1. **Welcome & Introductions**

   Jose called the meeting to order at 3:12 pm and thanked everyone for rearranging their schedules to meet on a different day.

2. **Approval of Minutes**

   Diana made a motion, which Mike seconded, to approve the minutes. The motion was passed unanimously.

3. **Current Business**

   **Proposed Uses of FCC Annual Income**

   Committee members reviewed each line of the handout entitled FCC Auction Proceeds Allotment/Income. Jose explained that the document was developed as a means for starting the discussion of the use of estimated annual income from the FCC proceeds investments/allotments. He pointed out the Total by Recipient figures. A lengthy discussion took place, including the following.

   - Yendis advised that the entry on the third line entitled *KVCR Operations Deficit for Three Years* should be changed from Medium Term to One-Time. The table will be updated to reflect this.

   - Denise mentioned that the Board of Trustees had reaffirmed the guiding principles on December 13, which include the statements that revenues generated from the investment are to support the comprehensive master plan and that revenue amounts will follow existing collegial consultation and established budget processes.

   - Jose agreed that the Media Academy and SBCCD Promise were not mentioned in the master plans, but added that the BOT has asked staff to look at these initiatives. He stated that the collegial consultation process is taking place today within the District Budget Committee.

   - Denise commented that even though her discipline would be a beneficiary of the Media Academy, SBCCD has to make sure everyone is in agreement. She felt there should be a plan for erasing ongoing college deficits as well as one that ensures staffing needs are met. She expressed a desire for more information.

   - Celia stated that even if the words *SBCCD Promise* do not appear in the master plan, the spirit of the SBCCD Promise is part of the plan as an initiative that increases student success and access. Celia also expressed a preference for more information.
- Diana commented that SBVC has already been through the process with their Valley Bound program and has gathered the necessary data to know that this type of program works for SBVC students. She can’t speak for CHC because she doesn’t know their data as intimately.

- Jose mentioned a document that had been developed which contained more detail on the proposed SBCCD Promise. Mark advised that he had reviewed that document and found there were still a lot of gaps. Jose replied that SBCCD will have an opportunity to keep working on the details prior to the anticipated go-live in the Fall.

- Diana stated that this discussion is only about the funding; there is still an opportunity for CHC to best design the program to fit its campus. Mark agreed. Mike felt that CHC is asking what the program will look like, and not saying they don’t want it. It is apparent that the Board is in favor of the initiative.

- Diana mentioned the need to advertise heavily in the Spring.

- Jose commented that the intent of the discussion is whether or not to set aside the funds to make a commitment to students and allow the collegial process to continue. The discussion is not intended to define what the SBCCD Promise will look like.

- Denise voiced concern about the budget deficits and staffing needs. The proposal right now doesn’t outline any additional staffing.

- Jose commented that the multi-year forecast has SBCCD in deficit spending for three years for various different factors. He pointed out the estimated interest income from the additional Pension Rate Stabilization Trust Set Aside investment shown on the last line of the table. This interest is one way SBCCD is addressing the deficit at both colleges.

- Mark asked about the years in which SBCCD’s investments do not yield 5%. Jose agreed there will be such years. The DBC will see the results and if it appears that changes need to happened, the committee can make recommendations.

- Rania commented that in the highly impoverished area around SBVC, the college going rate is only 30%. The SBCC Promise could help the other 70% and lift up the entire community.

- Celia mentioned that the new funding model will mean more money by encouraging students that are coming in and going straight through in four years. She asked if there was any chance that the SBCCD Promise would be divided by campus.

- Jose advised that the initiative is to be a districtwide program that helps all our students. Rania expressed her opinion that the SBCCD is stronger when both campuses work together. Diana added that the Promise should be broad and not cause students to be caught between the two campuses. It has also been discussed that the Promise be flexible to allow for evolving trends and data.

- Denise again expressed the desire for more data. Rania likened the situation to receiving a grant and then making a plan. James mentioned that the Valley Bound program has
provided data that students who receive the one year of support are more successful than those that don’t.

- Denise was in favor of the idea of the SBCCD Promise, growing enrollment, and serving students in need. However, it is important to discuss and consider the issues. The budget deficit which has existed at CHC for many years has had a very negative effect on morale. She would like to find a way to not have that as part of the campus culture.

- Jose responded that during the upcoming RAM discussions he is going to advocate that people move away from the separate college perspective. This committee needs to think collegially and as a district. He believes we can figure out a way to benefit all our students.

- Denise commented on the exciting developments stemming from the Media Academy discussions. Students are already talking about it. She just wants to make sure we are all debating these things.

- Mark agreed with Denise’s comments about the frustration of CHC regarding the global vs. local mindset. A lot of their initiatives don’t get funded. Mike advised that they may want to take a look at the $3 million that’s was previously allocated to CHC. He believes some of that money may be utilized to seed programs like athletics.

- Denise made the comment that the relationship between campuses is stronger now than ever.

Mike made a motion 1) to recommend the proposed use of annual income from the allocated investments of FCC Auction Proceeds as indicated on the handout, and 2) that this recommendation be made with the understanding that in tough economic times SBCCD can revisit the use of proceeds and even the use of principal. Celia seconded the motion, which was unanimously approved.

**Board Directives for 2019-20 Budget**

Jose presented the draft Budget Directives and advised that the Board of Trustees will be discussing them. This is an annual event. After a brief review, Celia, Rania and Denise suggested that the wording be changed on number 1 as indicated:

Align unrestricted general fund and student success funding with the State-Chancellor’s SBCCD’s Vision for Success.

Mike clarified that the new Student Centered Funding Formula mandated that we submit a plan to commit to align our vision with that of the CCCCO. CHC is using Quality Effectiveness Indicators.

Committee members discussed the fact that directives 6. and 7. should be removed because they are legal requirements. Denise commented that SBCCD needs a staffing plan. Jose advised he will pass these comments on.
4. **Updates**

   There were no updates.

5. **Future Business**

   DBC members talked about future agenda items. Rania suggested that the chancellor send around details about the commercial property purchase and the move because there are a lot of rumors circulating.

6. **Adjournment**

   The next meeting of the DBC is scheduled for Thursday, January 17, 2019 at 2 pm in the board room.