierrez appreciates Rep Reschke for supporting KCC in this process.

#### **VI. ASKCC STUDENT REPORT**

- a. The electronic charging stations have been received. ASKCC is working on the install.
- b. Oregon Community College Student Association Meeting was held at KCC recently. The group was very impressed with the College and the area. They are talking about having more meetings around Klamath Falls and at KCC.
- c. The Student Recognition Awards are Friday. The Board can email Shannon Childs if they would like to attend.
- d. Last Friday night was a trivia night with pizza. 25-30 student participated.
- e. Letters have gone out and four position with ASKCC have been filled for next year. Next year's ASKCC President will be announced at the Student Recognition Dinner.
- f. Trustee Al King congratulated Mr. DeCrans for his future position on the Board. Trustee Kathy King congratulated Mr. DeCrans on his recent engagement.

## **VII. STATE REPORT**

- a. Trustee Marquez shared that the gross receipts tax passed for K-12, not including community colleges. The schedule and information for the vote was shared.
- b. PERS reform passed the Senate and is moving to the House. Trustee Marquez shared the following regarding the bill.
  - i. The bill represents the legislatures cost containment plan.
  - ii. It will make meaningful cuts to public employee benefits to control rising system costs.
  - iii. The bill redirects employee individual account program contributions to fund the PERS system.
  - iv. It caps salary calculations at 195,000.
  - v. It lengthens the time over which PERS debt is calculated.
  - vi. This bill has upended traditional political positions.
  - vii. PERS unfunded actuarial liability demands are untenable for school district budgets, if unchanged base PERS rates could exceed 30% in some districts.
- c. Trustee Marquez shared an interesting fact. Colleges and universities raised a staggering 44 billion dollars in 2017 and only 1.5% of charitable gift dollars raised went to 2 year institutions, despite the fact that community colleges serve about 50% of the countries college students.

## **VIII. FOUNDATION REPORT**

- a. Executive Director Charles Massie gave updates. All the Foundation Board officers are remaining in their positions.
- b. \$20,900 in scholarships are being given to students for summer and fall term.
- c. There is a timeline set for family asks for the Foundation by the end of June.
- d. The Hay Klamath Gala is August 24<sup>th</sup> on campus. Steve Tippin, Edward Jones is the headline sponsor this year.
- e. The Foundation is looking at a Foundation Board Retreat for August 19<sup>th</sup>.
- f. Trustee Al King shared that he attended an event at Oregon Institute of Technology (OIT), where the Foundation had retained an individual who provides services regarding state planning trusts. This was very well presented and the presenter never asked for money. There were people there with many state assets. The College may want to consider looking into this. It is an opportunity to get valuable information without being hustled. Executive Director Massie shared that this may be helpful, as planned giving is being discussed within the Foundation.

## **IX. INFORMATIONAL AND ACTION ITEMS**

### **A. Tuition Remission Exemption – Action Item**

VP Blade shared this is an exemption to the current Board Policy, not an amendment. Sgt. Mitchell is employed by the Sheriff's office, however works at KCC 75% of his time. This is a onetime exemption to be able to take advantage of the tuition remission process.

Trustee Al King asked how many people are taking advantage of this policy at this time. VP Blade shared, at this time, it may be approximately 15 per term. There have not been any conflicts with seating for tuition remission students so far. Dr. Gutierrez shared that the College does get FTE for this. This is

for open seats, programs like Nursing do not have open seats. The College does want to fill empty seats. Tuition bearing students take priority.

Trustee Kathy King shared that this is a benefit to the employees, she asked how this may dilute the benefit to an employee, as it is currently just for them. Dr. Gutierrez shared that regular KCC employees could receive a seat in a class first, if a seat is available.

This will not make the Sheriff an employee, he would just be able to take advantage of an employee benefit.

Trustee Headden shared that we went to the Sheriff to benefit the College, and she does not believe we should put a limit on it, such as order of seating in class.

**Motion: To accept the exemption, with the one addition, that it would not unseat a regular KCC Full Time employee.**

Motion by: Al King

Second by: Michael Fitzgerald

**Amended Motion: To accept the exemption, with the one addition, that it would not unseat a regular KCC Full Time employee, their spouse, or their child under the age of 25.**

Motion by: Al King

Second by: Michael Fitzgerald

Discussion: None.

Public Comment: None.

**Action: Barbara Headden Nay; 6 Yay. Motion passed. Trustee Headden shared that she supported the benefit without adding the extra restrictions.**

#### B. Apprenticeship Center Approval – **Action Item**

VP Lyons-Antley reviewed the PowerPoint as shared with the Board, which included the uses of the building, and what will be set up in and around the building. A draft layout of the inside of the building was shown. The next step, if approved, will be continued fundraising on the project.

**Motion: To accept the concept.**

Motion by: Al King

Second by: William Riggs

Discussion: Trustee Marquez asked where the shared concept came from. VP Massie shared that this came from Mike Homfeldt after talking to program leads and instructors, via numerous meetings. The equipment list and layout was decided, then taken to an engineering architect firm for renderings. ZCS in Klamath Falls was used as the engineering firm.

Public Comment: None.

**Action: Motion passed. Unanimous approval.**

#### C. Apprenticeship Center EDA Commitment – **Action Item**

VP Lyons-Antley reviewed the PowerPoint as shared with the Board, which included the total project cost, amount raised, outstanding requests, and the Economic Development Administration grant requirement.

Trustee Al King shared that the institution has to put their money forward first in order to get the 50% match. Trustee Al King asked how the College can commit to the money without using reserves. Dr. Gutierrez clarified that the EDA would like the College to commit to the resources. By moving this

recommendation, the College still has the final option to cancel the project. This is just a clarification to the state that the College has the capabilities to obtain the funds and the financial capital to do so.

Trustee Marquez asked for a list of what Foundations the College is seeking.

VP Lyons-Antley shared that if there were not sufficient funds in the future, the College would come back to the Board and ask for options.

Executive Director Massie shared the goal is to go over the final numbers in funding, those funds may go forward for a program and technology program expansion fund for future programming and targets of opportunity.

Executive Director Massie shared the presentation should include most furnishing and inside content to the building. Trustee Al King shared that he would hope the enrollments take care of the overhead cost of keeping the building maintained.

**Motion: To approve to authorize the College to commit matching funds for the Apprenticeship Center in the amount of \$4,820,000.**

Motion by: William Riggs

Second by: Kathy King

Discussion: None.

Public Comment: None.

**Action: Motion passed. Unanimous approval.**

D. Resolution No. 182-18-19 Adopting the Fiscal Year 2019-2020 Budget, Making Appropriations, and Imposing and Categorizing Taxes - Action Item

Chair Jensen shared that at the end of the presentation, there was a submittal for public comment. Trustee Al King thanked Chair Jensen for allowing the public to speak.

VP Lyons-Antley reviewed a PowerPoint with the Board which included goals, the budget process, Budget Committee-clarifications, and Budget Committee recommended approval of the 2019-2020 budget at \$54,723,237. Trustee Al King clarified that it was passed through the Budget Committee with edits.

VP Lyons-Antley reviewed the requested increase in per credit cost, requested increase nursing cohort per credit starting in fall 2019, requested increase in fees, and requested actions. VP Joanna Lyons-Antley shared the comparison of KCC and OHSU for the 2018-2019 year, they charge per credit, 387 per credit hour for a total cost of \$50,000 here in Klamath Falls. Dr. Gutierrez clarified that we are about half the price of OHSU, even with the tuition increase.

Helen Petersen spoke regarding the tuition increase last summer. She shared students did not know until a week and a half prior to the term starting, which created many issues. As a student she shared that this created many student issues with finances and gave examples. Ms. Petersen shared that if the College is going to do an increase, to do it, however they need to give proper notice to students through advisors, business office, financial aid and administration. Many students do not know an increase is happening and need time to adjust in advance. Many students live paycheck to paycheck.

Dr. Gutierrez asked VP Bryson to speak to last year's process. VP Bryson shared that all student accounts have a note on them that read the bills are "subject to change". The actual change in tuition

cannot be published until it approved by the Board. Once approved, pell, loans and grants are recalculated on student accounts.

**Motion:**

**To approve the attached resolutions that provide authorization for spending effective July 1, 2019.**

**To approve the tuition and fee rates of:**

- **Lecture courses: \$108 per credit hour**
- **Lecture / lab combined courses: \$159 per credit hour**
- **Lab courses: \$232 per credit hour**
- **For the nursing cohort starting in the Fall 2019 term, ADN nursing lecture courses: \$132 per credit hour**
- **For the nursing cohort starting in the Fall 2019 term, ADN nursing clinical courses: \$337 per credit hour**
- **Facility Fee - \$9.00 per credit**
- **Distance Education Fee - \$22.00 per credit**
- **Lakeview Lecture Fee - \$15.00**
- **Lakeview Combined Format Fee - \$22.00**
- **Lakeview Lab Fee - \$32.00**

**To approve tax of \$.4117/\$1,000**

Motion by: William Riggs

Second by: Barbara Headden

Discussion: Trustee Al King shared that he is preparing to vote no regarding the tuition increases and the budget. Trustee Al King shared that he opposes the tuition increase. The increases are not proportionate to students' income after graduation. The students are subsidizing the tuition of those students in Aviation, Nursing and Auto/Diesel Program. These jobs pay more and can make more. What about the other students going to work only making 15.00 an hour. It is not fair and proportionate. The cost of living in Klamath County is low compared to the Oregon populous. There has been an increase in the cost of living, which will continue to affect the budget annually. Trustee King shared that he also planned on voting no on the budget for the Public Employees Retirement System (PERS) reason. The current PERS and Health Care benefits, as in the budget packets, have some costing 50-60% above salaries. This is not sustainable and could lead to layoffs or elimination of programs. Not included in the benefit is life insurance, sick leave, vacation, workman's comp and holidays. Trustee Al King wants to insure that the current employees have every benefit the College committed to them. Trustee Al King put forward 14 points that could solve the PERS problem. This is being kicked down the road and the deficit is getting deeper every year. Extending out PERS obligation does not solve the problem. This falls back to the Board to protect the current employees. In addition to all the benefits, this could become more than the actual salary of an employee. Tuition and fees are increased to pay for the losses in the other programs. Eventually programs need to pay and this budget does not do that. Trustee Al King asked to hear anything to the contrary and thanked the Board for the time to hear him.

Trustee Kathy King asked what the major reason was for the 16% increase in the budget. VP Lyons-Antley referenced the roman numeral V page of the budget document, sharing this was due to grants, major construction, and increases in retirement expenses. Trustee Al King shared that the budget concern he has is that the College will receive grants, although a lot of its grants have been zeroed out. Dr. Gutierrez shared that the institution does not depend on grants for the running of a program. Some are projects or capital improvements, such as Founders Hall. VP Lyons-Antley shared that the College is required by state law to show these zeroed out. VP Lyons-Antley shared that the College carries these as required to. The Myer Memorial Trust was used as an example, as being used to help with the Workskills Technology Center and was used for capital equipment.

Trustee Headden shared that most grants are not found to operate day to day operations, they are for things like special projects. Grants are generally not given to pay for salaries.

Trustee Riggs shared that grants have to be budgeted for in order to be able to spend. If grants come in and we do not spend them, we do not allocate the funds. Trustee Al King respectfully disagreed with Trustee Headden, those hired in grant programs are told that their position is conditional on the grant. Some grants are done to fund employees.

Trustee Fitzgerald asked if there were specific ways to remedy. Trustee Al King shared that the Board and Budget Committee needs to know more and get more information of what is going on before it happens.

Trustee Fitzgerald asked Trustee Al King what the Board could receive that they are not receiving now. Trustee Al King shared that all various departments and staff of the College meet and present information to the financial officers. Somewhere along the line, the Board and Budget Committee are not involved. The Board should be involved much earlier in the process. The concerns should be put in the document that the Budget Committee and Board receive. Dr. Gutierrez shared that the Board Chair has been invited and has attended the process, however the College has to be careful with the body who approves the budget having input early and throughout the process. Trustee Al King asked for participation at the earliest possible place and opportunity for more input.

Trustee Fitzgerald called for the question.

Public Comment: None.

**Action: Roll call vote Kate Marquez yea, Michael Fitzgerald yea, Al King nay, Barbara Headden yea, Kathy King yea, William Riggs yea, Dave Jensen yea. Motion passed. Trustee Al King will share his reasons with the Board secretary that he has already shared to be documented in the minutes.**

## **X. BOARD DISCUSSION AND PUBLIC PARTICIPATION**

### **A. Board Discussion**

#### **i. Board Comment**

- Trustee Al King shared that he is looking forward to the Board Retreat and hoped there is in-depth board training for new members. He felt last year was a well done retreat with the involvement of personal relationship building.
- Trustee Fitzgerald will not make commencement, his grandson is riding bulls at the High School National Championship.

### **B. Public Participation**

- None.

## **XI. FUTURE ISSUES**

- OCCA will have a retreat in the summer.
- Trustee Kathy King asked for Commencement information.

## **XII. NEXT MEETING**

- ### **A. Regular Meeting Date: June 25, 2019.**

## **XIII. ADJOURN**

**Motion: To adjourn.**

Motion by: William Riggs

Second by: Dave Jensen

Discussion: None.

Public Comment: None.

**Action: Motion passed. Unanimous approval.**

**Chair Jensen adjourned the meeting at 8:05 pm.**

Respectfully submitted by:

Shannon Childs

Klamath Community College

Board of Education Secretary