

MINUTES

COCHISE COUNTY COMMUNITY COLLEGE DISTRICT GOVERNING BOARD SPECIAL STUDY SESSION

Tuesday, March 19, 2013
Cochise College Sierra Vista Campus
4:30 p.m.

1. GENERAL FUNCTIONS

1.01 Call to Order

The special study session was called to order by Mrs. Strain at 4:30 p.m.

Board Members Present:

Mrs. Jane Strain
Mr. David DiPeso
Dr. John Eaton
Mr. Don Hudgins (teleconference)
Mr. Dennis Nelson

2. NEW BUSINESS

2.01 Santa Cruz County Provisional Community College District (SCCPCCD)

Dr. Rottweiler provided the Board with a handout containing sections of A.R.S. 15, and began by providing background information on provisional community colleges, citing Arizona State Statutes 15-1401, 15-1402, and 15-1409.

A.R.S. 15-1401 Definitions, Section 12 reads: "Provisional community college district" means a community college district organized pursuant to section 15-1409.

A.R.S. 15-1402. Community college districts; requirements; exception, Section A reads: Community college districts may be organized under this chapter for a single county, two or more contiguous counties or an existing community college district and contiguous counties not part of any community college district **if the proposed district has a primary assessed valuation***, based on the valuation for the preceding year, of at least four hundred forty-eight million seventeen thousand two hundred dollars **and a minimum population of forty thousand persons who are fifteen or more years of age***, as determined by the most recent federal census.

*bold added for emphasis

A.R.S. 15-1409. Provisional community college districts; formation; governing board; powers and duties; issuance and sale of bonds for capital outlay, Section A reads: "A provisional community college district shall contract with an existing community college district to provide instructional and student services within the provisional community

college district.” Dr. Rottweiler stated that it recognizes that the provisional is not a community college, and will likely not be a community college under this statute; therefore, they shall contract with some other district.

It goes on to outline some of the things they can do:

A.R.S. 15-1409 D. reads: Except as provided in this section, a provisional community college district governing board has the same powers and duties specified in section 15-1444 for community college districts;

A.R.S. 15-1409 E. reads: A provisional community college district shall not award degrees, certificates or diplomas; and

A.R.S. 15-1409 F. reads: A provisional community college district is not eligible to receive equalization aid pursuant to section 15-1468 or state contribution for capital outlay for initial or additional campuses pursuant to section 15-1463.

A.R.S. 15-1409 J reads: If a provisional community college district is formed in a county that provides reimbursement for the attendance of nonresident state students pursuant to section 15-1469, that county shall continue to provide reimbursement payments to community college districts for the remainder of the fiscal year in which the provisional community college district is formed, provided that the county board of supervisors adopts a levy that is at least equal to the sum of the reimbursement payments and the amount of the community college services provided in the fiscal year immediately before the formation of the provisional community college district.

Dr. Rottweiler stated this is the discussion that has been taking place in a law suit between Pima Community College and Santa Cruz County. There is statutory language being proposed and going through the legislature this year to try and ease some of that.

In providing some history, Dr. Rottweiler stated that the SCCPCCD was established in September 2000, by a vote of the citizens. In another vote, they were asked if they were willing to fund, and at what level. In Santa Cruz, they failed to fund in 2001, 2002, and 2004. The Board of Supervisors (BOS) then contracted with Cochise College in August 2003, to provide some educational services in Santa Cruz County, hence the beginning of what we refer to as our Nogales Center. The BOS made a decision, going into FY '11, based partly upon some budgetary constraints, and said if they couldn't find some other ways to do this, they may have to remove educational services in Santa Cruz County. They then took it to the voters again, this time at a rate of 6.9 cents on assessed valuation, and raised approximately \$260,000, which is the same amount that the BOS was contracting with Cochise College to provide those services. The Board made a promise, appropriately with the county, that they would not raise that levy for three years, which pushes us to this point. They have a letter, and there is current talk of significantly increasing their levy to approximately 39 or 42 cents, which is in the purview of that Board. That Board would be, in statutory language, a taxing district. They don't have a college, they are a provisional community college district that has the ability to tax towards higher education in their county. That leads us to where we are. Two years ago, language was proposed in the legislature, approved the statute, A.R.S. 15-1402.1 Alternative organization for community college districts, which provides a mechanism for provisional community colleges to become full community colleges.

There was not a provision anywhere in there until this last year, and it has some fairly strong requirements, such as 900 FTE, must have been in existence for five years, and it allows them to take back to their voters, an opportunity to bring forth resources. Dr. Rottweiler stated that neither of the current provisional community colleges, in his estimation, tax at a level necessary to establish a true community college. Therefore, they would need to take it back to their voters, and this provides that opportunity.

Dr. Rottweiler stated that, when we start talking about provisionals, where we see the greatest concern is Gila, because they have the longest history. He added that, if he were sitting on the Board of the Gila Provisional Community College District, he would likely do many of the things they are trying to do – it's logical. However, it becomes illogical for the institution providing the services, which is a statutory issue. Dr. Rottweiler then showed the Board the website for "Gila Community College", pointing out his concern that there is no Gila Community College. If you go to through their website you'll see their mission statement, but no mention of accreditation; they have their own logo; and they claim three campuses. If you go into 'About Gila' you get their mission statement, their vision and values, and everything related to their education. They are selling themselves as a community college, which is logical because they are taxing their citizens based upon them being a community college. However, it's not until you go in and try to navigate to an area such as admissions, that the site bounces you to Eastern Arizona College – all of their classes are Eastern Arizona College. There is nothing that is Gila; when a transcript is produced, it's from Eastern Arizona College. This is a huge concern as it ties into accreditation, as there are concerns around academic fraud and diploma mills.

Dr. Rottweiler then asked Dr. Verlyn Fick, Vice President for Instruction/Provost, to speak about areas where he sees concerns related to accreditation. Dr. Fick spoke about the criteria for Higher Learning Commission accreditation and having been on a number of accreditation visits, the area that comes up most strongly is the idea of integrity – wholeness and coherence. There are five main criterion areas, and criterion two is the integrity, ethical, and responsible conduct section – they expect the institution to act with integrity, mostly relating to their Board carrying out various functions. Two pieces are key: looking for 1) clarity (Dr. Fick referred to the Gila website bouncing over to Eastern Arizona College which provides a potential for confusion), and 2) consistency - are we doing the same thing at every location and for every relationship (dual credit, contractual, etc.)? Obviously, when we have two Boards dealing with each other, one needs to be the basis for decision making for the college for accreditation purposes.

Dr. Rottweiler stated this is the area in which we need to focus. He classified a couple of areas around what he calls risk/reward. Under the provisional model, provided by state statute, the College Board assumes all the risk, the Provisional Board assumes all the reward. Any growth in enrollment goes to the Provisional Board, appropriately so. But, it is based upon the college's accreditation, federal financial aid, and all the areas associated with that. He stated that this is not a Santa Cruz or Gila or issue, it's a statute that has placed us in a unique situation. Dr. Rottweiler shared areas where he sees some significant concerns; 1) consistency across the district; 2) name and logo; 3) campuses vs centers; 4) personnel; 5) reduction in force; 6) enrollments; 7) insurance; 8) financial aid; 9) the Cochise College brand, and 10) the relationship between Gila and Eastern – Dr. Rottweiler stated that if read in the Nogales newspaper comments coming from that provisional Board the way comments come from Gila towards Eastern, he would quickly doubt the Cochise/Santa Cruz relationship. He is also concerned about

actions that are taken forth, as stakeholders and legislators begin talking about Cochise College, and the partnership we are supposed to have.

The other area that Dr. Rottweiler feels the Board needs to be aware of is, as Santa Cruz moves forward to increase their levy, which he believes they need to do and will be supportive of that, you can likely see their tax rate increase five times. Now, this is being done by the Santa Cruz County Provisional Community College District Board – but will it be viewed as an increase for Cochise College? Not important? A brand thing we need to take care of? These are just some of the issues that surround the whole provisional area that becomes very messy to work through.

In another area, as Santa Cruz expands and increases their numbers, clearly we receive some greater revenue, based off the overhead; however, we assume some greater risk because if, all of a sudden, funding changes, or opportunities for training changes, Cochise College holds the responsibility of what the HLC refers to as 'teach out plans'. If a center needs to be closed, by accreditation, Cochise College has the responsibility to teach out those students that are there – it's not the provisional Board's responsibility – it's Cochise College's responsibility.

Dr. Rottweiler stated he feels Santa Cruz got the 'short end of the stick'. They followed the rules and came through, but their timing could not have been worse. They became a provisional community college at the very time that the state was cutting funding to the community colleges by 60%. There was a time, seven to eight years ago, when a FTSE was equal to \$1,000. Instead, Santa Cruz became a provisional community college when a FTSE was equal to \$256. They are trying to alleviate some of this by increasing their local levy; however, their local levy, as a comparison to other districts, is significantly lower. Dr. Rottweiler stated he has spent the last two-three years having to defend, fight, and remove himself from discussions around Santa Cruz, which is his responsibility as part of the contract. However, we need to know where we are as we move forward, and the Board needs to have some understanding of the agreement.

Dr. Rottweiler then provided the Board with a request that came from Santa Cruz related to what they would like to do next year, which senior administration will review and bring back to the Board. The current contract runs through June 30, 2013. At some point in the very near future, a determination will need to be made if it's in the Cochise College Board's/Santa Cruz County Board's best interest to continue in this arrangement.

Mr. Marcelino Varona, Chair of the Santa Cruz County Provisional Community College District's Governing Board, provided some comments. He stated he wanted to get away from being a provisional community college, and is working to accomplish this within the next five years. He plans to go to Chicago to meet with the HLC and is in the process of setting up that meeting. Basically, they want to expand and stand on 'their own two feet', and go about doing their own business independently, as he feels it would be best for both them and Cochise College. He cited funding as one of the major problem areas.

Mr. Varona also wanted to make it perfectly clear that Santa Cruz does not do what Gila does, adding that he doesn't want to jeopardize Cochise College's standing – he is here to deal in good faith. He has personally addressed the legislature several times, around the funding situation, and he plans to continue to do so. He stated he is also working on their accreditation, and has two more years to reach five years, adding he may need to ask the legislature to reconsider the 900 student requirement.

Mr. Varona wanted the Board to know that he thinks very highly of the Cochise College Governing Board, and wishes some of them were on his Board. His hope is that they can continue working together in a positive manner. However, he plans to move forward. He stated he and his Board made a commitment to the taxpayers to have a tax rate of seven cents for three years; this is the third year, and he has kept that commitment. However, as he told the state legislature, you can't run a college on seven cents. The only way they were able to do it this long is because the county manager has provided hundreds of thousands of dollars in additional funding.

Mr. Nelson asked Mr. Varona if there was a strategy in place to achieve his plan, a plan to propose to the legislature, and if he is working with other community colleges for support in this endeavor. Mr. Varona stated that they are working on a strategic plan that outlines where they should be, and it has established timelines that include dates of accountability. They are looking at the tax rate, funding, new facilities, and hiring full time instructors, because students are requesting more daytime classes.

Mr. Carlos Rivera, Santa Cruz County Manager, provided some information on past lobbyist attempts to establish a community college in Santa Cruz County, and information on a lawsuit with Pima Community College. He stated he would like to see legislation changed, as there is no way that a provisional community college can tax at a level that can provide the same services that a full college does, when they receive state funded and grant monies that the provisionals don't. The legislature agrees, and the higher education committee has agreed to form a stakeholders meeting to discuss this. They also have the support of a large number of senators to start looking at the funding to make it more fair and equitable across the board.

Mr. Rivera stated the Santa Cruz County Board of Supervisors is committed to helping support the college, making facilities available at no charge, and will continue to do whatever they need to in order for the college to remain in existence.

When asked again if they have requested other colleges to work with them on this, as far as lobbying is concerned, Mr. Rivera stated the President's Council has lobbied against this for a number of years, but their Board doesn't have a seat at that table. Dr. Rottweiler stated they do have a seat at the table, and that would be him, which is the inherent problem is this situation. The response is, that if Cochise can have two votes, then Maricopa should have 10 votes. It's a compounded and confusing issue. Dr. Rottweiler feels the provisionals should be on their own to do the things they can do; however, the state is currently not interested in funding anything additional – they are only looking for ways to cut funding. He added that he has no issue with Santa Cruz, and he is very pleased with the services the college provides there; however, it's become increasingly more difficult to manage.

Mrs. Strain inquired if Santa Cruz is aware that they were invited to attend the AADGB meetings, to which the reply was no – Mr. Varona stated this is the first he's heard of this. Mr. Rivera added that he had been working with a number of representatives, but after the last election some of them are gone. Their current representatives are Senator Linda Lopez, Senator Andrea Dalessandro, and Representative Rosanna Gabaldón.

Dr. Eaton inquired who, at the state level, is responsible for managing this area. Mr. Varona replies that K-12 has the State Board of Education, the universities have the

Cochise College Governing Board Special Study Session
Tuesday, March 19, 2013

Board of Regents, but the community colleges are an island of their own and have to go to the state legislature.

The meeting concluded with Mr. Varona thanking the Board and expressing his appreciation to them for this meeting.

Mrs. Strain adjourned the meeting at 5:21 p.m.

Respectfully Submitted:

Ms. Loretta Mountjoy, Executive Administrative Assistant, Office of the President

Mr. David DiPeso, Secretary of the Governing Board