

BOARD OF TRUSTEES MEETING SUMMARY

February 1, 2022

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Superintendent's Report: SMC Superintendent/President Dr. Kathryn E. Jeffery's report consisted of the following, with contributions from various administrators/area leads: A Covid-19 update—At the time of the Board meeting, the numbers regarding Covid-19 were showing a promising trend. Los Angeles County experienced a decline from the previous week in hospitalizations, dropping for eight straight days. The daily positivity rate also declined from the previous week, from 13.2% to 8.8%. [Editor's Note: For up-to-date stats, see [LA County Public Health Daily Covid Data](#)]. The College has noticed a significant downward trend in the number of new cases on campus from the surge after the holiday. The Curative test site at Lot 5 (Pearl) continues to operate five days a week and will soon move to seven days to expand testing capabilities. The site offers both standard PCR tests and rapid PCR tests. Results for the rapid PCR tests are within two hours and the tests are available for SMC staff and students for both walk-ins and by appointment. A site at the Student Services Center parking area is planned for the spring semester.

A subvariant called the Stealth variant has arrived in the United States. The current vaccines protects people from serious illness from this variant. However, for unvaccinated people, the Stealth variant has a higher viral load than the original Omicron variant, and is therefore more spreadable.

All individuals are required to wear appropriate face masks while indoors. Students are expected to wear at least a surgical mask in the classroom and in other indoor areas. SMC has provided surgical, KN95 and N95 masks to all departments, and requires all staff when indoors and around others to wear a surgical mask or a higher-level such as a K95 or N95. SMC does not currently allow spectators at sporting events, but this will be reassessed in the spring. [Editor's Note: The policy has since been reassessed and spectators at athletic events and school performances are permitted to return for the Spring 2022 semester. Safety policies and protocols for events will match what SMC had in place for fall].

The indoor air quality of all workspaces is being evaluated and the consultant will present its assessment strategy to SMC constituency groups. A series of short animated Covid-19 safety videos is being created in preparation for students returning to campus in the spring semester. Another video is being created for faculty to help them better understand some of the safety protocols. Temporary student services clerks are positioned in locations where students are coming in for services. The Health Center team is continuing to approve vaccinations and medical exemptions for students enrolling in on-ground classes. Students and staff will soon be required to submit verification of boosters if they are eligible for them. The deadline for students will be March 15, but they will not be dropped from classes if they don't submit verification of their booster. However, they will not be able to enroll in future semesters for summer and beyond without the booster proof submitted for on-ground classes. Employees will be asked to submit their booster if they're eligible or past due for their booster by April 15. New County guidelines released on January 7 mandate testing for people on campus who are past due for their booster. So, students and staff who are due for their booster but do not yet have them will need to start testing weekly and submit positive tests to Human Resources and Student Health. There is continuous communication to students and staff about various test sites and options available to them. The Human Resources Department is working with MIS to develop a self-service portal exclusively for employees to submit proof of boosters.

The Board heard an update on the Santa Monica Early Childhood Lab School, a unique partnership between Santa Monica College, the City of Santa Monica, and the Growing Place, with support from the Rand Corporation. The presentation reviewed some of the key moments in the history of this project since it was first imagined 33 years ago. The presentation is available at [Update: Early Childhood Lab School](#).

_____ A new method of distributing CARES monies and other financial aid and refunds to eligible students is being unveiled: SMC's new BankMobile system. Students will receive an email from BankMobile to set up the way they want to receive funds—either to a new BankMobile Vibe account, directly to an existing bank account, or via check. More details can be found at [BankMobile](#).

And Dr. Jeffery reported on various activities underway and being planned to observe Black History Month. Highlighted were two events being facilitated by Timothy Conley, Department Chairperson of Cinema at Columbia College Hollywood and SMC adjunct faculty member:

- “West Coast Hip Hop Untold Stories” February 16. Historical accounts of the development of West Coast hip hop as an integral part in expressing African American experiences in our society.
- “History of African Americans in Film” on February 23. This lecture will give an understanding of the rich history and amazing contributions of African Americans to the genre of film.

Consent Agenda Items: Among items approved by consent is a multi-year contract, amount not to exceed \$131,404.77, with ITSavvy, enabling SMC to purchase Cisco equipment and licenses for upgrading the college's WiFi network in a multi-phased project for improved speed, bandwidth and reliability. To date, eleven instructional and student support buildings have been upgraded and this agreement allows SMC to upgrade the remaining ten instructional and student support buildings.

2020-2021 Audit Report: The Board moved unanimously to acknowledge receipt of the 2020-2021 Audit Report of the Financial and Related Statements of the Santa Monica Community College District and the Proposition 39 Financial and Performance Audits prepared by the District's contracted independent auditor EideBailly. The Auditor's opinion was that the basic financial statements present fairly, in all material respects, the financial position of the Santa Monica Community College District as of June 30, 2021. The Board's Audit Subcommittee, Trustees Louise Jaffe, Rob Rader and Barry Snell, had reviewed and discussed the reports with the auditors and fiscal staff to prepare for the presentation of the audit to the Board.

2022-2023 Nonresident Tuition Rate: The Board adopted the nonresident tuition rate of \$316 per unit and the nonresident capital outlay surcharge of \$24 per unit for 2022-23. This represents a 2.93% increase in the total per unit cost. The \$9 per unit increase brings nonresident tuition to the minimum allowable by the State of California for the 2022-23 academic year.

2021-2022 Quarterly Budget Report and 311Q: The Board acknowledged receipt of the 2021-22 quarterly budget report and the 311Q report, which is required by the Chancellor's Office (view: [the budget/311Q report- PDF](#)). Highlights from the quarterly report: total actual revenue for the unrestricted general fund (including backfill of lost revenue via federal HEERF funds) for the quarter ending Dec. 31, 2021 was \$87,850,355 against a projected total of \$197,577,416. Total expenditures and transfers for the same quarter for unrestricted monies was \$81,270,720 against a projected annual total of \$197,416,927. On the restricted side—monies designated for specific purposes, like grants—total revenue for the quarter ending Dec. 31, 2021 from federal, state, and local sources (including transfers from HEERF backfill of lost revenues) was \$27,396,352 against a projected annual total of \$80,951,203; total expenditure for the same (including “outgoing” expenditures such as student aid) was \$16,623,085 against a projected annual budget of \$78,232,212.

Chris Bonvenuto, Vice-President of Business & Administration, also made a presentation—which you can [view online](#) (click on “2021-22”, and from the expanded list, click on “2021-22 Second Quarter Budget Presentation”)—giving a brief overview of Governor Newsom's proposed 2022-23 budget. The State is at the beginning of the budget process—there will changes at the May revise, additional legislative negotiations, and updated economic projections leading up to final approval in

June. The proposed 2022-23 budget is a seismic change from the prior year's budget, which had forecast major deficits and shortfalls. The upcoming State budget projects a total budget surplus of \$45.7 billion of which \$20.6 billion is for the general fund, \$16.1 billion is for Prop 98, and \$9 billion is for reserves. 86 percent of the general fund surplus will be spent on one-time items. For the community college system, \$1.8 billion is proposed in new investments, of which \$841.5 million is ongoing. The proposed budget includes a COLA (Cost of Living Adjustment) of 5.33 percent (which translates to approximately \$7.6 million for SMC), and, among other things, \$200 million system-wide to augment part-time faculty health insurance (this would be very beneficial to SMC as the college spent \$3.6 million on part-time faculty health insurance this past year and was only reimbursed \$81,000 from the State).

Of great significance to SMC is the Governor's proposal regarding the Student Centered Funding Formula (SCFF). The "hold harmless" element of the SCFF is proposed to become permanent! SMC currently receives \$18.8 million more in apportionment funding from the State using the "hold harmless" option rather than the metrics of the SCFF. This option is due to expire in 2024-25. The Governor's proposal will create the 2024-25 funding level as a permanent "floor" for community college districts. However, districts who use the floor option starting in 2025-26 will not be eligible for COLA. This restriction will be among the items debated before the final State budget is adopted.

Among grants centered around college affordability and student support programs were \$100 million in Student Success Completion grants and \$20 million for AB 540 students, plus \$1.1 million ongoing for expansion of African American Male Education Network & Development (A2MEND). Bonvenuto's presentation covered trends that are strongly likely to impact SMC's fiscal outlook in the near future. Credit FTES (full-time students) enrollment continues a downward trend, a loss of 1,924.23 since the last year and eight percent higher than the adopted assumption. Non-resident FTES declined 456.63 or 14 percent and the decrease since 2017-18 amounts to 39 percent or \$13,248,335 in revenue.

SMC's projected structural deficit for this year's adopted budget is \$30.1 million. The second quarter report now recognizes the Governor's proposal regarding a permanent hold harmless. As a result, the report shows significant improvement to the structural deficit which is now reported as \$9.4 million.

SMC's government relations team will work with state allies to stabilize funding with the potential of a new floor for apportionment funding using 2024-25 as the base. SMC has been successful in the past—especially due to the additional efforts of leadership from SMC's constituency groups—in efforts that resulted in the "hold harmless" element of the Student Centered Funding Formula being extended to 2024-25.

Adjournment: The meeting was adjourned in memory of Phil Hendricks, retired classified payroll specialist; Doris Sosin, a long-time supporter of Broad Stage; and Emeritus students Jerry Rosenblum and June Yamada.

The next regular meeting of the Santa Monica Community College District Board of Trustees will be held on Tuesday, March 1, 2022 at 6 p.m. (5 p.m. if there is a closed session). The meeting will be conducted via Zoom Webinar; agendas are [published here](#) the Thursday prior to each meeting, and the agendas contain meeting access instructions.

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