

**OCCA Board Meeting**  
May 20, 2005  
Local Government Center  
Salem, Oregon  
12:00 – 3:30 p.m.

**ATTENDANCE:**

Tracy Simms (Lane); Dana Anderson (PCC); Preston Pulliams (PCC); Ann Swain (TBCC); JoAnne Beilke (Chemeketa); Mike Rose (Lane); David Bridgham (SOCC); Jim Nelson (OCCC); Chuck Clemans (Board President, Clackamas); James Sorenson (TVCC); Peter Angstadt (RCC); Greg Hamann (Clatsop); Ralph Orr (TBCC); Robert Silverman (MHCC); Frank Toda (CGCC); Ernie Keller (CGCC); Tom Keel (UCC); Ed Dodson (Chemeketa).

**OTHERS:**

Amy Cox, Tim Rich (TVCC); Paul Fisher (President, OEA); Andrea Henderson, Karen Smith, Kathryn Dysart, Julie Suchanek, Lori Sattenspiel, Cindy McKinney (OCCA);

**CALL TO ORDER:**

Chuck Clemans-OCCA Board President and Clackamas Community College Board called the meeting to order at 12:09 pm.

**INTRODUCTIONS:**

Chuck Clemans asked attendees to introduce themselves. He brought to the attention of the board that this would be the last meeting with Dana Anderson, who was leaving the PCC board, and praised her for her years of exceptional work on behalf of PCC. Dana said how much she will miss everyone and the important work that we do.

**Consent Agenda**

**Motion:** Dana Anderson moved to accept the agenda

**Second:** David Bridgham

**Pass, no opposition**

**REPORTS:**

Clemans' last report as president. He commented that he came in somewhat fearful of the structure of the board, but found he was appreciative of the thoughtfulness of the members. It was a great year with the way the board members approached the work and the terrific staff support. In recognition of Clemans' last meeting as president, Jim Nelson presented him with a parting gift.

David Bridgham reported that the Legislative Committee has been meeting weekly by conference call. They have been working on a number of issues with great concentration on SB 300, and will continue to monitor those bills that affect the colleges.

Chuck Clemans reported that John Turner –BMCC could not be present today, but he had sent in his positions on the items to be considered. Clemans will report Turner’s positions as the issues are discussed.

Andrea Henderson-OCCA then offered the Executive Director’s report. She is pleased with the budget that came out from the House Budget Committee. The workload of the OCCA staff has doubled this year in regard to the number of legislative issues that they are tracking and lobbying. Julie Suchanek has been working on the large policy issues, such as transfer and the opportunity grant. Lori Sattenspiel has been involved in the operational issues such as optional retirement and health insurance. Karen Smith has been working to identify legislative impacts on community colleges and suggest solutions. Kathryn Dysart has worked very hard on the student profiles and keeping our message strong and consistent. Cindy McKinney has worked on events such as Student Scholar, and on OCCA organizational duties. OCCA staff has also been immersed in organizing first-time events such as Board Member Training, Strategic Planning and the house purchase.

Bob Silverman-MHCC reported on the activities of the Presidents’ Council whose members have worked hard over the last month on the Distribution Formula. They displayed a sense of unity and commitment as they worked on recommendations to the State Board. The news from the House is great, and they will continue to work with the Senate. Silverman discussed the transfer of the chairmanship of Presidents’ Council to Frank Toda-CGCC. They welcomed feedback from the group about where work is needed, how to define major issues, and the interaction with OCCA and CCWD. Preston Pulliams-PCC commented that it is critical that they provide support for moving people up through the ranks at the colleges as the pool of qualified workers outside the colleges is not large enough. He has a model for middle management training that he would like to offer for consideration. Pulliams noted that the Council is still working together, still unified and working with OCCA for success.

Silverman commented that one of the interesting State Board discussions concerning the Distribution Formula attempts to facilitate transfer by SBE and SBHE. Clemans added that the Joint Boards and the State Board have not held joint board meetings with any regularity in the last few years, but there seems to be a desire to do so now. We should watch for our issues and provide input.

Tim Rich-TVCC reported on the activities of OCCSA. They put on the OCCSA Lobby Day at the Capitol and attended hearings for the Oregon Opportunity Grant. The OCCSA members also put on a luncheon for legislators, at which the students spoke of the need for a bridge from high school to four-year colleges, and the economic impact that community colleges have. He stressed how the community colleges keep their students in the area to contribute to the economy. He urged non-participating schools to become active in OCCSA. Clemans commented on the positive impact the students’ stories had on our efforts with the legislature. Jim Sorenson-TVCC urged the other presidents to support OCCSA student involvement, and complemented Rich on his effective work.

## **BUSINESS – ACTION ITEMS:**

Chuck Clemans talked about the process for creating a strategic plan. We have never before had a strategic plan, and the timing is right for the process to begin. At the convention, Greg McKenzie-OSBA worked with the group on the process. One of the desired outcomes was finding ways to work together on issues. To that end, a strategic plan would serve as a template to use in dealing with future issues.

Andrea Henderson-OCCA stressed that the strategic plan is a separate issue from the legislative agenda. The strategic plan carries far beyond the legislative session. One area of discussion would be governance – by boards, Presidents' Council, OCCA and others. The focus today is to adopt a process and a method of feedback for developing the outline of a strategic plan over the summer. In October or November a planning session will be held. Then OCCA staff and the Executive Committee would put together a draft plan and redistribute it for discussion. The Presidents' Council would then draft the operational portion of the plan and assign implementation pieces to the proper groups. The end result could be adopted at the May, 2006 OCCA Board meeting.

Clemans asked for discussion. Comments included a recommendation of a SWOT analysis during the summer, including internal and external analyses. It was suggested that the analysis should include CCWD and the Governor's office. Input from the legislators would come to us via their completed surveys of the lobbying activities, which would be forwarded to the Executive Committee and the full boards.

**Motion: to pass process outline**

**Second:**

**Pass, no opposition**

Andrea Henderson-OCCA introduced the next topic, SB639, the state health insurance pool. After presentations by Ron Wilson of OSBA and James Sager of the Governor's office, she indicated that the OCCA staff would need clear marching orders from the Board.

Ron Wilson first offered the OSBA perspective. If the bill passes, the reduction of the OSBA pool participants would leave an estimated 3287 employees in the pool, greatly affecting the price of insurance. An alternative would be for the colleges to self-insure, however the –6 amendments would exclude anyone not self-insured by July 1, 2005. He estimates that the increased costs would be \$2.5 million. The –6 amendments permit colleges to opt in, but they cannot then opt out at a later date. Wilson was asked if the bill has a provision for the colleges to be represented on the board that would oversee the pool. He responded that it does not allow for that representation. It was remarked that this leaves the same problem that plagued PERS – beneficiaries overseeing the pool and attending to their own interests first.

Chuck Clemans-OCCA President explained that the OCCA staff's dilemma is that if they don't work to include amendments to SB639 and it passes, we are stuck with it. If they

actively lobby against it, they will lose the opportunity to offer amendments to the bill. If OCCA remains neutral, they can work on amendments and mitigate some of the harmful elements in case it passes.

James Sager-Governor's Office of Education and Workforce Policy then spoke on behalf of SB639. Sager said that the governor had identified PERS and healthcare as major cost drivers for the state. He offered that this bill is a way to utilize the state's buying power. He said that participation by the community colleges is optional. Sager referred to two actuarial studies that indicated there were savings to be realized in the areas of administrative costs and variable costs, with the wider menu plan spreading the risk over a larger group. This legislation directs the board to develop a menu of plans so costs do not rise and coverage does not shrink. Sager said that this allows colleges to negotiate their coverage in collective bargaining agreements. Districts who had self-insured plans prior to January, 2005 could opt out. Sager stated that competition should be between providers who want to underwrite a large pool, not between school districts. Regional providers are welcome to bid and work in concert with other regional providers.

Sager was then commended for trying to save colleges money and help with collective bargaining, but was asked if the state will absorb the costs if this plan does not save money. Sager stated that the actuarial calculations, which include a menu of plan choices, show savings without unfunded liabilities to cause long-term indebtedness.

Mike Rose-Lane Community College then commented that talking about savings is not helpful if there is no discussion of the details of managing the plan. He also stated that he found it breathtaking that a conversation can go on about such a fundamentally important issue in the relationship between community colleges and employees without a public policy discussion about where this is going. Rose said that this is not an insurance issue, it is an issue of whether or not we want to convert local employees over time into state employees. He concluded that the next part of the conversation will be about part time eligibility, employee salaries and the importance of insurance to employees-all requiring public policy discussions.

Sager replied that the public policy discussion has been on the table for over 2 years, and that the 198 school districts would enjoy enhanced benefits while maintaining local control. Districts and employees would negotiate plan options and share of premiums. When asked if he seriously believes this is not a conversation about employment relationships, Sager replied that the discussion is always about that, with or without the insurance question. Sager offered that another option would be a state cap on the employer contributions to insurance plans.

JoAnne Beilke-Chemeketa asked who would control costs when the state board members are the beneficiaries. Sager responded that the members would be governed by the local board, not the state. It was noted that the members would need to see a plan before a decision could be made, yet Sager stated that plan options could not be decided until a board is set up. He said no underwriter would undertake a bid for the pool this size until

the chances for success are known. Sager explained that the bill language directs the board to create a menu of options that ensures that no community college or school district would be forced to pay more premium for lower benefits.

Karen Smith-OCCA explained that several years ago PEBB could not find an insurer other than Blue Cross/Blue Shield who was willing to cover state employees. If a statewide group could not get a menu of options, Smith asked, why would this be different and what companies have expressed an interest in bidding? Sager stated that PEBB required a single underwriter for the entire state and couldn't self-insure. In the proposed legislation self-insuring is an option, as is a consortium of underwriters.

Sager also explained that the participation of the colleges would be optional because some already have arrangements with their city/county governments. With no more questions being asked, Sager left the meeting.

Preston Pulliams-PCC asked about the chances of passing SB 639. Chuck Clemans said it is a slam-dunk in the Senate; unsure in the House. It may be used as a bargaining chip in closing negotiations. Clemans reiterated that if we oppose the bill, it could handicap our chances to amend the bill to our advantage if it does pass.

**Motion: To remain neutral.**

**Second:**

**In a voice vote, the motion was passed as follows:**

<b>Lane</b>	<b>Yes</b>	<b>Clatsop</b>	<b>No</b>
<b>PCC</b>	<b>Yes</b>	<b>LBCC</b>	<b>No</b>
<b>Chemeketa</b>	<b>Yes</b>	<b>CGCC</b>	<b>No</b>
<b>TVCC</b>	<b>Yes</b>	<b>BMCC</b>	<b>No</b>
<b>TBCC</b>	<b>Yes</b>	<b>MHCC</b>	<b>No</b>
<b>RCC</b>	<b>Yes</b>		
<b>KCC</b>	<b>Yes</b>		
<b>SOCC</b>	<b>Yes</b>		
<b>UCC</b>	<b>Yes</b>		
<b>OCCC</b>	<b>Yes</b>		
<b>Clackamas</b>	<b>Yes</b>		

JoAnne Beilke-Chemeketa suggested that the Legislative Committee monitor the issue closely for anything that would change our position.

The next action item was the Executive Committee Elections to move Jim Nelson-OCCC to the position of President, Marilyn Lane-Clatsop to Vice-President, and Preston Pulliams-PCC to Treasurer.

**Motion: JoAnne Beilke moved to accept slate of officers.**

**Second:**

**Motion passed without opposition**

Chuck Clemans then moved to the adoption of the 2005-2006 OCCA Budget. He advised that the budget had been reviewed by the Executive Committee, whose members recommended passage. He added that it follows the policy adopted by the Board.

**Motion: Greg Hamann moved to approve the budget**

**Second: JoAnne Beilke**

**Motion passed without opposition**

Andrea Henderson-OCCA explained that HB2060 had been added to the agenda in response to a conversation with the governor's office. The bill provides for an optional retirement plan, other than PERS, for administrators and faculty. Andrea described its importance to the colleges as a recruiting tool, and explained that Lori Sattenspiel-OCCA had been working closely with the legislature on this issue. The governor does not support the bill, and will do so only if (a) all colleges participate and (b) faculty members are excluded.

Chuck Clemans noted that the measure addressed the negative effect of retirement plan portability during the executive search process. Since all schools must participate, though not all employees, Clemans asked if the colleges would want to accept half of the desired plan as a start and agree to include only administrators.

Andrea Henderson explained that OCCA staff had pushed hard for faculty inclusion, but the governor's office thinks that community colleges don't get many applicants from out of state. They also see the administrators as a group small enough to minimize any negative impact on PERS should they choose to participate. Henderson asked for direction from the board. She also recommended that we suggest to the governor's office that we are neutral on the statewide insurance pool, but that the governor's position on the PERS opt out could affect our neutrality on the pool.

**Motion: moved to approve Henderson's recommendation as stated above.**

**Second:**

**Motion passed without opposition**

Clemans then reminded everyone that planning for the OCCA Executive Committee Retreat is in the works with mid-August the likely time. OCCA is also planning a session of board member training for September.

Dean Wendle then talked about the funding for OSAC and initiated a discussion of the loan forgiveness program for nurses. He explained that Baccalaureate degrees were being weighted at 5 points versus 1 point for Associates degrees in determining the level of loan forgiveness, and urged that everyone pay close attention to the process. Preston Pulliams-PCC described it as an assault on our nursing programs. He explained that those with Baccalaureates would be classified as professional nurses, while those with Associates would be classified as provisional and would be paid at a lower rate.

Chuck Clemans suggested that the board follow this closely over the next year.

With no other business, Clemans adjourned the meeting at 3:18 pm.