

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
Board of Trustees – Regular Meeting –  
December 15, 2009 – 6:00 p.m. – **Little Theater 101**, Norco Campus

AGENDA

ORDER OF BUSINESS

Pledge of Allegiance

Anyone who wishes to make a presentation to the Board on an agenda item is requested to please fill out a “REQUEST TO ADDRESS THE BOARD OF TRUSTEES” card, available from the Public Affairs Officer. However, the Board Chairperson will invite comments on specific agenda items during the meeting before final votes are taken. Please make sure that the Secretary of the Board has the correct spelling of your name and address to maintain proper records. Comments should be limited to five (5) minutes or less.

Anyone who requires a disability-related modification or accommodation in order to participate in this meeting should contact Heidi Wills at (951) 222-8801 as far in advance of the meeting as possible.

Any public record relating to an open session agenda item that is distributed within 72 hours prior to the meeting is available for public inspection at the RCCD District Chancellor’s Office, Suite 210, 1533 Spruce Street, Riverside, California, 92507.

**\* ORGANIZATIONAL MEETING \***

- The Board will elect the President, Vice President and Secretary of the Board of Trustees for 2010; the selection of the day, time and place of Board meetings and the Board association and committee appointments must be determined.

**Recommended Action: To Elect Officers; Consider Selection of Meeting Day, Time and Place; and Board Association and Committee Appointments**

I. Approval of Minutes - Regular Meeting of November 17, 2009

II. Chancellor’s Reports

A. Communications

Chancellor will share general information to the Board of Trustees, including federal, state, and local interests and District information.

**Information Only**

1. “Administration of Oath of Office to Student Trustee”– Dr. Gregory W. Gray, Chancellor, Riverside Community College District

B. Agreement with Bill and Melinda Gates Foundation

- Recommend ratifying the award for the Communities Learning in Partnership (CLIP) program, a joint effort between Riverside City College and the City of Riverside.

**Recommended Action: Request for Ratification**

MINUTES OF THE REGULAR BOARD OF TRUSTEES MEETING  
OF NOVEMBER 17, 2009

President Blumenthal called the regular meeting of the Board of Trustees to order at 6:04 p.m. in Student Services Room 101, Moreno Valley Campus.

CALL TO ORDER

Trustees Present

Ms. Virginia Blumenthal  
Ms. Mary Figueroa  
Mrs. Janet Green  
Mr. José Medina (arrived at 6:11 p.m.)  
Mr. Mark Takano

Staff Present

Dr. Gregory W. Gray, Chancellor  
Dr. James Buysse, Vice Chancellor, Administration and Finance  
Ms. Melissa Kane, Vice Chancellor, Diversity and Human Services  
Dr. Brenda Davis, President, Norco Campus  
Dr. Jan Muto, President, Riverside City College  
Dr. Monte Perez, President, Moreno Valley Campus  
Ms. Chris Carlson, Chief of Staff  
Mr. Jim Parsons, Associate Vice Chancellor, Public Affairs and Institutional Advancement  
Dr. Sharon Crasnow, District and Norco Campus Academic Senate President  
Dr. Travis Gibbs, President, Academic Senate, Moreno Valley Campus  
Dr. Dariush Haghghat, President, CTA  
Mr. Gustavo Segura, President, CSEA

Ms. Amanda Barnes, student, led the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Ms. Green, seconded by Ms. Figueroa, moved that the Board of Trustees approve the minutes of the special meeting of October 10, 2009. Motion carried. (4 ayes, 1 absent [Medina])

MINUTES OF THE SPECIAL  
MEETING OF OCTOBER 10, 2009

Ms. Green, seconded by Ms. Figueroa, moved that the Board of Trustees approve the minutes of the regular meeting of October 20, 2009. Motion carried. (4 ayes, 1 absent [Medina])

MINUTES OF THE REGULAR  
MEETING OF OCTOBER 20, 2009

## CHANCELLOR'S REPORTS

### Presentations

Dr. Gray announced the formation of a task force for the Riverside School for the Arts (RSA) and the co-chairs, Board Members Mary Figueroa and Mark Takano. Other appointees to the task force from the RCC campus are Dr. Jan Muto, President, RCC; Dr. Pat Schwerdtfeger, Vice President, Academic Affairs; Ms. Jodi Julian, Associate Professor, Theater Arts; Mr. Will Kim, Assistant Professor, Art; Mr. Charlie Richard, Associate Professor, Music; and Mr. Bud Tedesco, Assistant Professor, Film, Television and Video. Appointees from RCCD are Dr. Shelagh Camak, Executive Dean, Workforce Development and Student Support Services and Mr. Orin Williams, Associate Vice Chancellor, Facilities Planning, Design and Construction. The appointees announced from the Norco Campus are Ms. Rita Chenoweth, Associate Professor, Dance, and Ms. Karin Skiba, Associate Professor, Art.

“Special Presentation –  
Announcement of Riverside  
School for the Arts Task Force”  
– Dr. Gregory W. Gray,  
Chancellor, Riverside  
Community College District

Dr. Perez recognized Culinary Arts Academy student alumni Ms. Kanisha Neal for receiving a top honor “Gold” award in the state bakeoff competition. She also placed 9th in the national culinary arts competition for best pastry. In addition, Dr. Perez recognized student Jorge Flores for his advocacy of the GoPass program that allows students to ride RTA buses for free and for his efforts in helping to secure legislative approval to continue the program at Riverside Community College District. The program was so well received by the legislature that the Assembly Bill was amended to expand the program to community colleges throughout the state.

“Special Presentation –  
Recognition of Student Advocacy  
and GoPass” – Dr. Monte Perez,  
President, Moreno Valley

Ms. Amanda Barnes presented the report about recent and future student activities at the Moreno Valley and Norco Campuses and Riverside City College.

### STUDENT REPORT

Mr. Kevin Stonestreet, student, commented on veterans’ services for students.

### COMMENTS FROM THE PUBLIC

CONSENT ITEMS

Action

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees:

Approve the amended listed academic and classified appointments, and assignment and salary adjustments; (Appendix No. 20)

Academic and Classified Personnel

Approve/ratify the Purchase Orders and Purchase Order Additions totaling \$1,456,065 and District Warrant Claims totaling \$7,031,873; (Appendix No. 21)

Purchase Order and Warrant Report – All District Funds

Approve the budget transfers as presented; (Appendix No. 22)

Budget Adjustments

Approve adding the revenue and expenditures of \$75,689 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution;

Resolution to Amend Budget – Resolution No. 07-09/10 2009-2010 College Cost Reduction and Access Act (CCRAA) Access to Success Program

Approve adding the revenue and expenditures of \$62,316 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution;

Resolution to Amend Budget – Resolution No. 08-09/10 2009-2010 College Cost Reduction and Access Act (CCRAA) Step Up to Success Cooperative Program

Approve adding the revenue and expenditures of \$73,060 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution;

Resolution to Amend Budget – Resolution No. 09-09/10 2009-2010 College Cost Reduction and Access Act (CCRAA) Project Success Program

Approve adding the revenue and expenditures of \$66,000 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution;

Resolution to Amend Budget – Resolution No. 10-09/10 2009-2010 Zenith Mentoring Foster Youth/Independent Living Program



Approve adding the revenue and expenditures of \$10,543 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution;

Resolution to Amend Budget – Resolution No. 11-09/10 TRIO Student Support Services Program/Middle College High School Program/CTE Community Collaborative Project – UNITE Program

Approve adding the revenue and expenditures of \$2,393,800 to the budget and authorize the Vice Chancellor, Administration and Finance, to sign the resolution contingent upon the Board of Trustees’ approval of Board Report No. VI-A-1;

Resolution to Amend Budget – Resolution No. 14-09/10 2009-2010 WIA/ARRA Community College Class Size Training Program

Award a bid for the District Modular ADA Upgrades, Riverside and Moreno Valley Campus, in the total amount of \$74,900 to Silver Creek Industries and authorize the Vice Chancellor, Administration and Finance, to sign the associated agreement;

Bid Award – District Modular ADA Upgrades, Riverside and Moreno Valley Campus

Award a bid for the Dental Operatory Fixtures, Furniture and Equipment, March Dental Education Center, in the total amount of \$384,382 to Fitzpatrick Dental, Inc., and authorize the Vice Chancellor, Administration and Finance, to sign the associated agreement;

Bid Award – Dental Operatory Furniture, Fixtures and Equipment – March Dental Education Center

Grant out-of-state travel requests; (Appendix No. 23 )

Out-of-State Travel

Ratify the contracts totaling \$486,475; (Appendix No. 24)

Contracts and Agreements Report Less than \$76,700 – All District Resources

Ratify a grant agreement amendment to decrease the funding amount for the period July 1, 2009 through June 30, 2010, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment;

Contract Amendment with Foundation for California Community Colleges

Approve using the Western States Contracting Alliance agreements A74813, B27158, B27160 and B27164 to purchase Lenovo, Apple, Dell and Hewlett Packard proprietary hardware, as needed for all departments in the District as per the terms of the Master Price Agreement from September 1, 2009 to August 31, 2014;

Using Master Price Agreements for Purchasing – Lenovo, Apple, Dell, and Hewlett Packard

Approve using the OfficeMax competitively bid piggyback Bid No. 08-09/06 contract from the Oakland Unified School District to purchase office, classroom, health, athletic, technology and furniture supplies for the term of July 27, 2009 through July 26, 2012;

Using Competitively Bid Piggyback Contract to Purchase Office, Classroom, Health, Athletic, Technology and Furniture Supplies from OfficeMax

Declare an emergency exists for the Market Street Properties, Heiting Building, for the removal of the pre-cast concrete vertical fins and sheet metal louvers; approve Board Resolution No. 16-09/10 authorizing the emergency repairs to the Market Street Properties, Heiting Building; ratify the agreement with Tilden Coil Constructors to mobilize the demolition contractor in an amount not to exceed \$80,000; and authorize the Vice Chancellor, Administration and Finance, to sign the agreement;

Market Street Properties, Heiting Building Concrete Fin Removal – Emergency Resolution No. 16-09/10

Declare the listed property to be surplus; find that the property does not exceed the total value of \$5,000; and authorize the property to be consigned to the Liquidation Company to be sold on behalf of the District. (Appendix No. 25)

Surplus Property

Motion carried. (5 ayes)

## Information

In accordance with Board Policy 1042, the Chancellor has accepted the resignations of Gary Bell, Grounds Equipment Repairperson/Operator, and Bonita Lenzion, Assistant Cashier/Clerk.

Separations

The Board received the information for the period July 1, 2009 through October 31, 2009.

Monthly Financial Report

The Board received the information for the annual financial and budget report.

2008-2009 CCFS-311 – Annual Financial and Budget Report

The Board received the summary report on Measure C general fund obligation bond financial activity through the period ended October 31, 2009.

Measure C Project Commitments Summary

BOARD COMMITTEE REPORTS

Teaching and Learning

Mr. Medina, seconded by Ms. Green, moved that the Board of Trustees ratify the contract with Riverside County Economic Development Agency to provide employment training for the time frame of July 1, 2009 through June 30, 2011, in the amount of \$2,393,800, and authorize James Buysse, Vice Chancellor, Administration and Finance, to sign the contract. Motion carried. (5 ayes)

Workforce Investment Act  
Training Act Courses

Resources

Mr. Takano, seconded by Mr. Medina, moved that the Board of Trustees receive the independent Proposition 39 Financial and Performance Audits of the Measure C general obligation bonds for the year ended June 30, 2009. Motion carried (5 ayes)

2008-2009 Proposition 39  
Financial and Performance  
Audits

Mr. Takano, seconded by Ms. Figueroa, moved that the Board of Trustees approve the agreement with C.W. Driver for construction management multiple prime services on the Moreno Valley Parking Structure and Surge Space Project in an amount not to exceed \$2,086,578; and authorize the Vice Chancellor, Administration and Finance, to sign the agreement and future amendments. Motion carried. (5 ayes)

Moreno Valley Parking  
Structure and Surge Space –  
Multiple Prime Construction  
Management Agreement – C.W.  
Driver

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees approve Change Order No. 1 for the Food Services Remodel Project at the Moreno Valley Campus with Hinkley & Associates for an extension of the contract by sixty (60) calendar days at no additional cost to the District, and authorize the Associate Vice Chancellor of Facilities Planning, Design and Construction to sign the Change Order. Motion carried. (5 ayes)

Food Services Remodel Project  
(Moreno Valley Campus) –  
Change Order No. 1

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees approve Change Order No. 1 for the Interim Food Service Facility at the Moreno Valley Campus with Sherman Construction in the amount of \$1,430, and authorize the Associate Vice Chancellor of Facilities Planning, Design and Construction to sign the Change Order. Motion carried. (5 ayes)

Interim Food Service Facility  
(Moreno Valley Campus) –  
Change Order No. 1

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees approve Change Order No. 1 for the Safety and Site Improvement Project at the Moreno Valley Campus with Fata Construction for an extension of the contract by seven (7) calendar days at no additional cost to the District, and authorize the Associate Vice Chancellor of Facilities Planning, Design and Construction to sign the Change Order. Motion carried. (5 ayes)

Moreno Valley Campus Safety Site Improvement Project – Change Order No. 1

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees approve the Change Orders as recommended. Motion carried. (5 ayes) (Appendix No. 26)

Phase III-Norco/Industrial Technology Project – Change Orders

Mr. Takano, seconded by Ms. Green, moved that the Board of Trustees approve Change Order No. 2 for the Norco Soccer Field (Phase II) project in the amount of \$28,506.10, and authorize the Associate Vice Chancellor of Facilities Planning, Design and Construction to sign the Change Order. Motion carried. (5 ayes)

Norco Campus Soccer Field Project (Phase II) – Change Order No. 2

Mr. Takano, seconded by Mr. Medina, moved that the Board of Trustees approve Amendment No. 3 with Harley Ellis Devereaux for revisions to the Norco Student Support Center project in an amount not to exceed \$41,930, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment. Motion carried. (5 ayes)

Norco Student Support Center – Design Amendment No. 3

Ms. Green, seconded by Mr. Medina, moved that the Board of Trustees approve Amendment No. 5 with GKK Works for revisions to the Life Science Department and additional reimbursable expense compensation for the Riverside Nursing/Science Building project in an amount not to exceed \$87,564, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment. Motion carried. (5 ayes)

Riverside Nursing/Science Building Project – Design Amendment No. 5

Mr. Takano, seconded by Mr. Medina, moved that the Board of Trustees approve Amendment No. 1 with GKK Works to design and prepare plans, calculations and specifications for an added Automatic Fire Sprinkler System for the Wheelock Gymnasium, Seismic Retrofit project in an amount not to exceed \$24,700, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment. Motion carried. (5 ayes)

Wheelock Gymnasium, Seismic Retrofit (P.E. Complex – Phase II) Project – Design Amendment No. 1

#### Planning Committee

Ms. Green, seconded by Mr. Medina, moved that the Board of Trustees approve six agreements with the City of Riverside and reimbursement to Riverside Community College District of \$79,000 for repair of Saunders Street at Riverside City College, and authorize the Vice Chancellor, Administration and Finance, to sign the agreements. Motion carried. (5 ayes)

Tequesquite Arroyo Trunk Sewer Project – Riverside City College

Ms. Green, seconded by Mr. Medina, moved that the Board of Trustees approve the award of bids contingent upon the State Chancellor’s approval of bids for the Phase II portion of the Riverside Nursing/Science Building project in the total amount of \$29,607,200 identified in Exhibit I, and authorize the Vice Chancellor, Administration and Finance, to sign the associated agreements. Motion carried. (5 ayes)

Riverside Nursing/Science Building Project (Phase II) – Update and Award of Bids

#### Governance Committee

Ms. Figueroa, seconded by Mr. Medina, moved that the Board of Trustees approve the Master Agreement, and authorize the Chancellor to sign the agreement. Motion carried. (5 ayes)

Master Agreement Between Riverside Community College District and Riverside Community College District Foundation

The Board received for information the minutes from the October 6, 2009 Board of Trustees Governance, Teaching and Learning, Planning, and Resources Committee meetings.

Board of Trustees Committee Meeting Minutes

A request was made by RCCD student Josue Landa for students to have more involvement with the budgetary process as well as a better understanding of how funding and spending is determined. A meeting with the Chancellor and students will be scheduled.

#### COMMENT FROM THE PUBLIC

ACADEMIC SENATE REPORTS

Dr. Travis Gibbs presented the report on behalf of the Moreno Valley Campus Academic Senate.

Moreno Valley Campus

Dr. Sharon Crasnow presented the report on behalf of the District and Norco Campus Academic Senate.

District and Norco Campus

BARGAINING UNIT REPORTS

Dr. Dariush Haghighat, President, CTA, presented the report on behalf of the CTA.

CTA – California Teacher’s Association

Mr. Gustavo Segura, President, CSEA, presented the report on behalf of the CSEA.

CSEA – California School Employees

The Board adjourned the meeting at 7:35 p.m.

ADJOURNMENT

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RIVERSIDE CITY COLLEGE

Report No. II-B

Date: December 15, 2009

Subject: Agreement with Bill and Melinda Gates Foundation

Background: Presented for the Board's review and consideration is an award from the Bill and Melinda Gates Foundation for Communities Learning in Partnership (CLIP) program. This is a joint effort between Riverside City College and the City of Riverside. The funding is to develop a formal proposal that will increase postsecondary credential completion among low-income young adults; help them to understand, document and build on their success; and explore and understand how and to what extent connectivity among key stakeholders in part of their success. Total payment under this agreement shall not exceed \$140,595.00, for the period October 23, 2009 through July 31, 2010. Funding source: Bill and Melinda Gate Foundation.

Recommended Action: It is recommended that the Board of Trustees ratify the award, for the time frame of October 23, 2009 through July 31, 2010, in the amount of \$140,595.00, and authorize James Buysse, Vice Chancellor, Administration and Finance, to sign the Contract.

Gregory Gray  
Chancellor

Prepared by: Jan Muto, President  
Riverside City College

Shelagh Camak  
Executive Dean, Workforce Development and Student Success  
Riverside City College

Michael Wright  
Director, Workforce Preparation Grants and Contracts  
Riverside City College

BILL & MELINDA  
GATES *foundation*

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October 23, 2009

Dr. Jan Muto, President  
Riverside Community College District  
4800 Magnolia Ave  
Riverside, CA 92506

Re: U.S. Program / Grant Number OPP1009068  
CLIP: Community Planning Grants

Dear Dr. Muto:

The Bill & Melinda Gates Foundation (the "Foundation") is pleased to award Riverside Community College District a grant in the amount of \$140,595.00 for the period beginning on the date you sign this agreement (the "Start Date") to July 31, 2010 (the "Grant Period"). This agreement (the "Grant Agreement") contains the terms and conditions of this grant.

**Charitable Purpose of the Grant.** The Foundation has initiated a Communities Learning in Partnership ("CLIP") effort. The goal of CLIP is to support and accelerate the work of selected communities in their efforts to increase postsecondary credential completion among low-income young adults; help them to understand, document, and build on their success; and explore and understand how and to what extent connectivity among key stakeholder institutions is a part of their success; and inform each site's future efforts. Riverside is one of seven communities selected by the Foundation to participate in CLIP. The grant funds will be used by Riverside Community College District to participate in CLIP to increase postsecondary completion rates as described in its proposal (the "Proposal") and budget (the "Budget") dated July 29, 2009 (together, the "Project").

To help ensure the success of the CLIP effort, the Foundation has made a grant to National League of Cities Institute ("NLCI") to serve as project coordinator across the seven participating communities. As project coordinator, NLCI will be the primary point of contact for Riverside Community College District with respect to this grant. NLCI has the duties and responsibilities described in Exhibit A to this Grant Agreement.

**Tax-Exempt Status.** Riverside Community College District confirms it is a governmental unit within the meaning of sections 170(b)(1)(A)(v) and 170(c)(1) of the Internal Revenue Code of 1986 because it is a state, or a political subdivision, agency or instrumentality of a state, or the United States federal government, or the District of Columbia. You agree to advise us immediately if there is any change in your organization's exempt status during the Grant Period.

**Use of Grant Funds.** Grant funds may only be used for the Project. Any grant funds unexpended or uncommitted at the end of the Grant Period must be promptly returned to the Foundation. Any Budget cost category change of more than 10% must be approved in writing by the Foundation in advance. You may not use the grant funds to reimburse any expenses you chose to incur prior to the Start Date.

**Political Campaign/Lobbying Activity.** Grant funds may not be used to influence the outcome of any election for public office or to carry on any voter registration drive. This grant is not in any way earmarked to support lobbying activity or to otherwise support attempts to influence local, state, federal, or foreign legislation.



**Investment of Grant Funds.** Grant funds must be invested in highly liquid investments (such as interest-bearing bank accounts) with the primary objective of preservation of principal so that they are available for the Project. The Foundation requires you to report the amount of any interest or other income generated by the grant funds, including currency conversion gains (collectively "Interest"). Any Interest must be used for the Project. At the end of the Grant Period, any remaining Interest must be applied to another of your Foundation-funded projects (current or under consideration).

**Subgrants and Subcontracts.** You have the exclusive right to select subgrantees and subcontractors for the Project. The Foundation has not earmarked the use of the grant funds for any specific subgrantee or subcontractor. You, and not the Foundation, are responsible for ensuring that all subgrantees and subcontractors use grant funds consistent with this Grant Agreement and the Proposal. Neither you nor your subgrantees or subcontractors may make any statement or otherwise imply to donors, investors, media or the general public that the Foundation directly funds the activities of any subgrantee or subcontractor. Any agreements with subgrantees and subcontractors you engage to assist with the Project must include the following language: "Your organization has been selected to participate in this Project at our discretion. You may not make any statement or otherwise imply to donors, investors, media or the general public that you are a direct grantee of the Bill & Melinda Gates Foundation ("Foundation"). You may state that Riverside Community College District is the Foundation's grantee and that you are a subgrantee or subcontractor of Riverside Community College District for the Project."

**Payments and Reports.** This table shows the deliverables (including reports) and milestones for this grant. Where indicated, the Foundation's payment is contingent on satisfaction of the listed deliverable and/or milestone. The Foundation may authorize changes to the payment and reporting schedules from time to time where appropriate. The Foundation will confirm any such changes in writing.

<b>Payment Date</b>	<b>Payment Amount</b>	<b>Milestone or Deliverable</b>	<b>Due by</b>
November 2009	\$140,595.00	Receipt of signed Grant Agreement	October 31, 2009
<b><i>AWARD TOTAL</i></b>	<b><i>\$140,595.00</i></b>	Final narrative and financial report for the entire Grant Period	September 15, 2010

**Milestones.** For a report to be satisfactory, you must demonstrate meaningful progress against the listed milestones and those in the Proposal.

**Report Templates.** You are required to submit one or more reports regarding the expenditure of grant funds and your progress on the Project. Please submit reports electronically to your Program Officer and Program Coordinator. The Foundation will send you an email with the contact information for these individuals. You also agree to submit other reports that the Foundation may reasonably request.

**Record Maintenance and Inspection.** The Foundation requires that you maintain adequate records for the Project to enable the Foundation to easily determine how the grant funds were expended. Your books and records must be made available for inspection by the Foundation or its designee at reasonable times to permit us to monitor and conduct an evaluation of operations under this grant.

**Compliance.** The Foundation has the right at its discretion to terminate or suspend the grant or withhold payment if (a) the Foundation is not reasonably satisfied with your progress on the Project; or (b) significant leadership or other changes occur that the Foundation believes may threaten the Project; or (c) you fail to comply with any term or condition of this Grant Agreement. On termination, if requested by the Foundation, you agree to promptly return to the Foundation any unspent and uncommitted grant funds (as of the date of termination) previously distributed to you by the Foundation for the Project.

**Research and Evaluation.** The Foundation values research and evaluation of the projects it funds. You agree to inform the Foundation of any research or evaluation you conduct or commission regarding the Project and to provide to the Foundation a copy of any report or findings from the research or evaluation. The Foundation or its evaluation partner will notify you in writing of your inclusion in any research project undertaken by the Foundation. If you are selected to participate in Foundation-sponsored research or evaluation for the Project, you agree to (a) allow and facilitate the Foundation's evaluation partner to implement an evaluation plan; (b) identify an on-site evaluation coordinator who will serve as a contact; (c) facilitate the collection of data; and (d) permit the Foundation to publicly disseminate the results of the research or evaluation. The Foundation's evaluation partner will provide appropriate privacy and other protections to participants.

**Public Access.** You will cooperate with NLCI to make the results of the Project or any reports or other publications regarding the Project funded by this grant (collectively, the "Materials") available to the public: (i) on hard copy media free of charge (other than reasonable processing and shipping costs) and/or (ii) for free unlimited access and use via an Internet site, which you will use reasonable efforts to have listed with major Internet search engines.

**Grant Announcements, Public Reports and Use of Foundation Name and Logo.** The Foundation will include information on this grant in our periodic public reports and may make grant information public at any time on its web page and as part of press releases, public reports, speeches, newsletters, and other public documents. If you wish to issue a press release or announcement regarding the award of this grant, you must obtain advance approval from the Foundation of the press release and the date of release. You also agree to obtain advance approval from the Foundation for any other use of the Foundation's name or logo. The Foundation requests an opportunity to review and comment on subsequent press releases or reports that are directly related to the grant. Please contact Eli Yim at eli.yim@gatesfoundation.org or 206.709.3309 at least two weeks before any press release, announcement or other publication date.

**Counterparts; Original.** This Grant Agreement, including any amendments, may be executed in counterparts which, when taken together, will constitute one Grant Agreement. Copies of this Grant Agreement will be equally binding as originals and faxed or scanned and emailed counterpart signatures will be sufficient to evidence execution, though the Foundation may require you, the grantee, to deliver original signed documents.

**Assignment.** This Grant Agreement or any of the rights or obligations under this Grant Agreement may not be assigned without the Foundation's prior written consent. An assignment includes (a) any transfer of the Project; (b) an assignment by operation of law, including a merger or consolidation, or (c) the sale or transfer of all or substantially all of your organization's assets.

**Entire Agreement, Severability and Amendment.** This Grant Agreement is our entire agreement and supersedes any prior oral or written agreements or communications between us regarding its subject matter. The provisions of this Grant Agreement are severable so that if any provision is found to be invalid, illegal, or unenforceable, such finding shall not affect the validity, construction, or enforceability of any remaining provision. This Grant Agreement may be amended only by a mutual written agreement of the parties.

Please sign and return this Grant Agreement to Paul Facchini, your Grants Administrator. Please keep a copy for your records. If you have questions, please contact Paul at [REDACTED] or [REDACTED].

**EXHIBIT A**  
**TO THE GRANT AGREEMENT BETWEEN THE BILL & MELINDA GATES FOUNDATION**  
**AND RIVERSIDE COMMUNITY COLLEGE DISTRICT**

NLCI is the project coordinator for CLIP. As project coordinator, NLCI will be the primary point of contact for communities selected by the Foundation for funding and will be responsible for the following:

RFP Process

- Manage the RFP process end to end based on the RFP developed and issued by NLCI in coordination with the Foundation
- Convene an advisory committee to review proposals submitted in response to the RFP to identify organizations that meet the criteria
- Coordinate and conduct site visits to RFP applicants
- Recommend to the Foundation RFP applicants for funding

Grantmaking

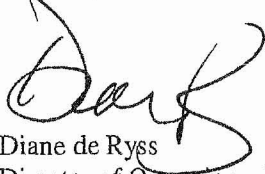
- The Foundation will review NLCI's recommendations and follow its own internal processes for awarding grants to the organizations selected by the Foundation for funding
- The Foundation will enter into grant agreements with these organizations and disburse funds to them directly

Grant Monitoring

- Serve as the primary point of contact for communities selected to participate in the Project
- Respond to grantee questions, concerns or other issues relative to the Project, coordinating with the Foundation where appropriate
- Regularly monitor grantee progress in meeting the grant's objectives (e.g., site visits, convenings, regular communications)
- Initiate any efforts determined necessary to ensure grantee compliance with the terms of the grant
- Gather and synthesize grantee reports and outcomes and make recommendations to the Foundation regarding subsequent payments. While the Foundation reserves the right to make its own funding decisions, the Foundation will give significant weight to favorable recommendations from NLCI
- Review grantee narrative and financial reports and request from grantees any changes, updates, clarifications, revisions or improvements determined necessary by NLCI or the Foundation
- Identify any need for "course correction" and work directly with the grantees to implement course corrections on specific grants or the Project as a whole
- At the Foundation's request, participate with the Foundation in conversations with grantees about their grants
- Regularly communicate with the Foundation regarding grantee progress on the Project
- Provide overall project coordination

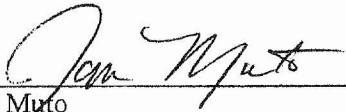
On behalf of the Foundation, may I extend every good wish for the success of your work.

Sincerely,



Diane de Ryss  
Director of Operations, U.S. Program

Riverside Community College District, by its authorized representative agrees to the terms and conditions of this Grant Agreement.



Jan Muto  
President  
Riverside City College

10/23/09

Date



Dr. James L. Buysse  
Vice Chancellor, Administration & Finance  
Riverside Community College District

10/23/09

Date

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S REPORTS

Report No.: II-C

Date: December 15, 2009

Subject: 2010 Commencement Schedule

Background: The academic calendar is part of the contract the District has with the California Teachers Association (CTA). As such, the last day of the academic year is traditionally the date of commencement. Commencement in recent history has been held at 6:00 p.m. the last day of the academic year (Thursday) at Riverside City College campus. Just over two years ago, in recognizing the goal of accrediting Norco and Moreno Valley campuses into their own colleges, commencement ceremonies were separated into three campus commencements, held concurrently at 6:00 p.m. the last day of the academic year.

While the notion of separate commencement ceremonies is well appreciated, the division of the Chancellor and Board is not. The last day of the academic year for 2009-2010 is Thursday, June 10, 2009. It has been proposed and accepted by CTA that the three commencement ceremonies be held during the day, so that the Chancellor and Board can attend all three ceremonies.

It is proposed that the schedule for the 2010 commencement ceremonies for Thursday, June 10, 2010 will be held as follows:

10:00 a.m.	Norco Campus
5:00 p.m.	Moreno Valley Campus
7:30 p.m.	Riverside City College

Recommended Action: It is recommended that the Board of Trustees accept the 2010 Commencement Schedule as presented.

Gregory W. Gray  
Chancellor

Prepared by: Chris Carlson  
Executive Assistant to the Chancellor/  
Chief of Staff

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Report No.: II-D

Date: December 15, 2009

Subject: Public Hearing - Collective Bargaining – Proposal for Early Retirement Plan

Background: On December 1, 2009, the Board of Trustees received and sunshined the joint letter of intent to negotiate an early retirement plan between the District and the Faculty Association. At that time, the public hearing on this subject was called for the December 15, 2009 regular Board meeting.

Recommended Action: It is recommended that the Board of Trustees conduct a public hearing on the proposal to negotiate an early retirement plan for fiscal year 2009-2010 between the Riverside Community College District and Riverside Community College District Faculty Association CTA/CCA/NEA.

Gregory W. Gray  
Chancellor

Prepared by: Melissa Kane  
Vice Chancellor, Diversity and Human Resources

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S REPORTS

Report No.: II-E

DATE: December 15, 2009

Subject: Proposed Board of Trustees Meeting Calendar for January-December 2010

<u>Date</u>	<u>Type of Meeting</u>	<u>Campus/Location</u>
January 19, 2010*	Board Committee Meeting(s)	Board Room AD122 Riverside City College
January 26, 2010*	Regular Board Meeting	Board Room AD122 Riverside City College
February 2, 2010	Board Committee Meeting(s)	Student Services 101 Moreno Valley Campus
February 16, 2010	Regular Board Meeting	Student Services 101 Moreno Valley Campus
March 2, 2010	Board Committee Meeting(s)	Student Services Foyer Norco Campus
March 16, 2010	Regular Board Meeting	Student Services Foyer Norco Campus
April 6, 2010	Board Committee Meeting(s)	Board Room AD122 Riverside City College
April 20, 2010	Regular Board Meeting	Board Room AD122 Riverside City College
May 4, 2010	Board Committee Meeting(s)	Student Services 101 Moreno Valley Campus
May 18, 2010	Regular Board Meeting	Student Services 101 Moreno Valley Campus
June 1, 2010	Board Committee Meeting(s)	Student Services Foyer Norco Campus
June 15, 2010	Regular Board Meeting	Student Services Foyer Norco Campus
August 3, 2010	Board Committee Meeting(s)	Board Room AD122 Riverside City College
August 17, 2010	Regular Board Meeting	Board Room AD122 Riverside City College
September 7, 2010	Board Committee Meeting(s)	Student Services 101 Moreno Valley Campus
September 21, 2010	Regular Board Meeting	Student Services 101 Moreno Valley Campus

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S REPORTS

Report No.: II-E

DATE: December 15, 2009

Subject: Proposed Board of Trustees Meeting Calendar for January-December 2010 - Continued

<u>Date</u>	<u>Type of Meeting</u>	<u>Campus/Location</u>
October 5, 2010	Board Committee Meeting(s)	Student Services Foyer Norco Campus
October 19, 2010	Regular Board Meeting	Student Services Foyer Norco Campus
November 2, 2010	Board Committee Meeting(s)	Board Room AD122 Riverside City College
November 16, 2010	Regular Board Meeting	Board Room AD122 Riverside City College
December 7, 2010	Board Committee Meeting(s)	Student Services 101 Moreno Valley Campus
December 14, 2010**	Regular Board Meeting (Annual Organizational Meeting)	Student Services 101 Moreno Valley Campus

\*Meeting(s) moved to last two weeks of the month.

\*\*Meeting moved up a week to comply with organizational meeting guidelines.

Recommended Action: It is recommended that the Board of Trustees approve the schedule of meetings for January-December 2010, noting the start time is generally 6:00 p.m.

Gregory W. Gray  
Chancellor

Prepared by: Heidi Wills  
Executive Administrative Assistant,  
Office of the Chancellor and Board of Trustees



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Report No.: V-A-1-a

Date: December 15, 2009

Subject: Academic Personnel

1. Appointments

Board Policy 2200 authorizes the Chancellor (or designee) to make an offer of employment to a prospective employee, subject to final approval by the Board of Trustees.

It is recommended the following appointments be approved/ratified:

a. Management

<u>Name</u>	<u>Position</u>	<u>Term of Employment</u>	<u>Salary Placement</u>
RIVERSIDE CITY COLLEGE			
Cecilia Alvarado	Director, EOPS	01/11/10-06/30/10	Grade T, Step 5

b. Contract Faculty  
(None)

c. Long-Term, Temporary Faculty  
(None)

2. Nursing Grant Compensation Stipends Fall 2009

Riverside Community College District is the recipient of the Nursing Faculty Recruitment and Retention Grant. The intent of this grant is to assist colleges in responding to a nursing shortage by increasing the number of qualified nursing faculty at California Community Colleges and recruit and retain qualified nursing faculty. Part of the funds of this grant are to be used as longevity or shift differential stipends paid to qualified faculty.

It is recommended the Board of Trustees approve payment as indicated to the nursing faculty specified below in accordance with the Nursing Faculty Recruitment and Retention Grant.

<u>Name</u>	<u>Compensation Amount</u>
LONGEVITY	
Farrington, Susan	5,390.00
Kroetz, Sabrina	5,390.00
Reimer, Kimberly	3,593.00
SHIFT DIFFERENTIAL	
Clement, Cherry	754.00

Report No.: V-A-1-a

Date: December 15, 2009

Subject: Academic Personnel

### 3. Salary Reclassification

Board Policy 7160 establishes the procedures for professional growth and salary reclassification. The following employee has fulfilled the requirements of this policy.

It is recommended the Board of Trustees grant a salary reclassification to the following faculty member effective January 1, 2010:

<u>Name</u>	<u>From Column</u>	<u>To Column</u>
Sheryl Tschetter	E	H

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Report No.: V-A-1-b

Date: December 15, 2009

Subject: Classified Personnel

1. Appointments

In accordance with Board Policy 2200, the Chancellor recommends approval for the following:

- a. Management/Supervisory  
(None)
- b. Management/Supervisory – Categorically Funded  
(None)
- c. Classified/Confidential  
(None)
- d. Classified/Confidential – Categorically Funded  
(None)
- e. Non-Classified Short Term  
Short-term appointments of individuals to serve on an hourly, as needed basis, as indicated on the attached list.
- f. Temporary as Needed Student Workers  
Short-term appointments to serve on an hourly, as needed basis, as indicated on the attached list.

2. Requests for Leave Under the California Family Rights Act (CFRA) and/or the Federal Family and Medical Leave Act (FMLA)

It is recommended the Board of Trustees approve/ratify a request for leave under the California Family Rights Act and/or the Federal Family and Medical Leave Act. A maximum of 12 weeks (480 hours) of combined CFRA/FMLA will be reduced concurrently, as indicated below, for the following employees:

<u>Name</u>	<u>Title</u>	<u>Leave Type</u>	<u>Effective/ Retroactive to:</u>
Boling, Susan	Human Resources Specialist III	CFRA/FMLA	November 11, 2009
Castro, Nelya	Student Financial Services Outreach Specialist	CFRA/FMLA	November 10, 2009
Corral, Sheri	Sr. Officer, Safety & Police	CFRA/FMLA	December 1, 2009
Gill, Patricia	Accounting Services Clerk	CFRA/FMLA	November 30, 2009
Villanueva, Adelaida	Mailroom Coordinator	CFRA/FMLA	December 2, 2009

3. Request for Permanent Increase in Workload

Report No.: V-A-1-b

Date: December 15, 2009

Subject: Classified Personnel

The District Dean, Student Financial Services has requested a permanent increase in workload for the permanent, part-time position of Student Financial Services Support Specialist (95% Riverside City Campus). This position is currently held by Sandra Martinez;

It is recommended the Board of Trustees approve the permanent increase in workload for the permanent, part-time position of Student Financial Services Support Specialist from 95% to 100%, effective January 4, 2010.

Report No.: V-A-1-b

Date December 15, 2009

Subject: Classified Personnel

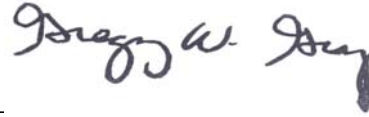
Submitted by:



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Melissa Kane  
Vice Chancellor, Diversity and Human  
Resources

Transmitted to the Board by:



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Gregory W. Gray  
Chancellor

Concurred by:



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Chris Carlson  
Chief of Staff/Executive Assistant to  
the Chancellor

Concurred by:



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Jan Muto  
President, Riverside City College



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Ray Maghroori  
Vice Chancellor, Academic Affairs



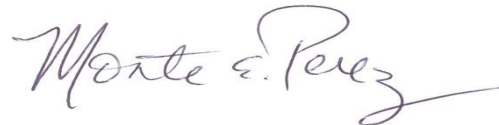
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Brenda Davis  
President, Norco Campus



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James Buysse  
Vice Chancellor, Administration and Finance  
and Finance



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Monte Perez  
President, Moreno Valley Campus

SALARY SCHEDULE FOR NON-CLASSIFIED SUBSTITUTE EMPLOYEES  
EMPLOYED AS NEEDED

<u>Name</u>	<u>Position</u>	<u>Effective Date</u>	<u>Salary Placement</u>
Adling, Christopher	Sr. Tool Room Attendant Sub	11/16/09-06/30/10	\$18.51/hour
Gonzalez, Steven	Clerical Substitute	11/09/09-12/04/09	\$18.51/hour

EMPLOYED AS NEEDED  
SALARY SCHEDULE FOR TEMPORARY, NON-CLASSIFIED SHORT TERM  
HOURLY EMPLOYEES, BOARD POLICY 7130

<u>Name</u>	<u>Position</u>	<u>Effective Date</u>	<u>Policy 7130</u>
Aldape, Jimmy	Computer Operator	11/23/09-06/30/10	\$15.00/hour
Hagstrom, Eric	Educational Assistant	11/04/09-06/30/10	\$8.00/hour
Boone, Stacy	Finance Specialist	12/16/09-02/28/10	\$18.25/hour
Corente, Carissa	Finance Specialist	12/16/09-02/28/10	\$18.25/hour
Miller, Sarah	Finance Specialist	12/16/09-02/28/10	\$18.25/hour
Gardner, Mark	Grant Facilitator	11/24/09-06/30/10	\$40.00/hour
Hunt, Tina	Grant Facilitator	11/24/09-06/30/10	\$40.00/hour
Franco, April	Grant Project Technician	11/09/09-06/30/10	\$20.00/hour
Nguyen, Cassie	IMC Trainee	12/16/09-06/30/10	\$8.00/hour
Alexander, Tameka	Interpreter I	11/14/09-11/14/09	\$18.00/hour
Acosta, Theresa	Interpreter II	11/16/09-06/30/10	\$23.00/hour
Hawkins, Levi	Instructional Aid I	12/16/09-06/30/10	\$8.00/hour
Tippie, Zachary	Instructional Aide III	11/12/09-03/01/10	\$9.00/hour
Ruvalcaba, Vanessa	Office Assistant I	10/01/09-06/30/10	\$9.00/hour
West, Irene	Office Assistant II	12/02/09-06/30/10	\$10.50/hour
Chavez, Melissa	Office Assistant III	12/07/09-06/30/10	\$12.50/hour

EMPLOYED AS NEEDED  
SALARY SCHEDULE FOR TEMPORARY, NON-CLASSIFIED SHORT TERM  
HOURLY EMPLOYEES, BOARD POLICY 7130 (cont'd)

<u>Name</u>	<u>Position</u>	<u>Effective Date</u>	<u>Salary Policy 7130</u>
El Moussawi, Abbas	Office Assistant III	10/01/09-06/30/10	\$12.50/hour
Kalinich, Kari	Office Assistant III	11/24/09-06/30/10	\$12.50/hour
Cuevas, Sofia	Office Assistant IV	12/01/09-06/30/10	\$14.00/hour
Ruvalcaba, Christopher	Office Assistant IV	10/01/09-06/30/10	\$14.00/hour
Collins, Eunitha	Office Clerk	11/16/09-06/30/10	\$8.00/hour
Parfitt, Joshua	Operations Clerk	11/30/09-06/30/10	\$8.00/hour
Glaser, Robert	Role Player	11/24/09-06/30/10	\$8.00/hour
Gomez, Ismael	Role Player	12/09/09-06/30/10	\$8.00/hour
Myers, Jeffrey	Role Player	11/30/09-06/30/10	\$8.00/hour
Garcia, Eduardo	Special Projects Employee	12/16/09-06/09/10	\$0.00
Johnson, Brooke	Special Projects Employee	12/16/09-06/09/10	\$0.00
Sanchez, Ryan	Special Projects Employee	11/18/09-12/11/09	\$0.00
Thurston, Omyia	Special Projects Employee	11/18/09-12/11/09	\$0.00
Fernandez, Gwyneth	Supplemental Instructional Leader	10/01/09-06/30/10	\$12.00/hour
Johnson, Dana	Supplemental Instructional Leader	11/29/09-06/30/10	\$12.00/hour
Reid, Seth	Tutor I	11/25/09-06/30/10	\$8.00/hour
Al Moussawi, Fatima	Tutor III	11/19/09-06/30/10	\$9.25/hour
Hsieh, Tom	Tutor III	12/02/09-06/30/10	\$9.25/hour
Ladinez, Abraham	Tutor III	12/16/09-06/30/10	\$9.25/hour
Craig, Christopher	Tutor IV	11/23/09-06/30/10	\$10.00/hour
Gonzalez, Steven	Tutor IV	11/19/09-06/30/10	\$10.00/hour
Kanda, Shilpy	Tutor IV	11/17/09-06/30/10	\$10.00/hour
Webb, Allen	Tutor IV	11/23/09-06/30/10	\$10.00/hour

DISTRICT FUNDS

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
<b>MORENO VALLEY CAMPUS</b>				
Angel, Luciana	Tutor	Tutorial Services	11/10/09	\$ 8.75
<b>RIVERSIDE CITY COLLEGE</b>				
Bernard, Wynton	Clerical / Field Worker	Student Services / Baseball	11/23/09	\$ 8.00
Engleman, Matthew	Recital Assistant	Performing Arts / Music	10/01/09	\$ 8.50
Haas, Christopher	Clerical / Field Worker	Student Services / Baseball	11/23/09	\$ 8.00
Johnson, Asha	Instructional Aide	Early Childhood Studies	11/17/09	\$ 8.00
Ratnayake, Melani	Tutor	Tutorial Services	11/10/09	\$ 8.00
Torres Rivera, Francisco	Clerical / Field Worker	Student Services / Baseball	11/23/09	\$ 8.00
Young, Eric	Clerical / Field Worker	Student Services / Baseball	11/23/09	\$ 8.00

CATEGORICAL FUNDS

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
<b>NORCO CAMPUS</b>				
El Souweid, Maha	Office Assistant 1	Assessment Center	11/23/09	\$ 9.00
Vernon, Marie	Office Assistant 1	Assessment Center	12/04/09	\$ 9.00
<b>RIVERSIDE CITY COLLEGE</b>				
Hansen, Branden	Matriculation Assistant III	Admissions & Records	11/10/09	\$ 10.00



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-2

Date: December 15, 2009

Subject: Purchase Order and Warrant Report--All District Resources

Background: The attached Purchase Order and Warrant Report--All District Resources is submitted to comply with Education Code Sections 81656 and 85231. The Purchase Orders and Purchase Order Additions, totaling \$11,796,917 requested by District staff and issued by the District Business Office have been reviewed to verify that budgeted funds are available in the appropriate categories of expenditure.

District Warrant Claims (numbers 147588-148977) totaling \$6,146,972 have been reviewed by the Business Office to verify that monies are available in the appropriate Resources for payment of these warrants. These claims also have been reviewed, on a sample basis, by the Riverside County Office of Education through its claim audit program.

Recommended Action: It is recommended that the Board of Trustees approve/ratify the Purchase Orders and Purchase Order Additions totaling \$11,796,917 and District Warrant Claims totaling \$6,146,972.

Gregory W. Gray  
Chancellor

Prepared by: Doretta Sowell  
Purchasing Manager

Report of Purchases-All District Funds  
Purchases Over \$76,700  
11/01/09 thru 11/30/09

PO#	Department	Vendor	Description	Amount
C0002806	Academy / Criminal Services	Riverside County	Deputy Assistant Continuity Officer	\$449,264
C0002814	Administrative Support Center	OCE Financial Services / Leases	Lease	98,242
C0002821	Facilities	Crew, Inc	Nursing/Sciences Building Bid Award	78,000
C0002822	Facilities	Mckenna General Engineering, Inc	Nursing/Sciences Building Bid Award	195,000
C0002823	Facilities	Quip-Con, Inc	Nursing/Sciences Building Bid Award	713,670
C0002824	Facilities	K.A.R. Construction, Inc	Nursing/Sciences Building Bid Award	3,183,186
C0002825	Facilities	Columbia Steel, Inc	Nursing/Sciences Building Bid Award	4,924,000
C0002826	Facilities	Inland Empire Architectural Specialties, Inc	Nursing/Sciences Building Bid Award	807,700
C0002827	Facilities	JPI Development Group, Inc	Nursing/Sciences Building Bid Award	456,000
C0002828	Information Services - Norco	NEC Unified Solutions, Inc.	PBX Maintenance	108,788
			Total	<u>\$11,013,850</u>
			All Purchase Orders, Contracts, and Additions Under \$76,700, for the Period of 11/01/09 - 11/30/09	
			Contracts- C2806 - C2830	160,686
			Contract Additions- C1711 - C2672	
			Purchase Orders- P21999 - P22299	480,479
			Purchase Order Additions- P20548 - P21937	
			Blanket Purchase Orders- B6447 - B6493	141,902
			Blanket Purchase Order Additions- B5271 - B6359	
			Total	<u>\$783,067</u>
			Grand Total	<u>\$11,796,917</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments

Background: The 2009-10 adopted budget represents our best estimates of both income and expenditures. As the year progresses, however, some accounts have surplus funds while others are underbudgeted. As provided in Title 5, Section 58307, the Board of Trustees may approve budget transfers between major object code expenditure classifications within the approved budget to allow for needed purchases of supplies, services, equipment and hiring of personnel. Unless otherwise noted, the transfers are within the unrestricted General Fund (Fund 11, Resource 1000). The following budget transfers have been requested:

<u>Program</u>	<u>Account</u>	<u>Amount</u>
1. Transfer to purchase equipment.		
From: Chancellor's Office	Supplies	\$ 1,800
To: College Relations	Equipment Replacement	\$ 1,800
2. Transfer to purchase equipment for the Career Tech Education grant. (Fund 12, Resource 1190)		
From: VTEA – Comm Collaborative Proj	Meeting Expenses	\$ 3,300
To: VTEA - Comm Collaborative Proj	Equipment	\$ 3,300
3. Transfer to reallocate the EWD Regional Consortia Demonstration Project grant budget. (Fund 12, Resource 1190)		
From: VTEA - Instructional Support	Academic Special Project	\$ 400
	Other Services	7,198
	Equipment	14
To: VTEA - Instructional Support	Classified Hourly	\$ 2,477
	Employee Benefits	35
	Software	5,100

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

<u>Program</u>	<u>Account</u>	<u>Amount</u>
4. Transfer to reallocate the Career Tech Education grant budget. (Fund 12, Resource 1190)		
From: VTEA - Perkins Title 1-C	Employee Benefits	\$ 974
	Food	2,000
	Conferences	6,000
	Equipment	948
To: VTEA - Perkins Title 1-C	Academic PT Teaching	\$ 9,922
5. Transfer to provide for the Veterans Economic and Business Development Summit event. (Fund 12, Resource 1190)		
From: Procurement Assist Center	Meeting Expenses	\$ 4,400
	Other Services	1,583
To: Procurement Assist Center	Food	\$ 5,983
6. Transfer to reallocate the Student Financial Aid Administration Augmentation grant budget. (Fund 12, Resource 1190)		
From: SFAA - Augmentation	Copying and Printing	\$ 4,000
	Supplies	15,214
	Other Services	15,097
To: SFAA - Augmentation - District	Classified Hourly	\$ 25,000
	Classified FT	2,800
SFAA - Augmentation - Moreno Vly	Classified Hourly	6,511
7. Transfer to provide for the ParScore machine maintenance agreement.		
From: Admin Support Center - Riverside	Supplies	\$ 145
To: Admin Support Center - Riverside	Repairs	\$ 145

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

<u>Program</u>	<u>Account</u>	<u>Amount</u>
8. Transfer to provide for special projects. (Fund 12, Resource 1190)		
From: Basic Skills/ESL 2009/2010 - Riv	Other Services	\$ 11,860
To: Basic Skills/ESL 2009/2010 - Riv	Academic Special Project Employee Benefits	\$ 10,654 1,206
9. Transfer to provide for online subscriptions.		
From: President - Riverside	Contingency	\$ 19,745
To: Library - Riverside	Periodicals/Magazines	\$ 19,745
10. Transfer to provide for cellular phone expenses.		
From: Learning Resource Center - Riverside	Repair Parts	\$ 974
To: Learning Resource Center - Riverside	Cellular Telephone	\$ 974
11. Transfer to provide for the contract with the UC Regents. (Fund 12, Resource 1190)		
From: Water Quality Research	Supplies	\$ 4,230
To: Water Quality Research	Other Services	\$ 4,230
12. Transfer to purchase equipment.		
From: Library - Riverside	Supplies	\$ 188
To: Library - Riverside	Equipment	\$ 188

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

<u>Program</u>	<u>Account</u>	<u>Amount</u>
13. Transfer to purchase equipment. (Fund 12, Resource 1190)		
From: Nursing Educ Practice and Retention	Supplies	\$ 188
To: Nursing Educ Practice and Retention	Equipment	\$ 188
14. Transfer to reallocate the Basic Skills/ESL 2007/2008 grant budget. (Fund 12, Resource 1190)		
From: Basic Skills/ESL 2007/2008 - Riv	Instructional Aides, Hourly	\$ 19,694
To: Basic Skills/ESL 2007/2008 - Riv	Academic Special Project	\$ 17,000
	Employee Benefits	1,321
	Copying and Printing	47
	Supplies	1,076
	Conferences	250
15. Transfer to purchase equipment.		
From: Applied Tech - Toyota	Instructional Supplies	\$ 282
	Copying and Printing	382
	Supplies	552
Applied Tech - General Motors	Postage	217
	Mileage	293
	Towel Service	90
	Advertising	616
To: Applied Tech - Toyota	Equipment	\$ 1,216
Applied Tech - General Motors	Equipment	1,216

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

<u>Program</u>	<u>Account</u>	<u>Amount</u>
16. Transfer to provide for temporary services and the Norco Campus beautification project.		
From: Facilities - Norco	Classified Substitutes	\$ 3,481
	Copying and Printing	968
To: Facilities - Norco	Temporary Services	\$ 2,369
Facilities - Norco	Other	2,080
17. Transfer to provide for CCCCIO membership fees.		
From: VP, Educational Services - Norco	Copying and Printing	\$ 300
To: VP, Educational Services - Norco	Memberships	\$ 300
18. Transfer to purchase equipment. (Fund 12, Resource 1190)		
From: Basic Skills/ESL 2007/2008 - Norco	Supplies	\$ 4,000
To: Basic Skills/ESL 2007/2008 - Norco	Equipment	\$ 4,000
19. Transfer to reallocate the Title V grant budget. (Fund 12, Resource 1190)		
From: Title V - Norco	Equipment	\$ 9,000
To: Title V - Norco	Reference Books	\$ 4,000
	Supplies	2,000
	Food	3,000
20. Transfer to provide for the Honor's Program membership fees.		
From: Honor's Program - Norco	Supplies	\$ 90
To: Honor's Program - Norco	Membership	\$ 90

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

<u>Program</u>	<u>Account</u>	<u>Amount</u>
21. Transfer to purchase supplies.		
From: Learning Resource Center - Norco	Equipment	\$ 278
To: Learning Resource Center - Norco	Supplies	\$ 278
22. Transfer to provide for classified hourly expenses.		
From: Physical and Life Sci - Chemistry	Instructional Supplies	\$ 4,480
To: Dean of Instruction - Norco	Classified Hourly Employee Benefits	\$ 4,347 133
23. Transfer to purchase reserved parking signage.		
From: Library - Norco	Supplies	\$ 132
To: Library - Norco	Fixtures and Fixed Equip	\$ 132
24. Transfer to provide for a field trip to Los Angeles museums.		
From: Student Equity Program - Norco	Supplies	\$ 690
To: Student Equity Program - Norco	Travel Expenses	\$ 690
25. Transfer to provide for accreditation site visit and conferences.		
From: VP, Business Services- Mo Vly	Equipment	\$ 8,150
To: Dean of Instruction - Moreno Valley Facilities - Moreno Valley	Travel Expenses Conferences	\$ 8,000 150



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-a

Date: December 15, 2009

Subject: Budget Adjustments (continued)

	<u>Program</u>	<u>Account</u>		<u>Amount</u>
26.	Transfer to provide for art models and academic special projects.			
From:	Dean of Instruction - Moreno Valley	Classified Hourly	\$	7,100
To:	Dean of Instruction - Moreno Valley	Academic Special Project	\$	4,100
	Humanities & Soc Sci - Art	Professional Services		3,000
27.	Transfer to provide for student hourly expenses.			
From:	Counseling - Moreno Valley	Supplies	\$	500
To:	Counseling - Moreno Valley	Student Help - Non-Instr	\$	500

Recommended Action: It is recommended that the Board of Trustees approve the budget transfers as presented.

Gregory W. Gray  
Chancellor

Prepared by: Aaron S. Brown  
Associate Vice Chancellor, Finance

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-b-1

Date: December 15, 2009

Subject: Resolution to Amend Budget – Resolution No. 15-09/10  
2009-2010 Community Learning in Partnership (CLIP) Planning Grant

Background: With the Board of Trustees ratification of Board Report No. II B, presented earlier in this agenda, the Riverside Community College District had entered into an agreement with the Bill and Melinda Gates Foundation for the 2009-2010 Community Learning in Partnership (CLIP) Planning Grant for Riverside City College in the amount of \$140,595. The funds will be used to develop a formal proposal to the Gates Foundation to increase postsecondary credential completion among low-income young adults and to help them to understand, document and build on their successes.

Recommended Action: Contingent upon the Board of Trustees' ratification of Board Report No. II-B, presented earlier in this agenda, it is recommended that the Board of Trustees approve adding the revenue and expenditures of \$140,595 to the budget and authorize the Vice Chancellor, Administration and Finance to sign the resolution.

Gregory W. Gray  
Chancellor

Prepared by: Jan Muto  
President, Riverside City College

Shelagh Camak  
Executive Dean, Workforce Development & Student Support Program

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 15-09/10

2009-2010 Community Learning in Partnership (CLIP) Planning Grant

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$140,595 is assured to said district, which exceeds amounts previously budgeted; and

WHEREAS the governing board of the Riverside Community College District can show just cause for the expenditure of such funds;

NOW, THEREFORE, BE IT RESOLVED such additional funds be appropriated according to the schedule on the attached page.

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 15, 2009.

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Clerk or Authorized Agent



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-b-2

Date: December 15, 2009

Subject: Resolution to Amend Budget – Resolution No. 18-09/10  
2009-2010 City of Riverside Community Development Block Grant Program

Background: The Riverside Community College District has received funding for the 2009-2010 City of Riverside Community Development Block Grant Program in the amount of \$24,000 from the City of Riverside. The program will assist in job training, development and placement, targeting low-income and displaced worker households in the City of Riverside. The funds will be used to provide salaries, benefits, and other operating expenses of the program.

Recommended Action: It is recommended that the Board of Trustees approve adding the revenue and expenditures of \$24,000 to the budget and authorize the Vice Chancellor, Administration and Finance to sign the resolution.

Gregory W. Gray  
Chancellor

Prepared by: John Tillquist  
Dean, Economic Development and Community Education

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 18-09/10

2009-2010 City of Riverside Community Development Block Grant Program

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$24,000 is assured to said district, which exceeds amounts previously budgeted; and

WHEREAS the governing board of the Riverside Community College District can show just cause for the expenditure of such funds;

NOW, THEREFORE, BE IT RESOLVED such additional funds be appropriated according to the schedule on the attached page.

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 15, 2009.

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Clerk or Authorized Agent



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-b-3

Date: December 15, 2009

Subject: Resolution to Amend Budget – Resolution No. 19-09/10  
2009-2010 American Recovery and Reinvestment Act (ARRA) Allied Health  
Expansion Phase II

Background: The Riverside Community College District has received additional funding for the 2009-2010 American Recovery and Reinvestment Act (ARRA) Allied Health Expansion Phase II in the amount of \$350,000 from the California Community Colleges Chancellors Office. The funds will be used for salaries, benefits, instructional supplies, and equipment to expand the Dental Hygiene and Dental Assisting Programs.

Recommended Action: It is recommended that the Board of Trustees approve adding the revenue and expenditures of \$350,000 to the budget and authorize the Vice Chancellor, Administration and Finance to sign the resolution.

Gregory W. Gray  
Chancellor

Prepared by: Dr. Wolde-Ab Isaac  
Dean of Health Science Programs



RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 19-09/10

2009-2010 American Recovery and Reinvestment Act (ARRA)  
Allied Health Expansion Phase II

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$350,000 is assured to said district, which exceeds amounts previously budgeted; and

WHEREAS the governing board of the Riverside Community College District can show just cause for the expenditure of such funds;

NOW, THEREFORE, BE IT RESOLVED such additional funds be appropriated according to the schedule on the attached page.

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 15, 2009.

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Clerk or Authorized Agent



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-b-4

Date: December 15, 2009

Subject: Resolution to Amend Budget – Resolution No. 21-09/10  
Wheelock Gymnasium Seismic Retrofit Project

Background: The Riverside Community College District has been awarded funding for the working drawings phase of the Wheelock Gymnasium Seismic Retrofit Project in the amount of \$421,000 from the California Community Colleges Chancellor's Office.

Recommended Action: It is recommended that the Board of Trustees approve adding the revenue and expenditures of \$421,000 to the budget and authorize the Vice Chancellor Administration and Finance to sign the resolution.

Gregory W. Gray  
Chancellor

Prepared by: Aaron S. Brown  
Associate Vice Chancellor, Finance

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 21-09/10

Wheelock Gymnasium Seismic Retrofit Project

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$421,000 is assured to said district, which exceeds amounts previously budgeted; and

WHEREAS the governing board of the Riverside Community College District can show just cause for the expenditure of such funds;

NOW, THEREFORE, BE IT RESOLVED such additional funds be appropriated according to the schedule on the attached page.

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 15, 2009.

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Clerk or Authorized Agent



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-b-5

Date: December 15, 2009

Subject: Resolution to Amend Budget – Resolution No. 20-09/10  
Riverside County 2009 Homeland Security Grant Program

Background: The Riverside Community College District has received funding for the Riverside County 2009 Homeland Security Grant Program in the amount of \$54,000 from the Riverside County Anti-Terrorism Approval Authority. The funds will be used to provide salaries, benefits, and consultant expenses.

Recommended Action: It is recommended that the Board of Trustees approve adding the revenue and expenditures of \$54,000 to the budget and authorize the Vice Chancellor, Administration and Finance to sign the resolution.

Gregory W. Gray  
Chancellor

Prepared by: Monte Perez  
President, Moreno Valley Campus

Cordell Briggs  
Dean, Public Safety Education & Training

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 20-09/10

Riverside County 2009 Homeland Security Grant Program

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$ 54,000 is assured to said district, which exceeds amounts previously budgeted; and

WHEREAS the governing board of the Riverside Community College District can show just cause for the expenditure of such funds;

NOW, THEREFORE, BE IT RESOLVED such additional funds be appropriated according to the schedule on the attached page.

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 15, 2009.

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Clerk or Authorized Agent





RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-3-c

Date: December 15, 2009

Subject: Contingency Budget Adjustments

Background: The 2009-10 adopted budget represents our best estimate of anticipated expenditures necessary to address the educational needs of students pursuant to the District's mission, goals and objectives. New initiatives and projects and unanticipated needs may be identified subsequent to budget adoption, requiring that additional funds be established in the budget. The additional funds can be provided by transferring budget from available contingency balances. The following contingency budget adjustments have been requested:

<u>Program</u>	<u>Account</u>	<u>Amount</u>
1. Transfer to provide redevelopment funds for the Market Street Properties, Heiting Building Concrete Fin Removal Project; approved by the Board of Trustees on November 17, 2009, Board Report No. V-A-6-e. (Fund 12, Resource 1180)		
From: Redevelopment Pass-Through	Contingency	\$ 80,000
To: Facilities	Facilities Planning & Development	\$ 80,000
2. Transfer to provide redevelopment funds for the Market Street Properties, Heiting Building Roofing Project; presented to the Board of Trustees on December 15, 2009, Board Report No. V-A-4-a. (Fund 12, Resource 1180)		
From: Redevelopment Pass-Through	Contingency	\$ 86,634
To: Facilities	Facilities Planning & Development	\$ 86,634

Recommended Action: It is recommended that the Board of Trustees, by a two-thirds vote of the members, approve the contingency budget transfer as presented.

Gregory W. Gray  
Chancellor

Prepared by: Aaron S. Brown  
Associate Vice Chancellor, Finance

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-4-a

Date: December 15, 2009

Subject: Bid Award- Re-Roofing Projects-Spruce St, Systems Office & Heating Buildings

Background: On December 1, 2009 the District received twelve (12) bids in response to an Invitation for Bid solicitation for the Re-Roofing Projects-Spruce St, Systems Office & Heating Building. The project includes the installing of a weather tight single membrane, 72MI roofing system on the Spruce Street Building and Systems Office Building, and specified repairs to the Heating Building as defined in the specifications. The results were as follows:

<u>Contractor</u>	<u>Business Location</u>	<u>Total Bid</u>
Cabral Roofing	Montebello	\$170,001
Best Contracting Services	Gardena	\$171,818
Scholten	Mission Viejo	\$206,000
Solar Integrated	Commerce	\$208,400
J. J. Roofing	Riverside	\$213,918
Rey-Crest Roofing	Los Angeles	\$257,590
Anning-Johnson	Industry	\$259,070
Bligh Roof Co.	Santa Fe Springs	\$271,393
Vance & Assoc. Roofing	Anaheim	\$277,000
Cool Roofing Systems	Rancho Santa Margarita	Non-Responsive
Stone Roofing Co.	Azusa	Non-Responsive

Staff recommends awarding the bid to Cabral Roofing for the total bid amount of \$170,001. References for Cabral Roofing were checked by Facilities staff and found to be satisfactory. The Spruce Street project will be funded from the General Fund, \$83,367 and the System Office/ Heating Building will be funded from the Redevelopment Pass-Through Resource, \$86,634.

Recommended Action: It is recommended that the Board of Trustees award the bid for the Re-Roofing Projects-Spruce St, Systems Office & Heating Buildings in the total amount of \$170,001 to Cabral Roofing and authorize the Vice Chancellor, Administration and Finance to sign the associated agreement.

Gregory W. Gray  
Chancellor

Prepared by: Doretta Sowell  
Purchasing Manager

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S OFFICE

Report No.: V-A-5

Date: December 15, 2009

Subject: Out-of-State Travel

Board Policy 6900 establishes procedures for reimbursement for out-of-state travel expenses; and the Board of Trustees must formally approve out-of-state travel beyond 500 miles; It is recommended that out-of-state travel be granted to:

Retroactive:

- 1) Dr. Surekha Acharya, associate professor, English, Riverside City College, to travel to Philadelphia, Pennsylvania, December 1-3, 2009, to attend the American Anthropological Association Annual Meeting. There is no cost to the District. (The travel request was not submitted in time for inclusion in the November Board report.)
- 2) Ms. Anne Pattison, adjunct counselor, workforce preparation, Riverside City College, to travel to Salem, Oregon, December 8-11, 2009, to attend the Vista Supervisor Orientation Volunteers in Service to America Conference-Child Development Careers Program. There is no cost to the District. (The travel arrangements were not finalized until after the November Board meeting. Therefore, this travel request could not be included in the November Board report.)
- 2) Ms. Jo Scott-Coe, instructor, English & speech communication, Riverside City College, to travel to Atlanta, Georgia, November 12-15, 2009, to attend the National Women's Studies Association Annual Conference: "Difficult Dialogues". Funding sources: \$250.00 from the general fund; \$750.00 from faculty development funds; and \$697.00 to be paid by the employee. (The travel request was not submitted in time for inclusion in the October Board report.)

Revisions:

- 1) At the meeting of October, 20, 2009, the Board of Trustees approved out-of-state travel for Dr. Joanna Werner-Fraczek, instructor, biology, Moreno Valley Campus, to travel to Bethesda, Maryland, October 21-23, 2009, to attend the 3<sup>rd</sup> Congress of the International Society of Nutrigenetics/Nutrigenomics. Estimated cost: \$1,192.00. Funding source: Title V Science, Technology, Engineering and Math Grant fund. The cost of travel increased to \$2,009.55.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S OFFICE

Report No.: V-A-5

Date: December 15, 2009

Subject: Out-of-State Travel (continued)

Current:

*Moreno Valley Campus:*

- 1) Ms. Anna Marie Amezquita, associate professor, English, to travel to Kansas City, Missouri, January 2-5, 2010, to attend the Supplemental Instruction Supervised Training. Estimated cost: \$1,940.00. Funding source: Basic Skills fund.
- 2) Mr. George Gage, associate professor, community interpretation in Spanish, to travel to Spain and Portugal, April 8-17, 2010, to accompany seven (7) students of the Community Interpretation in Spanish Club to deepen the students knowledge of the Spanish and Portuguese language and culture. There is no cost to the district.
- 3) Dr. Monte Perez, president, to travel to Washington, D.C., January 20-22, 2010, to attend meetings with the Department of Labor staff members. Estimated cost: \$1,569.90. Funding source: Title V-Ben Clark Training Center grand funds.
- 4) Ms. Sheila Pisa, associate professor, mathematics, to travel to Kansas City, Missouri, January 2-5, 2010, to attend the Supplemental Instruction Supervisor Training. Estimated cost: \$1,940.00. Funding source: Basic Skills fund.

*Norco Campus:*

- 1) Ms. Angela Allison, upward bound coordinator and Mr. Gustavo Ocegura, TRIO director, to travel to New York City, New York, April 6-10, 2010, to accompany sixteen (16) Upward Bound students and two (2) staff members participating in the New York for College/University Tour and cultural experience to New York University, Columbia University, Fordham University, ground zero, Ellis Island, Wall Street, Broadway play, and Empire State Building. Estimated cost: \$14,336.00. Funding source: Upward Bound Corona-Norco Unified School District fund.
- 2) Ms. Dina Humble, associate professor, music, Ms. Vanessa Sheldon, adjunct instructor, music, and Mr. Brady Kerr, adjunct instructor, music, to travel to Cape Town, Cape Province and Guateng, South Africa, July 27-August 9, 2010, to attend the Ihlombe South African Choir Festival. There is no cost to the District.

*Riverside City College:*

- 1) Ms. Marilyn Jacobsen, director, center for international students and programs, to travel to Guangzhou, Jiangmen, and Quangdong, China, February 21-March 1, 2010, for a recruiting trip and seminar presentations. Estimated cost: \$2,890.00. Funding source: the general fund.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S OFFICE

Report No.: V-A-5

Date: December 15, 2009

Subject: Out-of-State Travel (continued)

- 2) Ms. Aya Saito, international students and programs specialist or Mr. Miguel Reid, assistant professor, English as a second language, to travel to Harrisonburg, Virginia, March 24-28, 2010, to accompany six (6) students participating in the International Student Leadership Conference at James Madison University. Estimate cost: \$3,375.30. Funding source: ASRCCD fund.

*Riverside Community College District:*

- 1) Board President, Ms. Virginia Blumenthal, Board Members Ms. Mary Figueroa, Ms. Janet Green, Mr. Jose Medina, and Mr. Mark Takano, to travel to Washington, D.C., February 7-10, 2010, to attend the Association of Community College Trustees Community College 2010 National Legislative Summit. Estimated cost: \$2,444.00 each. Funding source: the general fund.
- 2) Ms. Chris Carlson, Chief of Staff, to travel to Washington, D.C., February 7-10, 2010, to attend the Association of Community College Trustees 2010 National Legislative Summit. Estimated cost: \$2,378.00. Funding source: the general fund.
- 3) Dr. Gregory W. Gray, Chancellor, to travel to Washington, D.C., February 7-10, 2010, to attend the Association of Community College Trustees 2010 National Legislative Summit. Estimated cost: \$2,468.00. Funding source: the general fund.

Gregory W. Gray  
Chancellor

Prepared by: Kathy Tizcareno  
Administrative Assistant

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-6-a

Date: December 15, 2009

Subject: Contracts and Agreements Report Less than \$76,700–All District Resources

Background: On September 11, 2007, the Board of Trustees authorized delegating authority to the Chancellor to enter into contractual agreements and the expenditure of funds pursuant to the Public Contract Code Section 20650 threshold, currently set at \$76,700. The attached listing of contracts and agreements under \$76,700 requested by campus and District staff, have been reviewed, and verified that budgeted funds are available in the appropriate category of expenditure has occurred. Unless otherwise noted, the period covered by the contract or agreement is within fiscal year 2010. The contracts and agreements have been executed pursuant to the Boards' delegation of authority and are presented on this agenda for ratification.

Recommended Action: It is recommended that the Board of Trustees ratify contracts totaling \$160,686.

Gregory W. Gray  
Chancellor

Prepared by: Doretta Sowell  
Purchasing Manager

Contracts and Agreements Report-All District Funds  
 \$76,700 and Under  
 11/01/09 thru 11/30/09

PO#	Department	Vendor	Business Location	Description	Amount
C0002807	CTE Projects	Victor Valley Community College District	Victorville	Development & Implementation of Programs	\$4,800
C0002808	Facilities - Moreno Valley	Steinberg Architects	San Jose	Moreno Valley Science Lab Remodel	29,466
C0002809	Facilities - Moreno Valley	Guerra Patricia	Rialto	LCP-District Modulares - ADA	400
C0002810	Community & Economic Development	Planes of Fame Air Museum	Chino	Facility Rental	4,000
C0002811	Facilities - Norco	Leighton Consulting Inc	Rancho Cumonga	Norco Operations Center	12,100
C0002812	Open Campus	Terminix	Ontario	Pest Control	150
C0002813	CTE Projects	Riverside Marriott	Riverside	Meeting Room	2,500
C0002815	Community & Senior Citizen Ed	Youngerman Stephen	Riverside	Community Ed Presenter	5,000
C0002816	Community & Senior Citizen Ed	Integrated Financial Solutions	Fremont	Community Ed Presenter	500
C0002817	College Relations / Special Projects	Facilities Planning & Program Services Inc	Yorba Linda	Consulting Services	76,000
C0002818	Community & Senior Citizen Ed	Integrity FX Inc.	Riverside	Community Ed Presenter	2,500
C0002820	Community & Senior Citizen Ed	Integrated Financial Solutions	Fremont	Community Ed Presenter	1,000
C0002829	Community & Senior Citizen Ed	Christensen Bobbie	Sacramento	Community Ed Presenter	1,000
C0002830	Community & Senior Citizen Ed	Balloons by Alice Lyons	Diamond Bar	Community Ed Presenter	2,000
N/A	Customized Solutions	City of Riverside	Riverside	Community Development Block Grant	No Cost
N/A	Customized Solutions	VanAsep Training Society	Vancouver, BC	Customized Training	No Cost
Additions to Approved/Ratify Contracts of \$76700 and Under					
C0001711	Facilities - Norco	Information Technology Solutions	Yuca Valley	Design Quality Assurance & Project Mgmt Svs	3,017
C0001872	Facilities - Norco	Premier Commercial Bank	Anaheim	Norco Phase III	12,728
C0001916	FPD&C	Security by Design	LaFayette	Security Consulting Services	1,125
C0002672	Facilities - Norco	Adecco USA Inc.	Ontario	Temporary Services	2,400
C0002439	FPD&C	River City Testing	Riverside	Extends Date to 8/31/09, Norco Soccer Project	No Cost
C0001902	FPD&C	River City Testing	Riverside	Extends Date to 3/01/10, Modular Project	No Cost
Total					<u>\$160,686</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR

Report No.: V-A-6-b

Date: December 15, 2009

Subject: Project Labor Agreement

Background: The District has developed a Project Labor Agreement in support of local labor. The document will be distributed at the December 15<sup>th</sup> meeting.

Recommended Action: It is recommended that the Board of Trustees authorize the Chancellor to negotiate the Project Labor Agreement with the Riverside and San Bernardino Building and Construction Trade Councils.

Gregory W. Gray  
Chancellor

Prepared by: Ruth Adams  
Director, Contracts, Compliance and Legal Services



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
MEASURE "C" FACILITIES  
PROJECT LABOR AGREEMENT

## TABLE OF CONTENTS

ARTICLE 1	INTENT
ARTICLE 2	SCOPE OF THE AGREEMENT
ARTICLE 3	UNION RECOGNITION AND EMPLOYMENT
ARTICLE 4	UNION ACCESS AND STEWARDS
ARTICLE 5	WAGES AND BENEFITS
ARTICLE 6	HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS
ARTICLE 7	WORK STOPPAGES AND LOCK-OUTS
ARTICLE 8	WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES
ARTICLE 9	MANAGEMENT RIGHTS
ARTICLE 10	SETTLEMENT OF GRIEVANCES AND DISPUTES
ARTICLE 11	REGULATORY COMPLIANCE
ARTICLE 12	SAFETY AND PROTECTION OF PERSON AND PROPERTY
ARTICLE 13	TRAVEL AND SUBSISTENCE
ARTICLE 14	APPRENTICES
ARTICLE 15	WORKING CONDITIONS
ARTICLE 16	PRE-CONSTRUCTION CONFERENCES
ARTICLE 17	LABOR/MANAGEMENT AND COOPERATION
ARTICLE 18	SAVINGS AND SEPARABILITY
ARTICLE 19	WAIVER
ARTICLE 20	AMENDMENTS
ARTICLE 21	DURATION OF THE AGREEMENT
ATTACHMENT A	LETTER OF ASSENT
ATTACHMENT B	DEFINITION OF DISTRICT
	SCHEDULE A COLLECTIVE BARGAINING AGREEMENTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
MEASURE "C" FACILITIES  
PROJECT LABOR AGREEMENT

Purpose. It is the purpose and intent of the parties to this PLA to make every cooperative effort to achieve the timely, safe and economical construction of the facilities designated as the Project, to provide the opportunities and programs for the District's residents and local businesses to participate in the Project.

This Project Labor Agreement (hereinafter "PLA") is entered into this 1st day of January, 2010, by and between the Riverside Community College District, its successors or assigns (hereinafter "District") and the Riverside/San Bernardino Counties Building and Construction Trades (hereinafter "Council"), and the signatory Craft Unions (hereinafter, together with the Council, collectively, the "Union" or "Unions"). This PLA establishes the labor relations Policies and Procedures for the District, the Contractors awarded contracts for Project Work and for the craft persons employed by the Contractors and represented by the Unions while engaged in the Project Work defined in Section 2.2.

It is understood by the Parties to this PLA that if it is acceptable to the District, it will become the policy of the District for the Project Work to be contracted exclusively to Contractors who agree to execute and be bound by the terms of this PLA, directly or through the Letter of Assent (Attachment A), and to require each of its subcontractors, of whatever tier, to become bound. The District shall include, directly or by incorporation by reference, the requirements of this PLA in the advertisement of and/or specifications for each and every contract for Project Work to be awarded by the District for this Project.

It is further understood that the District shall actively administer and enforce the obligations of this Agreement to ensure that the benefits envisioned from it flow to all signatory parties, the Contractors and craft persons working under it, and the residents

and taxpayers of the District. The District shall hire a PLA Administrator to act as consultant to the District, to monitor compliance with this Agreement; assist, as the authorized representative of the District, in developing and implementing the programs referenced herein, all of which are critical to fulfilling the intent and purpose of the Parties and this PLA; and to otherwise implement and administer the PLA. For such purposes, each Contractor recognizes and appoints the PLA Administrator, its successors or assigns, as its agent; and together with the District and the Unions, the PLA Administrator shall be considered a “negotiating party” of this Agreement. The District, as it sees fit, shall have the exclusive right to retain or dismiss the PLA Administrator. The PLA Administrator shall not have the right to expand, terminate or modify this Agreement without the express written approval of the District.

The term “Project Work” as used in this PLA includes all construction work undertaken on behalf of the District as specifically defined in Section 2.2.

The term “Contractor” as used in this PLA includes any Contractor to whom the District awards a construction contract for Project Work, and also to subcontractors, of whatever tier, utilized by such Contractors for Project Work. The term “Contractor” includes any individual, firm, partnership/corporation, or combination thereof, including joint ventures, which have entered into a contract with the District with respect to the Project Work or with another Contractor as a subcontractor for Project Work.

The term “Local Businesses” as used in this PLA shall be defined as those businesses having either their principal office, or functioning within the Riverside and San Bernardino Counties (as defined by the zip codes listed on “Attachment B”), and actively engaged in their principal line(s) of business within the Riverside and San Bernardino Counties on the date this PLA was entered into, or for six months prior to the award of covered work. Priority of business focus will be for Riverside County businesses.

The Union and all Contractors agree to abide by the terms and conditions of this PLA and that this PLA represents the complete understanding of the parties. No Contractor is or will be required to sign or otherwise become a party to any other collective bargaining Agreement with a signatory Union as a condition of performing work within the scope of this Agreement. No practice, understanding or Agreement between a Contractor and a Union party which is not specifically set forth in this PLA shall be binding on any third party Contractor or Union on Project Work unless endorsed in writing by the PLA Administrator.

The Parties agree that this PLA will be made available to, and will fully apply to, any successful bidder for Project Work, without regard to whether that successful bidder performs work at other sites on either a Union or non-Union basis. This PLA shall not apply to any work of any Contractor other than that on Project Work specifically covered by this Agreement.

The use of masculine or feminine gender or titles in this PLA should be construed as including both genders and not as gender limitations unless the PLA clearly requires a different construction. Further, the use of Article titles and or Section headings are for information only, and carry no legal significance.

## ARTICLE I

### Intent

Section 1.1 Background. It is intended that Project Work improve local student access to job training and four-year college preparation classes, improve campus safety, add and upgrade science, health, technology, academic classrooms/laboratories; expand public safety, emergency medical services and healthcare training facilities; improve campus infrastructure, and repair, construct, equip sites and facilities. With this PLA, the parties have established a framework for fair wages, hours and working conditions through which these goals may be achieved and which will permit the utilization of the most modern (LEED Certified), efficient and

effective procedures for construction, assure a sufficient supply of skilled craft persons, and reduce or eliminate the causes of disruptions or interference with Project Work.

It is critical to the citizens of the District, the taxpayers, the administration, employees, faculty and students of the District and the State of California that the Project Work be completed in as timely and economical manner as possible; that the Project Work provide employment opportunities for residents of the District, as well as opportunities for students and graduates of the District to enter the construction industry through pre-apprenticeship and apprenticeship programs sponsored by parties to this PLA, and increase business opportunities for all local businesses; and that this PLA facilitate the achievement of these goals.

Section 1.2 Identification and Retention of Skilled Labor and Employment of District Residents. The construction work scheduled to be performed as part of the Project Work will require large numbers of craft personnel and other supporting workers. It is therefore the explicit understanding and intention of the parties to this PLA to use the opportunities provided by the extensive amount of work to be covered on this Project to identify and promote, through cooperative efforts, programs and procedures (which may include, for example, programs to prepare persons for entrance into formal Apprenticeship Programs or outreach programs to the community describing opportunities available as a result of the Project Work), for involvement of District residents in the construction industry, assist them in entering the construction trades, and through utilization of the Labor/Management Apprenticeship programs, provide training opportunities for those residents and students and graduates of the District wishing to pursue a career in construction. Further, with assistance of the PLA Administrator, the District, the Contractors and the Unions, will work together to develop and implement promptly procedures for the identification of craft needs, the scheduling of work to facilitate the utilization of available craft workers, and the securing of services of craft workers in sufficient numbers to meet the demand of the Project Work to be undertaken.

Section 1.3 Encouragement of Local Businesses. The Project Work will provide many opportunities for local businesses to participate as Contractors or suppliers, and the parties agree that they will cooperate with all efforts of the District, the PLA Administrator, and any other organizations retained by the District for the purpose of encouraging and assisting the participation of District businesses in Project Work. Each party agrees that it shall employ demonstrable efforts to encourage participation in an effort to achieve such goals. This may include, for example, participation in outreach programs, education and assistance to businesses not familiar with working on a public works project, and the encouragement of local residents to participate in Project Work through programs and procedures jointly developed to prepare and encourage local residents for participation in Labor/Management Apprenticeship Programs and employment on the Project Work through the referral programs sponsored and/or supported by the parties to this PLA.

Section 1.4 Project Work Cooperation. The construction to take place under this PLA involves unique and special circumstances which dictate the need for the parties to develop specific procedures to promote high quality, rapid and uninterrupted construction methods and practices. The smooth operation and successful and timely completion of the work is vitally important to the residents of the District. The parties therefore agree that maximum cooperation among all parties involved is required; and that, with multiple Contractors and crafts performing Project Work over an extended period of time, it is essential that all parties work in a spirit of harmony and cooperation and with an overriding commitment to maintain the continuity of Project Work.

Section 1.5 Peaceful Resolution of All Disputes. In recognition of the special needs of the Project Work and to maintain a spirit of harmony, labor-management peace and stability during the term of the PLA, the parties agree to establish effective and binding methods for the settlement of all misunderstandings, disputes and grievances; and in recognition of such methods and procedures, the Unions agree not to engage in any strike, slowdowns, or interruption or disruption of Project Work, and the Contractors agree not to engage in any lockout.

ARTICLE 2  
SCOPE OF THE AGREEMENT

Section 2.1 General. This Agreement shall apply and is limited to all new construction, rehabilitation and/or renovation work for the development of the District's facilities and infrastructure components that has a value of more than One Million Dollars (\$1,000,000) and for which Measure "C" funds are used, and performed by those Contractor(s), of whatever tier, that have contracts awarded for such work more than thirty (30) days after the effective date of this Agreement.

Section 2.2 Specific Facilities/Construction Contained in the Project. The Project is defined and limited to all new construction, rehabilitation and renovation work, which shall include, when an integral part of the Project Work, demolition and/or site clearing and hazard abatement work for all future Project Work with a value of more than One Million Dollars (\$1,000,000) and for which Measure "C" funds are used.

Section 2.3 Exclusions. Items specifically excluded from the Scope of this Agreement include the following:

- (a) Work of Contractors' non-manual employees, including, but not limited to superintendents; supervisors; staff engineers; quality control and quality assurance personnel; time keepers, mail carriers, clerks, office workers, messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional engineering, administrative, supervisory and management employees;
- (b) Equipment and machinery owned or controlled and operated by the District;
- (c) All off-site manufacture and handling of materials, equipment or machinery; provided, however, that lay down or storage areas for equipment or material and manufacturing (prefabrication) sites, dedicated solely to the Project or Project Work, and



the movement of materials or goods between locations on a Project site, are within the scope of this Agreement;

(d) All employees of the District, PLA Administrator, design teams (including, but not limited to architects, engineers, and master planners), and any other consultants for the District (including, but not limited to, program or Project managers, construction managers and their employees, building/construction inspectors, field soils and materials testers/inspectors, where not engaged in Project Work) and their sub-consultants, and other employees of professional service organizations, not performing manual labor within the scope of this PLA; provided, however, that it is understood and agreed that Building/Construction Inspectors and Field Soils and Material Testers (inspectors) as defined in the State of California wage determination for that craft are covered under the PLA when employed by a construction Contractor and engaged on the Project site in Project related work. Nothing in this section will be construed to include inspectors certified by the Department of State Architects within the scope of this Agreement;

(e) Any work performed on or near or leading to or into a site of Project Work and undertaken by state, county, or other governmental bodies, or their agents or Contractors, or by public utilities, or their Contractors; and/or by the District, or its Contractors, work for which is not within the scope of this PLA;

(f) Maintenance of leased equipment and on-site supervision of such work;

(g) Work by employees of a manufacturer or vendor necessary to maintain such manufacturers' or vendors' warranty or guaranty;

(h) Non-construction support services contracted by the District, District Consultants, PLA Administrator, or a Contractor in connection with this Project;

(i) All work by employees of the District or its Contractors involving general maintenance and/or repair and/or cleaning work, except as specifically covered by this PLA; and

(j) Laboratory work for testing.

Section 2.4 Awarding of Contracts.

(a) The District and/or the Contractors, as appropriate, have the absolute right to award contracts or subcontracts on this Project to any Contractor notwithstanding the existence or non-existence of any Agreements between such Contractor and any Union parties, provided only that such Contractor is willing, ready and able to execute and comply with this PLA should such Contractor be awarded work covered by this PLA.

(b) It is agreed that all Contractors and subcontractors of whatever tier, who have been awarded contracts for work covered by this PLA, shall be required to accept and be bound by the terms and conditions of this PLA, and shall evidence their acceptance by the execution of the PLA, or of the Letter of Assent as set forth in Attachment A hereto, prior to the commencement of work. No Contractor or subcontractor shall commence Project Work without having first provided a copy of the PLA or Letter of Assent as executed by it to the PLA Administrator and to the Building and Construction Trades Council 48 hours before the commencement of Project Work, or within 48 hours after the award of the Project Work to that Contractor or subcontractor, whichever occurs later.

Section 2.5 Coverage Exception. The parties agree and understand that this PLA shall not apply to any work that would otherwise be covered Project Work when a governmental agency or granting authority partially or fully funding such Project Work determines that it will not provide this funding if such Project Work is covered by this Agreement, or a law, regulation, proposition or measure prohibits such coverage or the use by the District or for its benefit, of particular funds, if such coverage exists. The District agrees that it will make every effort with any such governmental agency or

granting authority to permit the implementation of this Agreement with regard to Project Work that the agency or authority may be partially or fully funding.

Section 2.6 Schedule A's.

(a) The provisions of this Agreement, including the Schedule A's, which are the local collective bargaining Agreements of the signatory Unions having jurisdiction over the work on the Project, as such, may be changed from time-to-time consistent with Section 21.3, and which are incorporated herein by reference, shall apply to the work covered by this Agreement, notwithstanding the provisions of any other local, area and/or national Agreement which may conflict with or differ from the terms of this Agreement. Where a subject is covered by a provision of a Schedule A and not covered by this Agreement, the provision of the Schedule A shall prevail. Any dispute as to the applicable source between this PLA and any Schedule A for determining the wages, hours or working conditions of employees on this Project shall be resolved under the procedures established in Article 10.

(b) It is understood that this PLA, together with the referenced Schedule A's, constitutes a self-contained, stand-alone Agreement and by virtue of having become bound to this PLA, a Contractor will not be obligated to sign any other local, and/or national collective bargaining Agreement as a condition of performing work within the scope of this PLA; provided, however, that the Contractor will be required to sign uniformly applied, non-discriminatory Participation Agreement at the request of the trustees or administrator of a trust fund established pursuant to Section 302 of the Labor Management Relations Act, and to which such Contractor is bound to make a contribution under this PLA as a result of his employment of persons working within the craft for which the trust fund provides coverage; but provided further, however, that the Contractor shall have no obligation to execute a Participation Agreement that binds, or attempts to bind the Contractor beyond the terms and conditions of this PLA and/or expand the Contractor's obligation to make contributions pursuant thereto. It shall be the responsibility of the prime Contractor to have each of its subcontractors of whatever

tier sign the documents with the appropriate craft Union funds prior to the subcontractor beginning Project Work.

Section 2.7 Binding Signatories Only. This PLA shall be binding only on the signatory parties hereto, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party.

Section 2.8 Other District Work. This PLA shall be limited to the new construction, rehabilitation and renovation work, which shall include, when an integral part of the Project Work, demolition and/or site clearing and hazard abatement work for all future Project Work with a value of more than One Million Dollars (\$1,000,000) and for which Measure "C" funds are used. Nothing contained herein shall be interpreted to prohibit, restrict or interfere with the performance of any other operation, work or function not covered by this PLA which may be performed by District employees or contracted for by the District for its own account on its property or in and around a Project site.

Section 2.9 Separate Liability. It is understood that the liability of the Contractor(s) and the liability of the separate Unions under this Agreement shall be several and not joint. The Unions agree that this Agreement does not have the effect of creating any joint employment status between or among the District or PLA Administrator and/or any Contractor or consultant.

Section 2.10 Completed Project Work. As areas of covered work are accepted by the District, this PLA shall have no further force or effect on such items or areas except where the Contractor is directed by the District, or its representatives, to engage in repairs, modifications, check-out and/or warranty functions required by its contract(s) with the District.

ARTICLE 3  
UNION RECOGNITION AND EMPLOYMENT

Section 3.1 Recognition. The Contractor recognizes the Council and the signatory local Unions as the exclusive bargaining representative for the construction employees engaged in Project Work. Such recognition does not extend beyond the period when the employee is engaged in Project Work.

Section 3.2 Contractor Selection of Employees. The Contractor shall have the right to determine the competency of all employees, the number of employees required, the duties of such employees within their craft jurisdiction, and shall have the sole responsibility for selecting employees to be laid off, consistent with Sections 3.10 and 4.3, below. The Contractor shall also have the right to reject any applicant referred by a Union for any reason, subject to any reporting pay required by Section 6.6; provided, however, that such right is exercised in good faith and not for the purpose of avoiding the Contractor's commitment to employ qualified workers through the procedures endorsed in this PLA.

Section 3.3 Referral Procedures.

(a) For signatory Unions now having a job referral system contained in a Schedule A, the Contractor agrees to comply with such system and it shall be used exclusively by such Contractor, except as modified by this PLA. Such job referral system will be operated in a nondiscriminatory manner and in full compliance with federal, state, and local laws and regulations which require equal and non-discriminatory employment opportunities. All hiring procedures, including related practices affecting apprenticeship, shall be operated so as to consider the goals of the District to encourage employment of residents in Riverside County first and then to San Bernardino County (those zip codes listed in Attachment B), and utilization of Local Businesses (Riverside and San

Bernardino Counties) on the Project, and to facilitate the ability of all Contractors to meet their employment needs.

(b) The local Unions will exert their best efforts to recruit and refer sufficient numbers of skilled craft workers to fulfill the labor requirement of the Contractor, including specific employment obligations to which the Contractor may be legally and/or contractually obligated; and to refer apprentices as requested to develop a larger, skilled workforce and meet apprenticeship ratios. The local Unions will work with their affiliated regional and national Unions, and jointly with the PLA Administrator and any others designated by the District, to identify and refer competent crafts persons as needed for Project Work, and to identify residents of the District for entrance into Joint Labor/Management Apprenticeship Programs, or for participation in other identified programs and procedures to assist individuals in qualifying and becoming eligible for such apprenticeship programs, all maintained to increase the available supply of skilled craft personnel for Project Work and future construction, renovation and rehabilitation work to be undertaken by the District.

(c) The Union shall not knowingly refer an employee currently employed by a Contractor on Project Work to any other employer.

Section 3.4 Non-Discrimination in Referral, Employment, and Contracting. The Unions and Contractors agree that they will not discriminate against any employee or applicant for employment on the basis of race, color, religion, gender, national origin, age, Union status, sexual orientation, marital status or disability.

Section 3.5 Core Employees. The Parties recognize and support the District's commitment to provide opportunities for all businesses to participate on the Project. In furtherance of this commitment, the Parties agree that a Contractor who is not a party to a current collective bargaining Agreement with a signatory Union shall have the opportunity to employ its experienced core employees on this Project, and that, therefore,

(a) A specialty or subcontractor may directly employ, as needed, first a member of its core work force, then an employee through a referral from the appropriate Union hiring hall, then a second core employee, than a second employee through the referral system, and so on until the Contractor reaches the maximum number of employees needed for the Project. On layoff, the reverse process shall be followed.

(b) A general and/or multi-trade Contractor (not engaged exclusively in specialty work) may first employ his core workforce prior to utilizing the referral procedures.

(c) A Contractor's core workforce is comprised of those employees:

(i) whose names appeared on the Contractor's active payroll for fifty of the one hundred working days before award of Project Work to the Contractor;

(ii) who are residents of Riverside or San Bernardino Counties on the effective date of this PLA, or have been residents of these counties for the one hundred working days prior to the award of Project Work to the Contractor.

(d) A Contractor desiring to use its core employees on the Project must identify them at the time it receives the Notice to Proceed, and provide proof of their eligibility to the PLA Administrator, who shall provide such proof to the Council at its request.

Section 3.6 Time for Referral. If any Union's referral system does not fulfill the requirements for specific classifications of covered employees requested by any Contractor within forty-eight (48) hours (excluding Saturdays, Sundays and holidays), that Contractor may use employment sources other than the Union registration and referral services, and may employ applicants meeting such standards from any other available source.

Section 3.7 Lack of Referral Procedure. If a signatory local Union does not have a job referral system as set forth in Section 3.3 above, the Contractors shall give the Union equal opportunity to refer applicants. The Contractors shall notify the Union of employees so hired, as set forth in Section 3.5.

Section 3.8 Union Membership. No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of Project Work; provided, however, that any employee who is a member of the referring Union at the time of referral shall maintain that membership in good standing while employed under this PLA. All employees shall, however, be required to comply with the Union security provisions of the applicable Schedule A for the period during which they are performing on-site Project Work. This includes rendering payment of the applicable monthly working dues and any non-initiation or application fees uniformly required of members in the Union.

Section 3.9 Individual Seniority. Except as provided in Section 4.3, individual seniority shall not be recognized or applied to employees working on the Project; provided, however, that group and/or classification seniority in a Union's Schedule A as of the effective date of this Agreement, shall be recognized for purposes of layoffs.

Section 3.10 Foremen. The selection and number of craft foremen and/or general foreman shall be the responsibility of the Contractor. All foremen shall take orders exclusively from the designated Contractor representatives. Craft foremen shall be designated as working foremen at the request of the Contractors.

#### ARTICLE 4 UNION ACCESS AND STEWARDS

Section 4.1 Access to Project Sites. Authorized representatives of the Union shall have access to the Project site, provided they do not interfere with the work of



employees and further provided such representatives fully comply with posted visitor, security and safety rules, including checking/signing in with the Contractor representatives on site and with the appropriate construction manager, if present on the site, prior to entering into the Project construction area(s). It shall be made clear in the pre-construction conference that every signatory Union to this PLA must have insurance coverage matching the Project specifications.

#### Section 4.2 Stewards.

- (a) As part of the referral process of Article 3, above, each signatory local Union shall have the right to designate a working journeyperson as a steward for each shift, and shall notify the Contractor in writing of the identity of the designated steward or stewards prior to the assumption of such person's duties as steward. Such designated steward or stewards shall not exercise any supervisory functions. There will be no non-working stewards. Stewards will receive the regular rate of pay for their respective craft.
  
- (b) In addition to his/her work as an employee, the steward shall have the right to receive, but not to solicit, complaints or grievances and to discuss and assist in the adjustment of the same with the employee's appropriate supervisor. Each steward should be concerned only with the employees of the steward's Contractor and, if applicable, subcontractor(s), and not with the employees of any other Contractor. The Contractor will not discriminate against the steward in the proper performance of his/her Union duties.
  
- (c) When a Contractor has multiple, non-continuous work locations at one site, the Contractor may request and the Union shall appoint such additional working stewards as the Contractor may request to provide independent coverage of one or more such locations. In such cases, a steward may not service more than one work location without the approval of the Contractor.

(d) The stewards shall not have the right to determine when overtime shall be worked or who shall work overtime.

Section 4.3 Steward Layoff/Discharge. The involved Contractor agrees to notify the appropriate Union twenty-four (24) hours before the layoff of a steward, except in the case of disciplinary discharge for just cause. If the steward is protected against such layoff by the provisions of the applicable Schedule A, such provisions shall be recognized when the steward possesses the necessary qualifications to perform the remaining work. In any case in which the steward is discharged or disciplined for just cause, the appropriate Union will be notified immediately by the Contractor, and such discharge or discipline shall not become final (subject to any later filed grievance) until twenty-four (24) hours after such notice has been given.

Section 4.4 Employees on Non-Project Work. On work where the personnel of the District may be working in close proximity to the construction activities covered by this PLA, and/or the personnel of District-hired Contractors working on other construction Projects in the District, the Union agrees the Union representatives, stewards, and individual workers will not interfere with the District personnel, or with personnel employed by any other employer not a party to this PLA.

## ARTICLE 5 WAGES AND BENEFITS

Section 5.1 Wages. All employees covered by this Agreement shall be classified in accordance with work performed and paid the hourly wage rates for those classifications in compliance with the applicable prevailing wage rate determination established pursuant to the California Labor Code by the Department of Industrial Relations. If a prevailing rate increases under state law, the Contractor shall pay that rate as of its effective date under the law. If the prevailing wage laws are repealed during the term of this Agreement, the Contractor shall pay the wage rates established under the Schedule A's, except as otherwise provided in this PLA.

## Section 5.2 Benefits.

(a) Contractors shall pay contributions to the established employee benefit funds in the amounts designated in the appropriate Schedule A, and make all employee-authorized deductions in the amounts designated in the appropriate Schedule A, provided, however, that the Contractor and Union agree that only such bonafide benefits as accrue to the direct benefit of the employees (such as pension and annuity, health and welfare, vacation, apprenticeship and training funds) shall be included in this requirement and required to be paid by the Contractor on the Project; and provided further, however, that such contributions for each benefit shall not exceed the amounts specified for such in the applicable prevailing wage determination.

Unless otherwise required by law, Contractors who have fringe benefits for their core workforce equal to or better than those designated in the Schedule A do not have to pay the fringe benefit contribution designated in the Schedule A on the core work force and may utilize their own fringe benefits. The PLA Administrator will be responsible for determining whether the benefits are equal to or better than those designated in the Schedule A's. Contractors must submit their fringe benefit packages to the PLA Administrator for evaluation prior to bidding. Contractors may only take credit against the prevailing wage in accordance with the Prevailing Wage Statute and the difference between the hourly cost, if any, of the fringe benefit provided and the hourly cost of the applicable fringe benefit portion of the wage determination must be paid to the worker as wages. Benefits designated in the Schedule A will be paid on all employees dispatched by the Union.

(b) Where applicable, the Contractor adopts and agrees to be bound by the written terms of the applicable, legally established, trust Agreement(s) specifying the detailed basis on which payments are made into, and benefits paid out of such trust funds for its employees. The Contractor authorizes the parties to such trust funds to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor.

(c) Each Contractor and subcontractor is required to certify to the PLA Administrator that it has paid all benefit contributions due and owing to the appropriate Trust(s) or fringe benefit programs prior to the receipt of its final payment and/or retention. Further, upon timely notification by a Union to the PLA Administrator, the PLA Administrator shall work with any prime Contractor or subcontractor who is delinquent in payments to assure that proper benefit contributions are made, to the extent of requesting the District or the prime Contractor to withhold payments otherwise due such Contractor, until such contributions have been made or otherwise guaranteed.

Section 5.3 Wage Premiums. Wage premiums, including, but not limited to, pay based on height of work, hazard pay, scaffold pay and special skills, shall not be applicable to work under this PLA, except to the extent provided for in any applicable prevailing wage determination.

Section 5.4 Compliance with Prevailing Wage Laws. The parties agree that the PLA Administrator shall monitor the compliance by all Contractors and subcontractors with all applicable federal and state prevailing wage laws and regulations, and that such monitoring shall not include Contractors engaged in what would otherwise be Project Work but for the exceptions to Agreement coverage in Article II, Section 2.3. All complaints regarding possible prevailing wage violations shall be referred to the PLA Administrator for processing, investigation and resolution, and if not resolved within thirty calendar days, may be referred by any party to the state labor commissioner.

## ARTICLE 6

### HOURS OF WORK, OVERTIME, SHIFTS AND HOLIDAYS

Section 6.1 Hours of Work. Eight (8) hours per day between the hours of 6:00 a.m. and 5:30 p.m., plus one-half (1/2) hour unpaid lunch approximately mid-way through the shift, shall constitute the standard work day. Forty (40) hours per week shall constitute a regular week's work. The work week will start on Sunday and conclude on Saturday. The foregoing provisions of this Article are applicable unless

otherwise provided in the applicable prevailing wage determination, or unless changes are permitted by law and such are agreed upon by the parties. Nothing herein shall be construed as guaranteeing any employee eight (8) hours per day or forty (40) hours per week, or a Monday through Friday standard work schedule.

Section 6.2 Place of Work. Employees shall be at their place of work (as designated by the Contractor), at the starting time and shall remain at their place of work, performing their assigned functions, until quitting time. The place of work is defined as the gang or tool box or equipment at the employee's assigned work location or the place where the foreman gives instructions. The parties reaffirm their policy of a fair day's work for a fair day's wage. There shall be no pay for time not worked unless the employee is otherwise engaged at the direction of the Contractor.

Section 6.3 Overtime. Overtime shall be paid in accordance with the requirements of the applicable prevailing wage determination. There shall be no restriction on the Contractor's scheduling of overtime or the nondiscriminatory designation of employees who will work overtime. There shall be no pyramiding of overtime (payment of more than one form of overtime compensation for the same hour) under any circumstances.

Section 6.4 Shifts and Alternate work Schedules.

(a) Alternate starting and quitting time and/or shift work may be performed at the option of the Contractor upon three (3) day's prior notice to the affected Union(s), unless a shorter notice period is provided for in the applicable Schedule A and shall continue for a period of not less than five (5) working days. Saturdays and Sundays, if worked may be used for establishing the five (5) day minimum work shift. If two shifts are worked, each shall consist of eight (8) hours of continuous work exclusive of a one-half (1/2) hour non-paid lunch period, for eight (8) hours pay. The last shift shall start on or before 6:00 p.m. The first shift starting at or after 6:00 a.m., is designated as the first shift, with the second shift following.

(b) Because of operational necessities, the second shift may, at the District's direction, be scheduled without the preceding shift having been worked or that there otherwise be a restructuring of normal work schedules. Such changes should not adversely affect the wages or premium payments otherwise due the employees pursuant to other provisions of this PLA and/or the applicable prevailing wage determination. Except in an emergency, or when specified in the District's bid specification, the Contractor should give the affected Union(s) at least three (3) days notice of such scheduling changes.

Section 6.5 Holidays. Recognized holidays on this Project shall be those set forth and governed by the prevailing wage determination(s) applicable to this Project, unless or until such may be, and are, revised by mutual Agreement of the negotiating parties to this PLA.

Section 6.6 Show-up Pay. Show-up Pay shall be provided as required by the applicable prevailing wage determination(s). Employees receiving show-up pay will be required to remain at the Project site and available for work for such time as they receive pay, unless released early by the principal supervisor of the Contractor or his/her designated representative. Each employee shall furnish his/her Contractor with his/her current address, telephone number and shall promptly report any changes to the Contractor.

Section 6.7 "Brassing". The Contractor may utilize "brassing" (or similar system) to check employees in and out. Each employee must check himself/herself in and out. The Contractor will provide adequate facilities for checking in and out in an expeditious manner.

Section 6.8 Meal Periods. The Contractor will schedule a meal period of no more than one-half (1/2) hour duration at the work location at approximately mid-point of the schedule shift; provided, however, that the Contractor may, for efficiency of the

operation, establish a schedule which coordinates the meal periods of two or more crafts. An employee may be required to work through his meal period because of an emergency or threat to life or property, or for such other reason as are in the applicable Schedule A's, and if they are so required, they shall be compensated in the manner established in the applicable Schedule A.

Section 6.9 Make-up Days. To the extent permitted by the applicable prevailing wage determination, when an employee has been prevented from working for reasons beyond the control of the employer, including, but not limited to, inclement weather or other natural causes, during the regularly scheduled work week, a make-up day may be worked on a non-regularly scheduled work day for which an employee shall receive eight (8) hours pay at the straight time rate of pay or any premium rate required for such hours under the prevailing wage law.

## ARTICLE 7

### WORK STOPPAGES AND LOCK-OUTS

Section 7.1 No Work Stoppages or Disruptive Activity. The Council and the Unions signatory hereto, agree that neither they, nor each of them, nor their respective officers or agents or representatives, or employees they represent shall incite or encourage, condone or participate in any strike, walk-out, slow-down, picketing, observing picket lines or other activity of any nature or kind whatsoever, for any cause or dispute whatsoever with respect to or any way related to Project Work, or which interferes with or otherwise disrupts Project Work, or with respect to or related to the District or Contractors or subcontractors, including, but not limited to, economic strikes, unfair labor practice strikes, safety strikes, sympathy strikes and jurisdictional strikes whether or not the underlying dispute is subject to arbitration. Any such actions by the Council, or Unions, or their members, agents, representatives or the employees they represent shall constitute a violation of this PLA. The Council and the Union shall take all steps necessary to obtain compliance with this Article and neither should be held liable for conduct for which it is not responsible.

Section 7.2 Employee Violations. The Contractor may discharge any employee in violation of Section 7.1 above and any such employee will not be eligible for rehire under this PLA.

Section 7.3 Standing to Enforce. The District, the PLA Administrator, or any Contractor affected by an alleged violation of Section 7.1, shall have standing and the right to enforce the obligations established therein.

Section 7.4 Expiration of Schedule A's. All employees shall continue to work and to perform all their obligations with respect to Project Work despite the expiration of any Schedule A Agreement. Any renegotiated Schedule A shall be implemented on Project Work pursuant to Section 21.3.

Section 7.5 No Lockouts. Contractors shall not cause, incite, encourage, condone or participate in any lock-out of employees with respect to Project Work during the term of this Agreement. The term "lock-out" refers only to a Contractor's exclusion of employees in order to secure collective bargaining advantage, and does not refer to the discharge, termination or layoff of employees by the Contractor for any reason in the exercise of rights pursuant to any provisions of this Agreement, or any other Agreement, nor does "lock-out" include the District's decision to stop, suspend or discontinue any Project Work or any portion thereof for any reason.

Section 7.6 Best Efforts to End Violations.

(a) If a Contractor contends there is any violation of this Article, Section 8.3, or the provisions of Section 21.4, it shall notify, in writing, the Executive Secretary of the Council, the Senior Executive of the involved Union(s) and the PLA Administrator. The Executive Secretary and the leadership of the involved Union(s) will immediately instruct, order and use their best efforts, to cause the cessation of any violation of the relevant Article.



(b) If the Union contends any Contractor has violated this Article, it will notify the Contractor and the PLA Administrator, setting forth the facts which the Union contends violate the PLA, at least twenty-four (24) hours prior to invoking the procedures of 7.7. The PLA Administrator shall promptly order the involved Contractor(s) to cease any violation of the Article.

Section 7.7 Expedited Enforcement Procedure. Any party, including the District, who the parties agree is a party to the Agreement for purposes of this Article and an intended beneficiary of this Article, or the PLA Administrator, may institute the following procedures in lieu of, or before any other action at law or equity, when breach of Section 7.1 or 7.5, above, or Section 8.3 or Section 21.4, is alleged.

(a) The parties will negotiate in good faith to select a mutually agreeable, unbiased mediator who shall be the permanent mediator under this procedure, as well as two alternate mediators who shall be identified as alternate one (1) and alternate (2). The party invoking this procedure shall notify the permanent mediator. If the permanent mediator is unavailable at any time, the party invoking this procedure shall first notify alternate 1. If alternate 1 is not available then alternate 2 shall be selected. Notice to the mediator shall be by the most expeditious means available, with notices to the parties alleged to be in violation, and to the Council if it is a Union alleged to be in violation. For purposes of this Article, written notice may be given by telegram, facsimile, hand delivery or overnight mail and will be deemed effective upon receipt.

(b) Upon receipt of said notice, the mediator, or his/her alternate, shall sit and hold a hearing within twenty-four (24) hours if it is contended that the violation still exists, but not sooner than twenty-four (24) hours after notice has been dispatched to the Executive Secretary and the Senior Official(s) as required by Section 7.6, as above.

(c) The mediator shall notify the parties of the place and time chosen for this hearing. Said hearing shall be completed in one session, which, with appropriate recesses at the mediator's discretion, shall not exceed twenty-four (24) hours unless

otherwise agreed upon by all parties. A failure of any party or parties to attend said hearings shall not delay the hearing of evidence or issuance of any decision or Agreement by the mediator.

(d) The sole issue at the hearing shall be whether or not a violation of sections 7.1 or 7.5 above, or Section 8.3, or Section 21.4, has, in fact, occurred. The mediator shall have no authority to consider any matter in justification, explanation or mitigation of such violation, or to decision damages (except for damages as set forth in 7.3 below) which issue is reserved for court proceedings, if any. The decision shall be issued in writing within three (3) hours after the close of the hearing, and may be issued without an opinion. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of, the decision. The mediator may order cessation of the violation of the Article and other appropriate relief, and such decision shall be served on all parties by hand or registered mail upon issuance.

(e) Such decision shall be final and binding on all parties and may be enforced by any court of competent jurisdiction upon the filing of this PLA and all other relevant documents referred to herein above in the following manner. Written notice of the filing of such enforcement proceedings shall be given to the other party. In any judicial proceeding to obtain a temporary order enforcing the mediator's decision as issued under Section 7(d), above, all parties waive the right to a hearing and agree that such proceedings may be ex-parte. Such Agreement does not waive any party's right to participate in a hearing for final order of enforcement. The court's order or orders enforcing the mediator's decision shall be served on all parties by hand or by delivery to their address as shown on their LM-2 Report (for Union), as shown on their business contract for work under this Agreement (for a Contractor), and to the representing Union (for any employee), by certified mail by the party or parties first alleging the violation, or other process of service legally recognized in the court's jurisdiction.

(f) Any rights created by statute or law governing the proceedings inconsistent with the above procedure or which interfere with compliance hereto, are hereby waived by the parties to whom they accrue.

(g) The fees and expenses of the mediator shall be divided by percent of decision by the party or parties initiating this procedure and the respondent party or parties.

(h) The PLA Administrator is a party in interest in all proceedings arising under this Article, and Articles 8 and 10, and shall be sent copies of all notifications required by these Articles, and, at its option, may participate as full party in any proceeding initiated under these Articles.

#### Section 7.8 Liquidated Damages.

(a) If the Mediator determines, in accordance with Section 7.7 above, a work stoppage has occurred, the respondent Union(s) shall, within eight (8) hours of receipt of the decision, direct all of the employees they represent on the Project to immediately return to work. If the craft(s) involved do not return to work by the beginning of the next regularly scheduled shift following such eight (8) hour period after receipt of the mediator's decision, and the respondent Union(s) have not complied with their obligations to immediately instruct, order and use their best efforts to cause a cessation of the violation and return the employees they represent to work, then the non-complying respondent Union(s) shall each pay a sum as liquidated damages to the District, and each will pay an additional sum per shift, as set forth in (c) below, for each shift thereafter on which the craft(s) have not returned to work.

(b) If the mediator determines in accordance with Section 7.7 above that a lock-out has occurred, the respondent Contractor(s) shall, within eight (8) hours after receipt of the decision, return all the affected employees to work on the Project, or otherwise correct the violation found by the mediator. If the respondent Contractor(s) do not take such action by the beginning of the next regularly schedule shift following the eight (8)

hour period, each non-complying respondent Contractor shall pay or give as liquidated damages, to the affected Union(s) (to be apportioned among the affected employees and the benefit funds to which contributions are made on their behalf, as designated by the mediator) and each shall pay an additional sum per shift, as set forth in (c) below, for each shift thereafter in which compliance by the respondent Contractor(s) have not been completed.

(c) The mediator shall retain jurisdiction to determine compliance with this Section and to establish the appropriate sum of liquidated damages, which shall be not less than \$1,000.00 (one thousand dollars), nor more than \$5,000.00 (five thousand dollars) per shift for each non-complying entity.

## ARTICLE 8

### WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

Section 8.1 Assignments of Work. The assignment of work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction industry (the "Plan") currently in effect, or any successor plan.

Section 8.2 The Plan. All jurisdictional disputes between or among building and Construction Trades Unions party to this Agreement, shall be settled and adjusted according to the Plan, or any other plan or method of procedures adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractors and Union parties to this PLA.

Section 8.3 No Work Disruption Over Jurisdiction. All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, disruption, or show down of any nature and the Contractor's assignments shall be adhered to until the

dispute is resolved. Individuals violating this section shall be subject to immediate discharge.

Section 8.4 Pre-construction Conference. As provided in Article 16, each Contractor and construction manager, shall conduct in a pre-construction conference with the appropriate affected Union(s) prior to commencing work.

Section 8.5 Resolution of Jurisdictional Disputes. If any actual or threatened strike, sympathy strike, work stoppage, slow down, picketing, hand-billing or otherwise advising the public that a labor dispute exists, or any other interference with the progress of Project Work by reason of a jurisdictional dispute or disputes, the parties shall exhaust the expedited procedures set forth in the Plan, if such procedures are in the Plan then currently in effect, or otherwise as in Article 7 above.

## ARTICLE 9 MANAGEMENT RIGHTS

Section 9.1 Contractor and District Rights. The Contractors and the District have the sole and exclusive right and authority to oversee and manage construction operations on Project Work. Where possible purchases are to be made locally unless costs locally differentiate by 5% or greater. In addition to the following and other rights of the Contractors enumerated in this PLA, the Contractors expressly reserve their management rights and all the rights conferred upon them by law. The Contractors' rights include, but are not limited to, the right to:

- (a) Plan, direct and control operations of all work;
- (b) Hire, promote, transfer and layoff their own employees as deemed appropriate to satisfy work and/or skill requirements;
- (c) Promulgate and require all employees to observe reasonable job rules and security and safety regulations;
- (d) Discharge, suspend, or discipline their own employees for just cause;

- (e) Utilize work methods, procedures or techniques, and select, use and install any types or kinds of materials, apparatus or equipment, regardless of source of manufacture or construction; assign and schedule work at their discretion, unless specifically disapproved by the District or its authorized representative; and
- (f) Assign overtime, determine when it will be worked and the number and identity of employees engaged in such work, subject to such provisions in this Agreement and the applicable Schedule A's requiring such assignments be equalized or otherwise made in a non-discriminatory manner.

Section 9.2 Specific District Rights. In addition to the following and other rights of the District enumerated in this Agreement, the District expressly reserves its management rights and all the rights conferred on it by law. The District rights (and those of the PLA Administrator on its behalf) include, but are not limited to, the right to:

- (a) Inspect any construction site, facility, or Project to ensure that the Contractor follows the applicable safety and other work requirements;
- (b) Require Contractors to establish a different work week or shift schedule for particular employees as required to meet the operational needs of the District and/or Project Work at a particular location(s), or in order to accommodate any difficulties at the Project site where schedules may interfere with District or resident requirements during construction activity;
- (c) At its sole option, terminate, delay and/or suspend any and all portions of the covered work at any time; prohibit some or all work on certain days or during certain hours of the day to accommodate the ongoing operations of the District's facilities and/or to mitigate the effect of ongoing Project Work on businesses and residents in the neighborhood of the Project site; and/or require such other operational or schedule changes it deems necessary, in its sole judgment, to effectively maintain its primary mission and remain a good neighbor to those in the area of its facilities. In order to permit the Contractors and Unions to make appropriate scheduling plans, the District

will provide the PLA Administrator and the affected Contractor(s) and Union(s) with reasonable notice of any changes it requires pursuant to this section; provided, however, that if notice is not provided in time to advise employees not to report for work, show-up pay shall be due pursuant to the provisions of section 6.6;

(d) Approve any work methods, procedures and techniques used by Contractors whether or not these methods, procedures or techniques are part of industry practices or custom; and

(e) Investigate and process complaints, through its PLA Administrator, in the manner set forth in Sections 7 and 10.

Section 9.3 Use of Materials. There should be no limitations or restrictions by Union upon a Contractor's choice of materials or design, nor regardless of source or location, upon the full use and utilization, of equipment, machinery, packaging, pre-cast, prefabricated, pre-finished, or pre-assembled materials, tools or other labor saving devices, subject to the application of the state Public Contracts and Labor Codes, or as otherwise required by law, in reference to offsite construction. Generally, the onsite installation or application of such items shall be performed by the craft having jurisdiction over such work. The District and its PLA Administrator shall advise all Contractors of, and enforce as appropriate, the off-site application of the prevailing wage law as it affects Project Work.

Section 9.4 Special Equipment, Warranties and Guaranties.

(a) It is recognized that certain equipment of a highly technical and specialized nature may be installed at Project Work sites. The nature of the equipment, together with the requirements for manufacturer's warranties, may dictate that it be prefabricated, pre-piped and/or pre-wired and that it be installed under the supervision and direction of the District's and/or manufacturer's personnel. The Unions agree that such equipment is to be installed without incident.

(b) The parties recognize that the Contractor will initiate from time-to-time the use of new technology, equipment, machinery, tools, and other labor-saving devices and methods of performing Project Work. The Union agrees that they will not restrict the implementation of such devices or work methods. The Unions will accept and will not refuse to handle, install or work with any standardized and/or catalog parts, assemblies, accessories, pre-fabricated items, pre-assembled items, partially assembled items, or materials, whatever their source of manufacture or construction.

(c) If any disagreement between the Contractor and the Union(s) concerning the methods of implementation or installation of any equipment, device or item, or method of work, arises, or whether a particular part or pre-assembled item is standardized or a catalog part or item, the work will proceed as directed by the Contractor and the parties shall immediately consult over the matter. If the disagreement is not resolved, the affected Union(s) shall have the right to proceed through the procedures set forth in Article 10.

Section 9.5 No Less Favorable Treatment. The parties expressly agree that Project Work will not receive less favorable treatment than that on any other Project which the Union(s), Contractors and employees work.

## ARTICLE 10 SETTLEMENT OF GRIEVANCES AND DISPUTES

Section 10.1 Cooperation and Harmony on Site.

(a) This Agreement is intended to establish and foster continued close cooperation between management and labor. The Council shall assign a representative to this Project for the purpose of assisting the local Unions, and working with the PLA Administrator, together with the Contractors, to complete the construction of the Project



economically, efficiently, continuously and without any interruption, delays or work stoppages.

(b) The PLA Administrator, the Contractors, Unions, and employees collectively and individually, realize the importance to all parties of maintaining continuous and uninterrupted performance Project Work, and agree to resolve disputes in accordance with the grievance provisions set forth in this Article, or, as appropriate, those of Articles 7 or 8.

(c) The PLA Administrator shall oversee the processing of grievances under this Article and Articles 7 and 8, including the scheduling and arrangements of facilities for meetings, selection of the arbitrator from the agreed-upon panel to hear the case, and any other administrative matters necessary to facilitate the timely resolution of any dispute; provided, however, it is the responsibility of the principal parties to any pending grievance to insure the time limits and deadlines are met.

Section 10.2 Processing Grievances. Any questions arising out of and during the term of this Agreement involving its interpretation and application, which includes applicable provisions of the Schedule A's, but not jurisdictional disputes or alleged violations of the Sections 7.1 and 7.4 and similar provisions, shall be considered a grievance and subject to resolution under the following procedures:

*Step 1. Employee Grievances*. When any employee subject to the provisions of this Agreement feels aggrieved by an alleged violation of this Agreement, the employee shall, through his local Union business representative or job steward, within ten (10) working days after the occurrence of the violation, give notice to the work site representative of the involved Contractor, stating the provision(s) alleged to have been violated. A business representative of the local Union, or the job steward, and the work site representative of the involved Contractor shall meet and endeavor to adjust the matter within ten (10) working days after timely notice has been given. If they fail to resolve the matter within the prescribed period, the grieving party may, within ten (10)

working days thereafter, pursue Step 2 of this grievance procedure provided the grievance is reduced to writing, setting forth the relevant information, including a short description thereof, the date on which the alleged violation occurred, and the provision(s) of the PLA alleged to have been violated. Grievances and disputes settled at Step 1 shall be non-precedential except as to the parties directly involved.

Union or Contractor Grievances. Should the Union(s) or any Contractor have a dispute with the other party(ies) and, if after conferring within ten (10) working days after the disputing party knew, or should have known, of the facts or occurrence giving rise to the dispute, a settlement is not reached within five (5) working days, the dispute shall be reduced to writing and proceed to Step 2 in the same manner as outlined in Step 1 above for the adjustment of an employee complaint.

*Step 2* The business manager of the involved local Union or his designee, together with the site representative of the involved Contractor, and a representative of the PLA Administrator, shall meet within seven (7) calendar days after the initial Step 1 meeting, that the grievance be submitted to the permanent mediator, or an alternate, if necessary, who have been selected pursuant to paragraph 7.7a. The decision of the mediator shall be final and binding on all parties. The fee and expenses of such mediations shall be borne equally by the involved Contractor(s) and the involved Union(s).

(b) Failure of the grieving party to adhere to the time limits established herein shall render the grievance null and void. The time limits established herein may be extended only by written consent of the parties involved at the particular step where the extension is agreed upon. The mediator shall have the authority to make decisions only on issues presented and shall not have the authority to change, amend, add to or detract from any of the provisions of this Agreement.

Section 10.3 Limit on Use of Procedures. Procedures contained in this article shall not be applicable to any alleged violation of Article 7 or 8, with the single exception

that any employee discharged for violation of Section 7.2 or 8.3 may resort to the procedures of this Article to determine only if he/she was, in fact, engaged in that violation.

Section 10.4 Notice. The PLA Administrator (and the District, in the case of any grievance regarding the Scope of this Agreement), shall be notified by the involved Contractor of all actions at Steps 2 and 3, and further, the PLA Administrator shall, upon its own request, be permitted to participate fully as a party in all proceedings at such steps.

## ARTICLE 11 REGULATORY COMPLIANCE

Section 11.1 Compliance with All Laws. The Council and all Unions, Contractors, subcontractors and their employees shall comply with all applicable federal and state laws, ordinances and regulations, including, but not limited to, those relating to safety and health, employment and applications for employment. All employees shall comply with the safety regulations established by the District, the PLA Administrator or the Contractor. Employees must promptly report any injuries or accidents to a supervisor.

Section 11.2 Monitoring Compliance. The parties agree that the District shall require, and that the PLA Administrator shall monitor, compliance by all Contractors and subcontractors with all federal and state laws and regulations that, from time-to-time, may apply to Project Work. It shall be the responsibility of the PLA Administrator (on behalf of the District) to investigate or monitor compliance with these various laws and regulations. The Council may recommend to the PLA Administrator and/or the District procedures to encourage and enforce compliance with these laws and regulations.

Section 11.3 Prevailing Wage Compliance. The Council or Union shall refer all complaints regarding any potential prevailing wage violation to the PLA Administrator

which shall process, investigate and resolve such complaints, consistent with Section 5.4. The Council or Union, as appropriate, shall be advised in a timely manner with regard to the facts and resolution, if any, of any complaint. It is understood that this Section does not restrict any individual rights as established under the State Labor Code, including the rights of an individual to file a complaint with the State Labor Commissioner.

Section 11.4 Violations of Law. Should there be a finding by a court or administrative tribunal of competent jurisdiction that a Contractor has violated federal and or state law or regulation (including any finding of non-compliance with the California prevailing wage obligations as enforced pursuant to DIR regulations), the District, upon notice to the Contractor that it, or its subcontractors, are in such violation, and on the failure of the Contractor or subcontractor to remedy such violation promptly, may take such action as is permitted by law or contract to encourage and/or require the Contractor and/or the subcontractor to come into compliance. Such action may include, if permitted by contract and or law, removing the Contractor or subcontractor from Project Work.

## ARTICLE 12

### SAFETY AND PROTECTION OF PERSON AND PROPERTY

#### Section 12.1 Safety.

(a) It shall be the responsibility of each Contractor to ensure safe working conditions and employee compliance with any safety rules contained herein or established by the District, the PLA Administrator or the Contractor. It is understood that employees have an individual obligation to use diligent care to perform their work in a safe manner and to protect themselves and the property of the Contractor and the District.

(b) Employees shall be bound by the safety, security and visitor rules established by the Contractor and construction manager, the PLA Administrator and/or the District.

These rules will be published and posted. An employee's failure to satisfy his/her obligations under this section will subject himself/herself to discipline, up to and including discharge.

(c) The parties agree that the substance abuse plan will be provided by the Council, to the District for review and approval, prior to the signing of this document, and shall be applicable on the Project site and enforced with regard to all employees of all Contractors engaged in Project Work, unless a Contractor has its own plan, which is equal to or greater than the plan provided by the Council, in which case the Contractor's plan shall control the Contractor's employees and be enforced by the Contractor. Council and Unions will enforce the Council plan. The PLA Administrator shall make the determination as to whether the Contractor's plan is equal to or greater than the plan provided by the Council.

Section 12.2 Inspection. The inspection of incoming shipments of equipment, machinery, and construction materials of every kind shall be performed at the discretion of the Contractor by individuals of its choice.

Section 12.3 Suspension of Work for Safety. A Contractor may suspend all or a portion of the job to protect the life and safety of the employees. In such cases, employees shall be compensated only for the actual time worked; provided, however, that where the Contractor requests employees to remain at the site and be available for work, the employees will be compensated for stand-by time at their basic hourly rate of pay.

Section 12.4 Water and Sanitary Facilities. The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees as required by state law or regulation.

ARTICLE 13  
TRAVEL AND SUBSISTENCE

Travel expenses, travel time, subsistence allowances and/or zone rates and parking reimbursements shall not be applicable to work under this PLA, except to the extent provided for in any applicable prevailing wage determination. Parking for employees covered by this PLA shall be provided by the Contractor(s) according to the provision of the Schedule A's existing on the effective date of this PLA, and upon presentation of proof of any expense incurred.

ARTICLE 14  
APPRENTICES

Section 14.1 Importance of Training. The parties recognize the need to maintain continuing support of the programs designed to develop adequate numbers of competent workers in the construction industry, the obligation to capitalize on the availability of the local work force in the area served by the District and the opportunity to provide employment at fair wages and working conditions on Project Work. To these ends, the parties will facilitate, encourage, and assist local residents to enter and progress in labor/management apprenticeship and/or training programs in the construction industry leading to participation in such apprenticeship programs. The District, PLA Administrator, other District consultants, and the Council, will work cooperatively to identify, or establish and maintain, effective programs and procedures for persons interested in entering the construction industry and which will help prepare them for the formal joint labor/management apprenticeship programs maintained by the signatory Unions.

Section 14.2 Use of Apprentices.

(a) Apprentices may comprise up to thirty percent (30%) of each craft's work force at any time, unless the standards of the applicable joint apprenticeship committee

confirmed by the State Labor Commissioner establish a lower maximum percentage, and where such is the case, the applicable Unions should use their best efforts with the committee and, if necessary, the commissioner to permit up to thirty percent (30%) apprentices on the Project. When available and capable of undertaking the tasks involved, forty percent (40%) of such apprentice workforce of each craft shall consist of first (1<sup>st</sup>) year apprentices.

(b) The Unions agree to cooperate with the Contractor in furnishing apprentices as requested up to the maximum percentage. The apprentice ratio for each craft shall be in compliance, at a minimum, with the applicable provisions of the Labor Code relating to the utilization of apprentices. The District shall encourage such utilization, and, both as to apprentices and the overall supply of experienced workers, the PLA Administrator will work with the Council to assure appropriate and maximum utilization of apprentices and the continuing availability of both apprentices and journey persons.

(c) The parties agree that apprentices will not be dispatched to Contractors working under this PLA unless there is a journey person, or other Contractor employee, working on the Project where the apprentice is to be employed who is qualified to assist and oversee the apprentice's progress through the program in which he/she is participating.

Section 14.3 Joint Subcommittee on Training and Apprenticeship. To carry out the intent and purpose of this Article, a subcommittee of the Labor Management Committee pursuant to Article 17 shall be established, jointly chaired by a designee of the District and a designee of the Council, to oversee the identification and/or effective development of procedures and programs leading to the full utilization of apprenticeship programs, and to work with representatives of each signatory craft's Joint Apprenticeship Committee ("JAC") and representatives of the District to establish appropriate criteria for recognition by such JAC's of the educational and work experience possessed by District residents toward qualifying for entry or advanced level in the apprenticeship programs under the direction of such JAC's. Specific emphasis will be placed on coordination of the District's existing or planned educational programs

with the apprenticeship training programs of the signatory Unions, and the cooperation of the District and the signatory Unions, and the representatives of their JAC's, to encourage Riverside Community College District graduates, students and prospective students to participate in such apprenticeship programs, for the improvement of the construction industry. The Subcommittee will meet as necessary at the call of the joint chairs to promptly facilitate its purposes in an expeditious manner as soon as this PLA becomes effective. In addition to the joint chairs, the membership of the committee will consist of at least three representatives of the signatory local Unions and three representatives of Contractors signatory to this Agreement and experienced in overseeing and participating in joint labor management apprenticeship programs (or organizations to which the Contractors belong).

## ARTICLE 15 WORKING CONDITIONS

Section 15.1 Rest Periods. There will be no non-working times established during working hours except as may be required by applicable state law or regulations. Individual coffee containers will be permitted at the employee's work location.

Section 15.2 Work Rules. The District, the PLA Administrator, and/or relevant Contractor or construction manager shall establish such reasonable work rules as they deem appropriate and not inconsistent with this Agreement. These rules will be posted at the work sites by the Contractor and may be amended thereafter as necessary. Failure to observe these rules and regulations by employees may be grounds for discipline up to and including discharge. Said work rules shall include the prohibition of the playing of portable radios.

Section 15.3 Emergency Use of Tools and Equipment. There should be no restrictions on the emergency use of any tools by any qualified employee or supervisor, or on the use of any tools or equipment for the performance of work within the



jurisdiction, provided the employee can safely use the tools and/or equipment involved and in compliance with applicable governmental rules and regulations.

Section 15.4 Access to Riverside Community College District Property and Facilities. Recognizing the nature of the work being conducted on the site, employee access by a private automobile may be limited by the District to certain roads and/or parking areas. Further, unless expressly permitted otherwise by the District or its authorized representative, covered employees shall not utilize the public areas of the District's facilities, including without limitation, sanitary and eating facilities.

## ARTICLE 16 PRE-CONSTRUCTION CONFERENCES

Consistent with Section 8.4, all work assignments should be disclosed by the Contractor and construction manager at a pre-construction conference held in accordance with industry practice. The Contractor and construction manager shall notify the PLA Administrator at least two weeks before starting work under this PLA, and the PLA Administrator shall coordinate the scheduling of a pre-construction conference with the Council, the Contractor(s) and the affected Union(s). Should there be any formal jurisdictional dispute raised under Article 8, the PLA Administrator shall be promptly notified. At the pre-construction, the PLA Administrator shall review the District's employment and contracting programs and goals with the participants.

## ARTICLE 17 LABOR/MANAGEMENT AND COOPERATION

Section 17.1 Joint Committee. The parties to this Agreement will form a joint committee consisting of representatives selected by Council and the PLA Administrator, respectively, to be chaired jointly by a representative of the PLA Administrator and of the Council. The purpose of the committee shall be to promote harmonious and stable labor management relations on this Project, to ensure effective and constructive

communication between labor and management parties, to advance the proficiency of work in the industry, and evaluate and ensure an adequate supply of skilled labor for all Project Work. Representatives of the District may participate upon its request.

Section 17.2 Functions of Joint Committee. The Committee shall meet on a schedule to be determined by the Committee or at the call of the joint chairs to discuss the administration of the PLA, the progress of the Project, general labor management problems that may arise, and any other matters consistent with this PLA. Substantive grievances or disputes arising under Articles 7, 8 or 10 shall not be reviewed or discussed by this committee, but shall be processed pursuant to the provisions of the appropriate Article.

The PLA Administrator shall be responsible for the arrangements for the meetings, and the preparation of the agenda topics (with input from the Unions, the Contractors and the District). Notice of the date, time and place of meetings, shall be given to the Committee members at least three (3) days prior to the meeting. The District should be notified of the meetings and invited to send a representative(s) to participate.

The PLA Administrator shall prepare quarterly reports on apprentice utilization and the training and employment of District residents, and a schedule of Project Work and estimated number of craft workers needed. The committee, or an appropriate subcommittee, may review such reports and make any recommendations for improvement, if necessary, including increasing the availability of skilled trades, and the employment of local residents or other individuals who should be assisted with appropriate training to qualify for apprenticeship programs.

ARTICLE 18  
SAVINGS AND SEPARABILITY

Section 18.1 Savings Clause. It is not the intention of the District, the PLA Administrator, or the Union parties to violate any laws governing the subject matter of this PLA. The parties hereto agree that in the event any provision of this PLA is finally held or determined to be illegal or void as being in contravention of any applicable law or regulation, the remainder of the PLA shall remain in full force and effect unless the part or parts determined to be void are wholly inseparable from the remaining portions of this PLA. Further, the parties agree that if and when any provision(s) of this PLA is finally held or determined to be illegal or void by a court of competent jurisdiction, the parties will promptly enter into negotiations concerning the substantive effect of such decision, for the purpose of achieving conformity with the requirements of any applicable laws and the intent of the parties hereto. If the legality of this PLA is challenged and any form of injunctive relief is granted by any court, suspending temporarily or permanently the implementation of this PLA, then the parties agree that all Project Work that would otherwise be covered by this PLA should be continued to be bid and constructed without application of this PLA so that there is no delay or interference with the ongoing planning, bidding and construction of any Project Work.

Section 18.2 Effect of Injunctions or Other Court Orders. The parties recognize the right of the District to withdraw, at its absolute discretion, the utilization of the PLA as part of any bid specification should a Court of competent jurisdiction issue any order, or any applicable statute be enacted, which could result temporarily or permanently in delay of the bidding, awarding and/or construction of the Project. Notwithstanding such an action by the District, or such court order or statutory provision, the parties agree that the PLA shall remain in full force and effect on covered Project Work to the maximum extent legally possible.

Section 18.3 Termination for Second and Subsequent Violations of Sections 7.1, 7.5, 8.3, or 21.4. The Council or the District has the right to immediately terminate this Agreement upon a second or subsequent violation of Sections 7.1, 7.15, 8.3 or 21.4.

ARTICLE 19  
WAIVER

A waiver of or a failure to assert any provisions of this PLA by any or all of the parties hereto shall not constitute a waiver of such provision for the future. Any such waiver shall not constitute a modification of the PLA or change in the terms and conditions of the PLA and shall not relieve, excuse, or release any of the parties from any of their rights, duties or obligations hereunder.

ARTICLE 20  
AMENDMENTS

The provisions of this PLA can be renegotiated, supplemented, rescinded or otherwise altered only by mutual Agreement in writing, hereafter signed by the negotiating parties hereto.

ARTICLE 21  
DURATION OF THE AGREEMENT

Section 21.1 Duration.

(a) This PLA shall be effective January 1, 2010 and shall continue in effect until the Project Work is completed. All Project Work for which bid specifications are issued prior to the latter date shall continue to be covered by this PLA until the turnover and final acceptance of such work, subject to the specifications, pursuant to Section 21.2.

(b) This PLA may be extended by mutual consent of the District and the signatory Unions.

Section 21.2 Turnover and Final Acceptance of Completed Work.

(a) Construction on any phase, portion, section, or segment of Project Work shall be deemed complete when such phase, portion, section or segment has been turned over to the District by the Contractor and the District has accepted such phase, portion, section, or segment. As areas and systems of the Project are inspected and construction-tested and/or approved and accepted by the District or third parties with the approval of the District, the Agreement shall have no further force or effect on such items or areas, except when the Contractor is directed by the District to engage and repairs or modifications are required by its contract(s) with the District.

(b) Notice of each final acceptance received by the Contractor will be provided to the Council with the description of what portion, segment, etc. has been accepted. Final acceptance may be subject to a “punch” list, and in such case, the PLA will continue to apply to each such item on the list until it is completed to the satisfaction of the District and Notice of Acceptance is given by the District or its representative to the Contractor. At the request of the Union, complete information describing any “punch” list work, as well as any additional work required of a Contractor at the direction of the District pursuant to (a) above, involving otherwise turned-over and completed facilities which have been accepted by the District, will be available from the PLA Administrator.

Section 21.3 Continuation of Schedule A's. Schedule A's incorporated as part of this Agreement shall continue in full force and effect, as previously stated, until the Contractor and Union parties to the collective bargaining Agreement(s), which are the basis for such Schedule A's, notify the PLA Administrator of the mutually agreed upon changes in such Agreements and their effective date(s).

The parties agree to recognize and employ all applicable changes on their effective dates, except as otherwise provided by this PLA; provided, however, that any such provisions negotiated in said collective bargaining Agreements will not apply to work covered by this PLA if such provisions are less favorable to the Contractor under the PLA than those uniformly required of Contractors for construction work normally covered by those Agreements; nor shall any provision be recognized or applied if it may be construed to apply exclusively or predominately to work covered by this PLA. Any disagreement between the parties over the incorporation into a Schedule A of any such provision agreed upon in a negotiation of the Local Collective Bargaining Agreement, which is the basis for a Schedule A, shall be resolved under the procedures established in Article 10.

Section 21.4 No Work Stoppages. The Union agrees that there will be no strikes, work stoppages, sympathy strikes, picketing, slowdowns or any other disruptive activity affecting the Project by any Union involved in the negotiations of the Local Collective Bargaining Agreement and resulting Schedule A's, nor shall there be any lock-out on this Project of the involved Union(s) during the course of such negotiations.

Section 21.5 Final Termination. Final termination of all obligations, rights, and liabilities, under this PLA shall occur upon receipt by the Council of a Notice from the District saying that no work remains within the scope of the PLA; or on January 1, 2010, (except for Project Work awarded prior to that date and not yet completed and turned over, or unless there is a mutually agreed upon extension), whichever occurs first.

In witness whereof, the parties have caused this Project Labor Agreement for the Riverside Community College District for all new construction, rehabilitation and renovation work, which shall include, when an integral part of the Project Work, demolition and/or site clearing and hazard abatement work, for all future Project Work with a value of more than One Million Dollars (\$1,000,000) and for which Measure "C" funds are used, to be executed as of the date and year above stated.

(Signatures follow on subsequent pages)

RIVERSIDE COMMUNITY COLLEGE DISTRICT

By: \_\_\_\_\_  
Gregory W. Gray, Chancellor

RIVERSIDE/SAN BERNARDINO COUNTIES  
BUILDING AND CONSTRUCTION TRADES COUNCIL

By: \_\_\_\_\_  
(Name)  
Executive Secretary

SIGNATORY COUNCILS OR LOCAL UNIONS:

\_\_\_\_\_  
Name, Title

\_\_\_\_\_  
Affiliation

\_\_\_\_\_  
Name, Title

\_\_\_\_\_  
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Name, Title

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Affiliation

ATTACHMENT A

LETTER OF ASSENT

To be signed by all Contractors awarded work covered by the Riverside Community College District Project Labor Agreement. This letter should be executed and submitted prior to the start of work by the Contractor, pursuant to Section 2.4 of the Agreement

(Contractor's Letterhead)

Project Labor Administrator  
c/o Riverside Community College District  
4800 Magnolia Ave.  
Riverside, CA 92506

Re: Riverside Community College District Project Labor Agreement

Dear Sir/Madam:

This is to confirm that [Name of Company] agrees to be party to and bound by the Riverside Community College District Project Labor Agreement, effective \_\_\_\_\_, as such Agreement may, from time-to-time, be amended by the negotiating parties or interpreted pursuant to its terms. Such obligation to be a party and bound by this Agreement shall extend all work covered by the Agreement undertaken by this Company on the Project pursuant to [contract No. or identifying description]. This company shall require all of its sub-Contractors of whatever tier to become similarly bound for all work within the scope of the Agreement by signing and furnishing to you an identical Letter of Assent prior to their commencement of work.

Sincerely,

[Name of Construction Company]

By: \_\_\_\_\_  
Name and Title of Authorized Executive

ATTACHMENT B

Riverside and San Bernardino Counties Zip Codes

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-7-a

Date: December 15, 2009

Subject: Signature Authorization

Background: Education Code Sections 81655, 85232 and 85233 specify that authorization can be given to designated District administrators to sign orders drawn on District funds and notices of employment. Attached is the Certification of Signatures form required to be filed with the Riverside County Office of Education to certify the authorization.

In addition, to properly manage the District's banking activities, purchasing operations and Federal, State and locally funded grant programs, designated administrators can be authorized to sign bank checks, purchase orders, and grant documents.

Recommended Action: It is recommended that the Board of Trustees authorize each Trustee and the following District administrators to sign vendor warrant orders, salary payment orders, notices of employment, bank checks, purchase orders, and grant documents:

Gregory W. Gray	Chancellor
James L. Buysse	Vice Chancellor, Administration and Finance
Reza Maghroori	Vice Chancellor, Academic Affairs
Melissa Kane	Vice Chancellor, Diversity and Human Resources
Aaron S. Brown	Associate Vice Chancellor, Finance
Bill J. Bogle, Jr.	Controller
Edward Godwin	Director, Administrative Services

It is recommended that the Board of Trustees authorize the following District administrators to sign the listed documents:

Debbie DiThomas	Associate Vice Chancellor, Student Services and Operations	ASRCC and Financial Aid Bank Checks
Orin Williams	Associate Vice Chancellor, Facilities Planning, Design & Construction	Change Orders
Arturo Alcaraz	Director, Diversity and Human Resources	Self-Insurance Funds and Section 125 Plan-Wire Transfer Documents
Reyna Philp	Accounting Services Manager	Vendor Warrant Orders, and Purchase Orders

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-7-a

Date: December 15, 2009

Subject: Signature Authorization (continued)

It is recommended that the Board of Trustees authorize the following District administrators to sign the listed documents:

Khaled Khalil	Payroll Manager	Salary Placement Orders and Notices of Employment
Doretta Sowell	Purchasing Manager	Purchase Orders

Gregory W. Gray  
Chancellor

Prepared by: Aaron S. Brown  
Associate Vice Chancellor, Finance

CERTIFICATION OF SIGNATURES

DISTRICT: \_\_\_\_\_ Date of meeting: \_\_\_\_\_ I, \_\_\_\_\_, Clerk/Secretary of the Board of Trustees certify that the signatures shown below in Column I are the verified signatures of the members of the governing board; verified signatures of personnel authorized to sign orders drawn on the funds of the school district appear in Column II, and verified signatures of personnel authorized to sign Notices of Employment appear in Column III. No person other than an officer or employee of the district can be authorized to sign orders. These certifications are made in accordance with the provisions of Education Code Sections 42632, 42633, 44843, 85232, and 85233. If those authorized to sign orders as shown in Column II are unable to do so, the law requires the signatures of the majority of the governing board. Attached is the board agenda authorizing the following signatures.

Signature of Clerk/Secretary of the Board of Trustees: \_\_\_\_\_ Date: \_\_\_\_\_

SIGNATURES OF MEMBERS OF GOVERNING BOARD

COLUMN I

SIGNATURES OF PERSONNEL AUTHORIZED TO SIGN WARRANT ORDERS AND ORDERS FOR SALARY PAYMENT

COLUMN II

SIGNATURES OF PERSONNEL AUTHORIZED TO SIGN NOTICES OF EMPLOYMENT

COLUMN III

\_\_\_\_\_  
President of the Board

\_\_\_\_\_  
Vice President of the Board

\_\_\_\_\_  
Secretary of the Board

\_\_\_\_\_  
Member of the Board

\_\_\_\_\_  
Member of the Board

Number of signatures district requires on Orders for Salary Payment: \_\_\_\_\_ Number of signatures district requires for "B" Warrant Orders: \_\_\_\_\_

If the board has given special instructions for signing Warrant Orders, Orders for Salary Payment, or Notices of Employment, please attach a copy of the resolution to this form.

PLEASE CHECK:

\_\_\_\_ Newly Elected Governing Board  
\_\_\_\_ Addition in Column II  
\_\_\_\_ Addition in Column III

\_\_\_\_ Replacement in Column I  
\_\_\_\_ Replacement in Column II  
\_\_\_\_ Replacement in Column III

CERTIFICATION OF SIGNATURES

**DISTRICT:** \_\_\_\_\_ Date of meeting: \_\_\_\_\_ I, \_\_\_\_\_, Clerk/Secretary of the Board of Trustees certify that the signatures shown below in Column I are the verified signatures of the members of the governing board; verified signatures of personnel authorized to sign orders drawn on the funds of the school district appear in Column II, and verified signatures of personnel authorized to sign Notices of Employment appear in Column III. No person other than an officer or employee of the district can be authorized to sign orders. These certifications are made in accordance with the provisions of Education Code Sections 42632, 42633, 44843, 85232, and 85233. If those authorized to sign orders as shown in Column II are unable to do so, the law requires the signatures of the majority of the governing board. Attached is the board agenda authorizing the following signatures.

Signature of Clerk/Secretary of the Board of Trustees: \_\_\_\_\_ Date: \_\_\_\_\_

**SIGNATURES OF MEMBERS OF GOVERNING BOARD**

**COLUMN I**

President of the Board

Vice President of the Board

Secretary of the Board

Member of the Board

Member of the Board

**SIGNATURES OF PERSONNEL AUTHORIZED TO SIGN WARRANT ORDERS AND ORDERS FOR SALARY PAYMENT**

**COLUMN II**

**SIGNATURES OF PERSONNEL AUTHORIZED TO SIGN NOTICES OF EMPLOYMENT**

**COLUMN III**

Number of signatures district requires on Orders for Salary Payment: \_\_\_\_\_ Number of signatures district requires for "B" Warrant Orders: \_\_\_\_\_

If the board has given special instructions for signing Warrant Orders, Orders for Salary Payment, or Notices of Employment, please attach a copy of the resolution to this form.

**PLEASE CHECK:**

\_\_\_\_\_ Newly Elected Governing Board  
\_\_\_\_\_ Addition in Column II  
\_\_\_\_\_ Addition in Column III

\_\_\_\_\_ Replacement in Column I  
\_\_\_\_\_ Replacement in Column II  
\_\_\_\_\_ Replacement in Column III



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ACADEMIC AFFAIRS

Report No.: V-A-7-b

Date: December 15, 2009

Subject: Resolution of the Board of Trustees of Riverside Community College District Declaring – Design and Development of Facilities to be LEED Certified, in Recognition of the Green Initiatives in the 2009-2012 Strategic Plan – Resolution No. 13-09/10

Background: At the Board's October 20, 2009 meeting, the 2009-2012 District Strategic Plan was presented and accepted. This plan includes a new theme called Green Initiatives. As part of this theme, with the development of the campuses master plans and buildings, the District intends to have new development and facilities to be designed and constructed to LEED Certified standards. LEED stands for "Leadership in Energy and Environmental Design," and sets forth standards for design and development of buildings and facilities to be environmentally sensitive. LEED was developed in 1998 by the U.S. Green Building Council to provide a suite of standards known as the Green Building Rating Design System for environmentally sustainable construction. Adoption of the proposed resolution states the District's intention to have facilities designed and built to LEED Certified standards and, to the extent practical, use LEED standards in major renovations.

Recommended Action: It is recommended the Board of Trustees adopt the resolution.

Gregory W. Gray  
Chancellor

Prepared by: Ray Maghroori  
Vice Chancellor, Academic Affairs

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION OF THE BOARD OF TRUSTEES OF  
RIVERSIDE COMMUNITY COLLEGE DISTRICT DECLARATING  
DESIGN AND DEVELOPMENT OF FACILITIES TO BE LEED CERTIFIED, IN RECOGNITION OF  
THE GREEN INITIATIVES IN THE 2009-2012 STRATEGIC PLAN

RESOLUTION NO. 13-09/10

WHEREAS, the State of California passed AB 32 also known as the California Global Warming Solutions Act of 2006; and

WHEREAS, Leadership in Energy and Environmental Design, also known as LEED, set forth standards for design and development of buildings and facilities to be environmentally sensitive; and

WHEREAS, LEED was developed in 1998 by the U.S. Green Building Council to provide a suite of standards known as the Green Building Rating Design System for environmentally sustainable construction; and

WHEREAS, projects developed under LEED standards now encompass more than 14,000 projects in the Nation that are considered to be LEED certified; and

WHEREAS, LEED certified buildings are designed to use resources more efficiently when compared to conventional buildings that are simply built to code; and

WHEREAS, LEED certified buildings often provide healthier work and living environments, which contribute to higher productivity and health and comfort; and

WHEREAS, the District has master plans for development of its colleges, campuses and learning centers and will plan and build new facilities and renovate older facilities; and

WHEREAS, the Trustees of Riverside Community College District accepted the District's 2009-2012 Strategic Plan on October 20, 2009, which includes Green Initiatives as a new theme; and

WHEREAS, the District is an institution of higher education that is committed to educating and training persons who are sensitive, cognizant and able to relate effectively to their environment; and

WHEREAS, the District has a goal to be an environmentally and socially responsible organization; and

WHEREAS, the District desires to practice exemplarily standards associated with being good stewards of the environment;

NOW THEREFORE BE IT RESOLVED, that new facilities of the District shall be planned, designed and constructed to be LEED Certified and that to the greatest extent practical, major renovations be designed to meet LEED standards.

PASSED AND ADOPTED this 17th day of November, 2009, at the regular meeting of the Riverside Community College District Board of Trustees.

---

Virginia M. Blumenthal  
President of the Board of Trustees  
Riverside Community College District

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-7-c

Date: December 15, 2009

Subject: Surplus Property

Background: Education Code Section 81450 permits the Board of Trustees to declare District property as surplus if the property is not required for school purposes; is deemed to be unsatisfactory or not suitable for school use; or if it is being disposed of for the purposes of replacement. Education Code section 81452 permits surplus property to be sold at private sale, without advertising, if the total value of the property does not exceed \$5,000. The District has determined that the property on the attached list does not exceed the total value of \$5,000. To help defray disposal costs and to generate a nominal amount of revenue, the staff proposes that we consign the surplus property identified in the attachment to The Liquidation Company for disposal.

Recommended Action: It is recommended that the Board of Trustees by unanimous vote: (1) declare the property on the attached list to be surplus; (2) find that the property does not exceed the total value of \$5,000; and (3) authorize the property to be consigned to The Liquidation Company to be sold on behalf of the District.

Gregory W. Gray  
Chancellor

Prepared by: Bill J. Bogle, Jr.  
Controller

## Surplus Property

QUANTITY	BRAND	DESCRIPTION	MODEL #	SERIAL #	ASSET TAG #
1	GATEWAY	CPU	E4000	0029728923	023530
1	GATEWAY	CPU	E4000	0029728947	023548
1	HP	PRINTER	LASERJET	USBC087278	006877
1	HP	PRINTER	4200N	CNBX204527	023588
1	PANASONIC	MONITOR	BT-S1900N	FA6620181	002377
1	HP	PRINTER	LJ1100	3104JE8812	000043
1	GATEWAY	CPU	G6200	0005468446	000009
1	GATEWAY	CPU	P4	0024874153	023664
1	GATEWAY	CPU	GP5200	24548875	010135
1	GATEWAY	CPU	P5-120	00054861254	023650
1	GATEWAY	CPU	E4400	000015429700	023600
1	GATEWAY	CPU	E4100	0033237228	023735
1	SAMSUNG	MONITOR	193S	GY19H9NX333352	023481
1	HP	PRINTER	LJ4	JPBK023700	000052
1	COMPAQ	CPU	PRO575	QTF154LKMC0	023524
1	APPLE	MONITOR	20 DISPLAY	T15220381XY	007703

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-A-7-d

Date: December 15, 2009

Subject: Notices of Completion

Background: Facilities Planning, Design and Construction staff reports that the following projects, previously approved by the Board of Trustees, are now complete.

<u>Project</u>	<u>Contractor</u>	<u>Campus</u>
Phase III, Industrial Technology Center Project – Structural Steel Trade Portion	Blazing Steel	Riverside
Phase III, Industrial Technology Center Project - Ceramic Tile Trade Portion	Inland Pacific Tile	San Bernardino
Phase III, Industrial Technology Center Project - Flashing/SM Trade Portion	Risher Sutherland	San Bernardino
RCC District Building Office Entryway Project	NatureTech Landscaping	Riverside
MVC Interim Food Service Facility Project	Sherman Plumbing	Riverside

Recommended Action: It is recommended that the Board of Trustees: 1) accept the projects listed as complete; 2) approve the execution of the Notices of Completion (under Civil Code Section 3093 – Public Works); and 3) authorize the Board President to sign the Notices.

Gregory W. Gray  
Chancellor

Prepared by: Orin Williams  
Associate Vice Chancellor  
Facilities Planning Design and Construction

Doretta Sowell  
Purchasing Manager

Kurt Mitchell  
Vice President, Business Services, Norco

Reagan Romali  
Vice President, Business Services, Norco

RECORDING REQUESTED BY  
Riverside Community College District  
AND WHEN RECORDED MAIL TO:

Backup V-A-7-d  
December 15, 2009  
Page 1 of 5

Name Dr. James L Buysse,  
Vice Chancellor, Admin. & Finance  
Street Address 4800 Magnolia Ave.  
City & State Riverside  
CA 92506

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SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

## NOTICE OF COMPLETION

Notice is hereby given that:

1. The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
2. The full name of the owner is Riverside Community College District
3. The full address of the owner is 4800 Magnolia Ave., Riverside, CA 92506

4. The nature of the interest or estate of the owner is in fee.  
Fee Simple

(If other than fee, strike "in fee" and insert, for example, "purchaser under contract of purchase," or "lessee")

5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:

NAMES

ADDRESSES

None

6. A work of improvement on the property hereinafter described was completed on 12/15/2009. The work done was:  
Phase III, Industrial Technology Center Project, Structural Steel Trade Portion DSA File# 33-C1 DSA A# 04-108588

7. The name of the contractor, if any, for such work of improvement was Blazing Steel

(If no contractor for work of improvement as a whole, insert "none")

(Date of Contract)

8. The property on which said work of improvement was completed is in the city of Norco,  
County of Riverside, State of California, and is described as follows: Community College Campus

9. The street address of said property is Riverside Community College, Norco Campus, 2001 Third St., Norco, CA 92860

(If no street address has been officially assigned, insert "none")

Dated: 12/15/2009

Riverside Community College District  
President, Board of Trustees

Signature of owner of corporate officer of owner  
named in paragraph 2 or his agent

## VERIFICATION

I, the undersigned, say: I am the Vice Chancellor of Administration and Finance, Dr. James L. Buysse the declarant of the foregoing  
("President of," "Manager of," "A partner of," "Owner of," etc.)  
notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 15, 20 09, at Riverside, California.

(Date of signature)

(City where signed)

(Personal signature of the individual who is swearing that the contents of the notice of  
completion are true)

RECORDING REQUESTED BY  
Riverside Community College District  
AND WHEN RECORDED MAIL TO:

Name Dr. James L. Buysse,  
Vice Chancellor, Admin. & Finance  
Street Address 4800 Magnolia Ave.  
City & State Riverside  
CA 92506

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SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

### NOTICE OF COMPLETION

Notice is hereby given that:

- The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
- The full name of the owner is Riverside Community College District
- The full address of the owner is 4800 Magnolia Ave., Riverside, CA 92506
- The nature of the interest or estate of the owner is in fee.  
Fee Simple  
(If other than fee, strike "in Fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
- The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

NAMES	ADDRESSES
<u>None</u>	
- A work of improvement on the property hereinafter described was completed on 12/15/2009. The work done was:  
Phase III, Industrial Technology Center Project, Ceramic Tile Trade Portion DSA File# 33-CI DSA A# 04-108588
- The name of the contractor, if any, for such work of improvement was Inland Pacific  
(If no contractor for work of improvement as a whole, insert "none") (Date of Contract)
- The property on which said work of improvement was completed is in the city of Norco, County of Riverside, State of California, and is described as follows: Community College Campus
- The street address of said property is Riverside Community College, Norco Campus, 2001 Third St., Norco, CA 92860  
(if no street address has been officially assigned, insert "none")

Dated: 12/15/2009

Riverside Community College District  
President, Board of Trustees

Signature of owner or corporate officer of owner  
named in paragraph 2 or his agent

### VERIFICATION

I, the undersigned, say: I am the Vice Chancellor of Administration and Finance, Dr. James L. Buysse the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 15, 20 09, at Riverside, California.

(Date of signature)

(City where signed)

(Personal signature of the individual who is swearing that the contents of the notice of completion are true)

RECORDING REQUESTED BY  
Riverside Community College District  
AND WHEN RECORDED MAIL TO:

Name Dr. James L Buysse,  
Vice Chancellor, Admin. & Finance  
Street Address 4800 Magnolia Ave.  
City & State Riverside  
CA 92506

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### NOTICE OF COMPLETION

Notice is hereby given that:

- The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
- The full name of the owner is Riverside Community College District
- The full address of the owner is 4800 Magnolia Ave., Riverside, CA 92506
- The nature of the interest or estate of the owner is in fee.  
Fee Simple  
(If other than fee, strike "in Fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
- The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

NAMES	ADDRESSES
<u>None</u>	
- A work of improvement on the property hereinafter described was completed on 12/15/2009. The work done was:  
Phase III, Industrial Technology Center Project, Flashing/Sheet Metal Trade Portion DSA File# 33-C1 DSA A# 04-108588
- The name of the contractor, if any, for such work of improvement was Risher Sutherland  
(If no contractor for work of improvement as a whole, insert "none") (Date of Contract)
- The property on which said work of improvement was completed is in the city of Norco, County of Riverside, State of California, and is described as follows: Community College Campus
- The street address of said property is Riverside Community College, Norco Campus, 2001 Third St., Norco, CA 92860  
(If no street address has been officially assigned, insert "none")

Dated: 12/15/2009

Riverside Community College District  
President, Board of Trustees

\_\_\_\_\_  
Signature of owner of corporate officer of owner  
named in paragraph 2 or his agent

### VERIFICATION

I, the undersigned, say: I am the Vice Chancellor of Administration and Finance, Dr. James L. Buysse the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 15, 20 09, at Riverside, California.  
(Date of signature) (City where signed)

\_\_\_\_\_  
(Personal signature of the individual who is swearing that the contents of the notice of completion are true)



RECORDING REQUESTED BY  
Riverside Community College District  
AND WHEN RECORDED MAIL TO:

Name Dr. James L. Buysse,  
Vice Chancellor, Admin. & Finance  
Street Address 4800 Magnolia Ave.  
City & State Riverside  
CA 92506

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SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

### NOTICE OF COMPLETION

Notice is hereby given that:

- The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
- The full name of the owner is Riverside Community College District
- The full address of the owner is 4800 Magnolia Ave., Riverside, CA 92506
- The nature of the interest or estate of the owner is in fee.  
Fee Simple  
(If other than fee, strike "in Fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
- The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

NAMES	ADDRESSES
<u>None</u>	
- A work of improvement on the property hereinafter described was completed on 12/15/2009. The work done was:  
RCC District Building Office Entryway Project
- The name of the contractor, if any, for such work of improvement was NatureTech  
(If no contractor for work of improvement as a whole, insert "none") (Date of Contract)
- The property on which said work of improvement was completed is in the city of Riverside,  
County of Riverside, State of California, and is described as follows: College Campus District Office
- The street address of said property is 1533 Spruce Street, Riverside, CA 92507  
(If no street address has been officially assigned, insert "none")

Dated: 12/15/2009

Riverside Community College District

Signature of owner or corporate officer of owner  
named in paragraph 2 or his agent

### VERIFICATION

I, the undersigned, say: I am the Vice Chancellor, Administration and Finance, Dr. James L. Buysse the declarant of the foregoing  
("President of," "Manager of," "A partner of," "Owner of," etc.)  
notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.  
I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 15, 20 09, at Riverside, California.  
(Date of signature) (City where signed)

(Personal signature of the individual who is swearing that the contents of the notice of completion are true)

RECORDING REQUESTED BY  
 Riverside Community College District  
 AND WHEN RECORDED MAIL TO:

Name Dr. James L. Buisse, Vice  
 Chancellor, Admin. & Finance  
 Street Address 4800 Magnolia Ave.  
 City & State Riverside  
 CA 92506

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### NOTICE OF COMPLETION

Notice is hereby given that:

- The undersigned is owner or corporate officer of the owner of the interest or estate stated below in the property hereinafter described:
- The full name of the owner is Riverside Community College District
- The full address of the owner is 4800 Magnolia Ave., Riverside, CA 92506
- The nature of the interest or estate of the owner is in fee.  
Fee Simple  
(If other than fee, strike "in Fee" and insert, for example, "purchaser under contract of purchase," or "lessee")
- The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

NAMES	ADDRESSES
<u>None</u>	
- A work of improvement on the property hereinafter described was completed on 12/15/2009. The work done was:  
MVC Interim Food Service Facility Project
- The name of the contractor, if any, for such work of improvement was Sherman Plumbing  
(If no contractor for work of improvement as a whole, insert "none") (Date of Contract)
- The property on which said work of improvement was completed is in the city of Moreno Valley, County of Riverside, State of California, and is described as follows: Community College Campus
- The street address of said property is 16110 LaSalle Street, Moreno Valley, CA 92551  
(If no street address has been officially assigned, insert "none")

Dated: 12/15/2009

Riverside Community College District  
 President, Board of Trustees

Signature of owner or corporate officer of owner  
 named in paragraph 2 or his agent

### VERIFICATION

I, the undersigned, say: I am the Vice Chancellor of Administration and Finance, Dr. James L. Buisse the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.  
("President of," "Manager of," "A partner of," "Owner of," etc.)  
 I declare under penalty of perjury that the foregoing is true and correct.

Executed on December 15, 20 09, at Riverside, California.  
(Date of signature) (City where signed)

(Personal signature of the individual who is swearing that the contents of the notice of completion are true)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-B-1

Date: December 15, 2009

Subject: Monthly Financial Report

Background: The Financial Report provides summary financial information, by Resource, for the period July 1, 2009 through November 30, 2009. The report presents the current year adopted budget, revised budget and year-to-date actual financial activity along with prior year actual financial information for comparison purposes.

<u>General Funds</u>	<u>Page</u>
Resource 1000 – General Operating	1
Resource 1050 – Parking	2
Resource 1070 – Student Health Services	3
Resource 1080 – Community Education	4
Resource 1090 – Performance Riverside	5
Resource 1110 – Contractor-Operated Bookstore	6
Resource 1170 – Customized Solutions	7
Resource 1180 – Redevelopment Pass-Through	8
Resource 1190 – Grants and Categorical Programs	9
<u>Special Revenue Funds</u>	
Resource 3200 – Food Services	10
Resource 3300 – Child Care	11
<u>Capital Projects Funds</u>	
Resource 4100 – State Construction & Scheduled Maintenance	12
Resource 4120 – Non-State Funded Capital Outlay Projects	13
Resource 4130 – La Sierra Capital	14
Resource 4160 – General Obligation Bond Funded Capital Outlay Projects	15
<u>Internal Service Funds</u>	
Resource 6100 – Health and Liability Self-Insurance	16
Resource 6110 – Workers Compensation Self-Insurance	17
<u>Expendable Trust and Agency Funds</u>	
Associated Students of RCC	18
Student Financial Aid	19
RCCD Development Corporation	20

ADMINISTRATION AND FINANCE

Report No.: V-B-1

Date: December 15, 2009

Subject: Monthly Financial Report (continued)

Information Only.

Gregory W. Gray  
Chancellor

Prepared by: Bill J. Bogle, Jr.  
Controller

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Fund 11, Resource 1000 is the primary operating fund of the District. It is used to account for those transactions that, in general, cover the full scope of operations of the entire District. All transactions, expenditures and revenue are accounted for in the general operating resource unless there is a compelling reason to report them elsewhere. Revenues received by the District from state apportionments, county or local taxes are deposited in this resource.

**Fund 11, Resource 1000 - General Operating - Unrestricted**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenue	\$ 139,809,817	\$ 138,568,478	\$ 138,568,478	\$ 50,432,517
Intrafund Transfer from				
District Bookstore (Resource 1110)	390,000	390,000	390,000	0
Total Revenues	<u>\$ 140,199,817</u>	<u>\$ 138,958,478</u>	<u>\$ 138,958,478</u>	<u>\$ 50,432,517</u>
Expenditures				
Academic Salaries	\$ 69,640,732	\$ 65,197,508	\$ 65,278,755	\$ 24,191,857
Classified Salaries	30,284,045	31,721,873	31,630,394	12,785,302
Employee Benefits	26,024,205	26,858,967	26,859,687	8,398,177
Materials & Supplies	2,470,162	2,465,067	2,487,886	880,419
Services	13,259,321	13,773,762	13,764,618	4,298,591
Capital Outlay	2,248,302	822,930	818,767	347,769
Intrafund Transfers For:				
DSP&S Program (Resource 1190)	522,091	665,157	665,157	166,289
Federal Work Study (Resource 1190)	224,892	177,291	177,291	63,349
Instr. Equipment Match (Resource 1190)	73,259	22,004	22,004	22,004
Performance Riverside (Resource 1090)	193,257	193,257	193,257	48,314
ARRA Stimulus Backfill (Resource 1190)	0	454,608	454,608	0
General Fund Backfill (Resource 1190)	0	1,495,042	1,495,042	0
Interfund Transfer to:				
Resource 3300	365,000	372,761	372,761	88,190
Resource 6100	250,000	250,000	250,000	62,500
Total Expenditures	<u>\$ 145,555,266</u>	<u>\$ 144,470,227</u>	<u>\$ 144,470,227</u>	<u>\$ 51,352,761</u>
Revenues Over (Under) Expenditures	\$ (5,355,449)	\$ (5,511,749)	\$ (5,511,749)	\$ (920,244)
Beginning Fund Balance	19,259,076	13,903,627	13,903,627	13,903,627
Ending Fund Balance	<u>\$ 13,903,627</u>	<u>\$ 8,391,878</u>	<u>\$ 8,391,878</u>	<u>\$ 12,983,383</u>
Ending Cash Balance				<u>\$ 27,250,619</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Parking was created to capture the financial activities of the parking operations at each campus. The primary revenue source is parking permit fees. Parking also receives revenue from parking meters and parking citations. Expenditures are for operational costs that are split between Parking and College Safety and Police, and 100% of capital outlay costs that directly benefit parking operations.

**Fund 12, Resource 1050 - Parking**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 2,073,629	\$ 1,963,300	\$ 1,963,300	\$ 954,265
Expenditures				
Classified Salaries	\$ 1,121,929	\$ 1,202,016	\$ 1,202,016	\$ 429,837
Employee Benefits	330,845	372,816	372,816	105,419
Materials & Supplies	80,743	80,174	78,174	11,336
Services	360,902	392,293	394,293	100,223
Capital Outlay	93,660	70,003	70,003	12,421
Total Expenditures	\$ 1,988,079	\$ 2,117,302	\$ 2,117,302	\$ 659,236
Revenues Over (Under) Expenditures	\$ 85,550	\$ (154,002)	\$ (154,002)	\$ 295,029
Beginning Fund Balance	221,160	306,710	306,710	306,710
Ending Fund Balance	\$ 306,710	\$ 152,708	\$ 152,708	\$ 601,739
Ending Cash Balance				\$ 528,271

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Student Health Services was established to account for the financial activities of the student health programs at each of the District's three campuses.

**Fund 12, Resource 1070 - Student Health Services**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 1,712,767	\$ 1,537,294	\$ 1,537,294	\$ 730,010
Expenditures				
Academic Salaries	\$ 161,883	\$ 262,405	\$ 262,405	\$ 98,840
Classified Salaries	494,582	558,354	558,354	202,726
Employee Benefits	157,660	199,752	199,752	59,349
Materials & Supplies	81,993	100,386	100,386	36,291
Services	214,631	286,785	286,785	91,419
Capital Outlay	44,314	94,478	94,478	2,495
Total Expenditures	\$ 1,155,063	\$ 1,502,160	\$ 1,502,160	\$ 491,120
Revenues Over (Under) Expenditures	\$ 557,704	\$ 35,134	\$ 35,134	\$ 238,890
Beginning Fund Balance	1,115,304	1,673,008	1,673,008	1,673,008
Ending Fund Balance	\$ 1,673,008	\$ 1,708,142	\$ 1,708,142	\$ 1,911,898.00
Ending Cash Balance				\$ 1,818,671

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Community Education was established to account for the financial activities of the Community Education Program which serves the community at large by providing not-for-credit classes for personal growth and enrichment.

**Fund 11, Resource 1080 - Community Education**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 742,448	\$ 751,500	\$ 751,500	\$ 394,308
Expenditures				
Academic Salaries	\$ 4,286	\$ 4,272	\$ 4,272	\$ 1,780
Classified Salaries	287,505	266,398	266,398	134,098
Employee Benefits	70,257	71,088	71,088	21,483
Materials & Supplies	4,621	3,200	3,200	2,641
Services	380,528	350,040	350,040	202,452
Total Expenditures	\$ 747,197	\$ 694,998	\$ 694,998	\$ 362,454
Revenues Over (Under) Expenditures	\$ (4,749)	\$ 56,502	\$ 56,502	\$ 31,854
Beginning Fund Balance	(56,591)	(61,340)	(61,340)	(61,340)
Ending Fund Balance	\$ (61,340)	\$ (4,838)	\$ (4,838)	\$ (29,486)
Ending Cash Balance				\$ (27,603)



**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Performance Riverside is used to record the revenues and expenditures associated with Performance Riverside activities.

**Fund 11, Resource 1090 - Performance Riverside**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenue	\$ 731,313	\$ 715,090	\$ 715,090	\$ 391,847
Intrafund Transfer from General Operating (Resource 1000)	193,257	193,257	193,257	48,314
Total Revenues	<u>\$ 924,570</u>	<u>\$ 908,347</u>	<u>\$ 908,347</u>	<u>\$ 440,161</u>
Expenditures				
Classified Salaries	\$ 337,723	\$ 321,945	\$ 321,945	\$ 119,541
Employee Benefits	106,729	111,854	111,854	33,727
Materials & Supplies	31,579	31,500	31,500	6,676
Services	480,224	431,380	431,380	159,262
Total Expenditures	<u>\$ 956,255</u>	<u>\$ 896,679</u>	<u>\$ 896,679</u>	<u>\$ 319,206</u>
Revenues Over (Under) Expenditures	\$ (31,685)	\$ 11,668	\$ 11,668	\$ 120,955
Beginning Fund Balance	<u>(737,157)</u>	<u>(768,842)</u>	<u>(768,842)</u>	<u>(768,842)</u>
Ending Fund Balance	<u>\$ (768,842)</u>	<u>\$ (757,174)</u>	<u>\$ (757,174)</u>	<u>\$ (647,887)</u>
Ending Cash Balance				<u>\$ (642,971)</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Contractor-Operated Bookstore is used to record the revenues and expenditures associated with the District's contract with Barnes and Noble, Inc. to manage the District's Bookstore operations.

**Fund 11, Resource 1110 - Contractor-Operated Bookstore**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 1,012,983	\$ 917,500	\$ 917,500	\$ 403,066
Expenditures				
Services	\$ 43,795	\$ 43,775	\$ 43,775	\$ 10,900
Interfund Transfer to				
Food Services (Resource 3200)	676,930	529,809	529,809	132,452
Intrafund Transfer to				
General Operating (Resource 1000)	390,000	390,000	390,000	0
Total Expenditures	\$ 1,110,725	\$ 963,584	\$ 963,584	\$ 143,352
Revenues Over (Under) Expenditures	\$ (97,742)	\$ (46,084)	\$ (46,084)	\$ 259,714
Beginning Fund Balance	194,541	96,799	96,799	96,799
Ending Fund Balance	\$ 96,799	\$ 50,715	\$ 50,715	\$ 356,513
Ending Cash Balance				\$ 356,513

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Customized Solutions is used to record the revenues and expenditures associated with customized training programs offered to local businesses and their employees.

**Fund 11, Resource 1170 - Customized Solutions**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 138,662	\$ 266,000	\$ 266,000	\$ 66,329
Expenditures				
Classified Salaries	\$ 104,372	\$ 141,278	\$ 141,278	\$ 54,189
Employee Benefits	31,197	48,151	48,151	15,694
Materials & Supplies	3,279	4,211	4,211	1,230
Services	57,359	103,261	103,261	54,923
Total Expenditures	\$ 196,207	\$ 296,901	\$ 296,901	\$ 126,036
Revenues Over (Under) Expenditures	\$ (57,545)	\$ (30,901)	\$ (30,901)	\$ (59,707)
Beginning Fund Balance	141,149	83,604	83,604	83,604
Ending Fund Balance	\$ 83,604	\$ 52,703	\$ 52,703	\$ 23,897
Ending Cash Balance				\$ 25,767

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Redevelopment Pass-Through receives a portion of tax increment revenues from various redevelopment projects within the boundaries of the District. Currently, expenditures are restricted to capital projects located in the redevelopment project areas generating the tax increment revenues.

**Fund 12, Resource 1180 - Redevelopment Pass-Through**

	Prior Year Actuals <u>7-1-08 to 6-30-09</u>	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 2,027,640	\$ 2,028,225	\$ 2,028,225	\$ 62,998
Expenditures				
Services	\$ 122,944	\$ 125,100	\$ 125,100	\$ 54,060
Total Expenditures	\$ 122,944	\$ 125,100	\$ 125,100	\$ 54,060
Revenues Over (Under) Expenditures	\$ 1,904,696	\$ 1,903,125	\$ 1,903,125	\$ 8,938
Beginning Fund Balance	<u>5,659,416</u>	<u>7,564,112</u>	<u>7,564,112</u>	<u>7,564,112</u>
Ending Fund Balance	<u>\$ 7,564,112</u>	<u>\$ 9,467,237</u>	<u>\$ 9,467,237</u>	<u>\$ 7,573,050</u>
Ending Cash Balance				<u>\$ 6,876,921</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Grants and Categorical Programs is used to account for financial activity for each of the District's grant and categorical programs.

**Fund 12, Resource 1190 - Grants and Categorical Programs**

	Prior Year Actuals <u>7-1-08 to 6-30-09</u>	Adopted Budget	Revised Budget	Year to Date Activity
Revenue	\$ 19,161,781	\$ 27,253,987	\$ 29,862,536	\$ 7,884,074
Intrafund Transfers from				
General Operating (Resource 1000)				
For DSP&S	665,157	665,157	665,157	166,289
For Federal Work Study	187,408	177,291	177,291	63,349
For Instructional Equipment	87,243	22,004	22,004	22,004
For ARRA Federal Stimulus Backfill	0	454,608	454,608	0
For General Fund Backfill	0	1,495,042	1,495,042	0
Total Revenues	<u>\$ 20,101,589</u>	<u>\$ 30,068,089</u>	<u>\$ 32,676,638</u>	<u>\$ 8,135,716</u>
Expenditures				
Academic Salaries	\$ 3,723,184	\$ 5,328,041	\$ 5,563,446	\$ 1,445,261
Classified Salaries	6,775,599	9,631,961	9,772,204	3,441,434
Employee Benefits	2,888,546	4,170,691	4,287,214	1,006,352
Materials & Supplies	1,521,925	1,811,244	2,336,621	236,423
Services	3,059,959	7,174,103	8,314,590	1,110,772
Capital Outlay	1,781,586	3,224,405	3,682,077	547,680
Scholarships	25,500	13,212	13,212	18,769
Student Grants (Financial, Book, Meal, Transportation)	325,290	456,560	449,402	121,983
Total Expenditures	<u>\$ 20,101,589</u>	<u>\$ 31,810,217</u>	<u>\$ 34,418,766</u>	<u>\$ 7,928,674</u>
Revenues Over (Under) Expenditures	\$ 0	\$ (1,742,128)	\$ (1,742,128)	\$ 207,042
Beginning Fund Balance	0	0	0	0
Ending Fund Balance	<u>\$ 0</u>	<u>\$ (1,742,128)</u>	<u>\$ (1,742,128)</u>	<u>\$ 207,042</u>
Ending Cash Balance				<u>\$ (907,443)</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Food Services is used to account for the financial activities for all food service operations in District facilities, except for the Culinary Academy on Spruce Street. It is intended to be self-sustaining.

**Fund 32, Resource 3200 - Food Services**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenue	\$ 1,367,091	\$ 1,527,874	\$ 1,527,874	\$ 619,583
Interfund Transfers from Contractor-Operated Bookstore (Resource 1110)	<u>676,930</u>	<u>529,809</u>	<u>529,809</u>	<u>132,452</u>
Total Revenues	<u>\$ 2,044,021</u>	<u>\$ 2,057,683</u>	<u>\$ 2,057,683</u>	<u>\$ 752,035</u>
Expenditures				
Classified Salaries	\$ 687,645	\$ 745,786	\$ 745,786	\$ 294,944
Employee Benefits	286,991	324,520	324,520	94,179
Materials & Supplies	736,518	776,800	776,800	281,711
Services	286,559	208,971	208,971	61,048
Capital Outlay	<u>60,693</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 2,058,406</u>	<u>\$ 2,056,077</u>	<u>\$ 2,056,077</u>	<u>\$ 731,882</u>
Revenues Over (Under) Expenditures	\$ (14,385)	\$ 1,606	\$ 1,606	\$ 20,153
Beginning Fund Balance	<u>159,294</u>	<u>144,909</u>	<u>144,909</u>	<u>144,909</u>
Ending Fund Balance	<u>\$ 144,909</u>	<u>\$ 146,515</u>	<u>\$ 146,515</u>	<u>\$ 165,062</u>
Ending Cash Balance				<u>\$ 143,255</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Child Care was established to manage the finances of the District's Child Care Centers at all three campuses.

**Fund 33, Resource 3300 - Child Care**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 1,377,947	\$ 1,350,790	\$ 1,350,790	\$ 547,910
Interfund Transfer from General Operating (Resource 1000)	365,000	372,761	372,761	88,190
Total Revenues	<u>\$ 1,742,947</u>	<u>\$ 1,723,551</u>	<u>\$ 1,723,551</u>	<u>\$ 636,100</u>
Expenditures				
Academic Salaries	\$ 996,132	\$ 1,015,374	\$ 1,015,374	\$ 344,236
Classified Salaries	331,172	342,641	342,641	128,315
Employee Benefits	220,824	255,974	255,974	77,112
Materials & Supplies	64,923	72,209	72,209	25,568
Services	61,576	89,199	89,199	28,253
Capital Outlay	15,527	650	650	649
Total Expenditures	<u>\$ 1,690,154</u>	<u>\$ 1,776,047</u>	<u>\$ 1,776,047</u>	<u>\$ 604,133</u>
Revenues Over (Under) Expenditures	\$ 52,793	\$ (52,496)	\$ (52,496)	\$ 31,967
Beginning Fund Balance	62,345	115,138	115,138	115,138
Ending Fund Balance	<u>\$ 115,138</u>	<u>\$ 62,642</u>	<u>\$ 62,642</u>	<u>\$ 147,105</u>
Ending Cash Balance				<u>\$ 146,959</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

State Construction & Scheduled Maintenance was established to account for the financial activities of State-approved construction and maintenance projects. The funding sources are state funds and matching funds for Scheduled Maintenance from the District's General Obligation Bond Funded Capital Outlay Projects (Resource 4160).

**Fund 41, Resource 4100 - State Construction & Scheduled Maintenance**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 13,148,656	\$ 56,650,208	\$ 56,650,208	\$ 0
Intrafund Transfer from General Obligation Bond Funded Projects (Resource 4160)	485,338	0	0	0
Total Revenues	\$ 13,633,994	\$ 56,650,208	\$ 56,650,208	\$ 0
Expenditures				
Services	\$ 66,010	\$ 0	\$ 0	\$ 0
Capital Outlay	13,158,844	57,612,066	57,612,066	1,848,542
Total Expenditures	\$ 13,224,854	\$ 57,612,066	\$ 57,612,066	\$ 1,848,542
Revenues Over (Under) Expenditures	\$ 409,140	\$ (961,858)	\$ (961,858)	\$ (1,848,542)
Beginning Fund Balance	552,718	961,858	961,858	961,858
Ending Fund Balance	\$ 961,858	\$ 0	\$ 0	\$ (886,684)
Ending Cash Balance				\$ (2,499,240)



**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Non-State Funded Capital Outlay Projects was established to account for financial activities related to the acquisition or construction of major capital projects that are funded from non-state revenue sources.

**Fund 41, Resource 4120 - Non-State Funded Capital Outlay Projects**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 12	\$ 1,115,688	\$ 1,115,688	\$ 1
Expenditures				
Capital Outlay	\$ 0	\$ 1,115,676	\$ 1,115,676	\$ 0
Total Expenditures	\$ 0	\$ 1,115,676	\$ 1,115,676	\$ 0
Revenues Over (Under) Expenditures	\$ 12	\$ 12	\$ 12	\$ 1
Beginning Fund Balance	533	545	545	545
Ending Fund Balance	<u>\$ 545</u>	<u>\$ 557</u>	<u>\$ 557</u>	<u>\$ 546</u>
Ending Cash Balance				<u>\$ 546</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

La Sierra Capital is used to account for the revenues and expenses associated with the District's La Sierra Property.

**Fund 41, Resource 4130 - La Sierra Capital**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 276,545	\$ 185,000	\$ 185,000	\$ 12,191
Expenditures				
Services	\$ 31,839	\$ 10,000	\$ 10,000	\$ 2,317
Capital Outlay	24,470	1,641,618	1,641,618	44,340
Total Expenditures	\$ 56,309	\$ 1,651,618	\$ 1,651,618	\$ 46,657
Revenues Over (Under) Expenditures	\$ 220,236	\$ (1,466,618)	\$ (1,466,618)	\$ (34,466)
Beginning Fund Balance	12,043,744	12,263,980	12,263,980	12,263,980
Ending Fund Balance	\$ 12,263,980	\$ 10,797,362	\$ 10,797,362	\$ 12,229,514
Ending Cash Balance				\$ 11,611,231

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

General Obligation Bond Funded Capital Outlay Projects was established to account for General Obligation Bond proceeds and financial activities related to Board approved Measure C projects.

**Fund 41, Resource 4160 - General Obligation Bond Funded Capital Outlay Projects**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	<u>\$ 1,846,334</u>	<u>\$ 6,633,783</u>	<u>\$ 6,633,783</u>	<u>\$ 71,507</u>
Expenditures				
Classified Salaries	\$ 53,624	\$ 217,523	\$ 217,523	\$ 78,429
Employee Benefits	24,124	95,574	95,574	23,881
Materials & Supplies	2,619	0	0	0
Services	273,685	381,426	518,510	85,336
Capital Outlay	19,489,780	70,211,756	70,074,672	6,663,296
Intrafund Transfers to:				
State Construction (Resource 4100)	<u>485,338</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 20,329,170</u>	<u>\$ 70,906,279</u>	<u>\$ 70,906,279</u>	<u>\$ 6,850,942</u>
Revenues Over (Under) Expenditures	\$ (18,482,836)	\$ (64,272,496)	\$ (64,272,496)	\$ (6,779,435)
Beginning Fund Balance	<u>86,487,241</u>	<u>68,004,405</u>	<u>68,004,405</u>	<u>68,004,405</u>
Ending Fund Balance	<u>\$ 68,004,405</u>	<u>\$ 3,731,909</u>	<u>\$ 3,731,909</u>	<u>\$ 61,224,970</u>
Ending Cash Balance				<u>\$ 61,703,361</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Health and Liability Self-Insurance is used to account for the revenues and expenditures of the District's health and liability self insurance programs.

**Fund 61, Resource 6100 - Health and Liability Self-Insurance**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 4,857,746	\$ 4,811,500	\$ 4,811,500	\$ 2,153,797
Interfund transfer from General Operating (Resource 1000)	250,000	250,000	250,000	62,500
Total Revenue	<u>\$ 5,107,746</u>	<u>\$ 5,061,500</u>	<u>\$ 5,061,500</u>	<u>\$ 2,216,297</u>
Expenditures				
Classified Salaries	\$ 167,605	\$ 167,071	\$ 167,071	\$ 69,101
Employee Benefits	55,445	57,744	57,744	18,457
Materials & Supplies	2,519	4,000	4,000	339
Services	5,322,805	5,261,404	5,261,404	1,999,316
Capital Outlay	38,292	40,000	40,000	0
Total Expenditures	<u>\$ 5,586,666</u>	<u>\$ 5,530,219</u>	<u>\$ 5,530,219</u>	<u>\$ 2,087,213</u>
Revenues Over (Under) Expenditures	\$ (478,920)	\$ (468,719)	\$ (468,719)	\$ 129,084
Beginning Fund Balance	<u>2,990,385</u>	<u>2,511,465</u>	<u>2,511,465</u>	<u>2,511,465</u>
Ending Fund Balance	<u>\$ 2,511,465</u>	<u>\$ 2,042,746</u>	<u>\$ 2,042,746</u>	<u>\$ 2,640,549</u>
Ending Cash Balance				<u>\$ 4,815,842</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Workers' Compensation Self-Insurance is used to account for the revenues and expenditures of the District's Workers Compensation Self-Insurance Program.

**Fund 61, Resource 6110 - Workers' Compensation Self-Insurance**

	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 1,588,973	\$ 1,558,000	\$ 1,558,000	\$ 598,739
Expenditures				
Classified Salaries	\$ 78,445	\$ 78,000	\$ 78,000	\$ 32,620
Employee Benefits	28,274	29,165	29,165	9,200
Materials & Supplies	0	620	620	0
Services	992,198	1,351,500	1,351,500	488,155
Total Expenditures	\$ 1,098,917	\$ 1,459,285	\$ 1,459,285	\$ 529,975
Revenues Over (Under) Expenditures	\$ 490,056	\$ 98,715	\$ 98,715	\$ 68,764
Beginning Fund Balance	1,020,999	1,511,055	1,511,055	1,511,055
Ending Fund Balance	\$ 1,511,055	\$ 1,609,770	\$ 1,609,770	\$ 1,579,819
Ending Cash Balance				\$ 3,193,193

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Associated Students of RCC is used to record the financial transactions of the student government, college clubs, and organizations of the District. Revenue includes student activity fees, interest income, payphone commissions and athletic ticket sales.

**Associated Students of RCC**

	Prior Year Actuals <u>7-1-07 to 6-30-08</u>	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 699,588	\$ 648,490	\$ 648,490	\$ 345,457
Expenditures				
Materials & Supplies	\$ 1,003,613	\$ 648,490	\$ 648,490	\$ 279,426
Total Expenditures	\$ 1,003,613	\$ 648,490	\$ 648,490	\$ 279,426
Revenues Over (Under) Expenditures	\$ (304,025)	\$ 0	\$ 0	\$ 66,031
Beginning Fund Balance	1,202,159	898,134	898,134	898,134
Ending Fund Balance	<u>\$ 898,134</u>	<u>\$ 898,134</u>	<u>\$ 898,134</u>	<u>\$ 964,165</u>
Ending Cash Balance				<u>\$ 2,128,378</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

Student Financial Aid is used to record financial transactions for scholarships given to students from the Federal Pell and FSEOG Grant Programs as well as the State's Cal Grant Program.

	<u>Student Financial Aid</u>			
	Prior Year Actuals 7-1-08 to 6-30-09	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 24,837,204	\$ 20,963,715	\$ 20,963,715	\$ 13,846,558
Expenditures				
Other				
Scholarships and Grant Reimbursements	\$ 24,837,204	\$ 20,963,715	\$ 20,963,715	\$ 13,760,050
Total Expenditures	\$ 24,837,204	\$ 20,963,715	\$ 20,963,715	\$ 13,760,050
Revenues Over (Under) Expenditures	\$ 0	\$ 0	\$ 0	\$ 86,508
Beginning Fund Balance	0	0	0	0
Ending Fund Balance	\$ 0	\$ 0	\$ 0	\$ 86,508
Ending Cash Balance				\$ 256,295

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 MONTHLY FINANCIAL REPORT  
 FOR THE PERIOD ENDED NOVEMBER 30, 2009**

RCCD Development Corporation is used to account for financial transactions related to the Development Corporation. This Corporation currently has very little activity but remains operational should the District need to use it for future transactions related to property development. Revenues consist of interest income. Expenses are for tax filing fees paid to the State.

**RCCD Development Corporation**

	Prior Year Actuals <u>7-1-08 to 6-30-09</u>	Adopted Budget	Revised Budget	Year to Date Activity
Revenues	\$ 7	\$ 0	\$ 0	\$ 1
Expenditures				
Services	\$ 20	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 20	\$ 0	\$ 0	\$ 0
Revenues Over (Under) Expenditures	\$ (13)	\$ 0	\$ 0	\$ 1
Beginning Fund Balance	<u>16,252</u>	<u>16,239</u>	<u>16,239</u>	<u>16,239</u>
Ending Fund Balance	<u>\$ 16,239</u>	<u>\$ 16,239</u>	<u>\$ 16,239</u>	<u>\$ 16,240</u>
Ending Cash Balance				<u>\$ 16,240</u>



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-B-2

Date: December 15, 2009

Subject: CCFS-311Q – Quarterly Financial Status Report for the Quarter Ended  
September 30, 2009

Background: Education Code Section 84040 specifies that financial information be periodically reported to the California Community Colleges Board of Governors. To comply with this requirement, the District prepares Form CCFS-311Q – Quarterly Financial Status Report each fiscal quarter for submission to the Chancellor’s Office. The CCFS-311Q compares actual information for the prior three fiscal years to projected information for the current fiscal year. To maintain comparability from year-to-year, the adopted budget has been reported on the FY 2009-2010 CCFS-311Q for the quarter ended September 30, 2009. The Revenue, Expenditure and Fund Balance are the Unrestricted Funds of the General Fund. However the Cash Balance reflects both Unrestricted and Restricted Funds.

The General Fund consists of the following:

Fund 11 – Unrestricted

Resource 1000 – General Unrestricted  
Resource 1080 – Community Education  
Resource 1090 – Performance Riverside  
Resource 1110 – Bookstore (Contractor Operated)  
Resource 1170 – Customized Solutions

Fund 12 – Restricted

Resource 1050 – Parking  
Resource 1070 – Student Health  
Resource 1180 – Redevelopment Pass-Through  
Resource 1190 – Grants and Categorical Programs

Information Only.

Gregory W. Gray  
Chancellor

Prepared by: Bill J. Bogle, Jr.  
Controller

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q  
CERTIFY QUARTERLY DATA**

CHANGE THE PERIOD ▾

Fiscal Year: 2009-2010

Quarter Ended: (Q1) Sep 30, 2009

District: (960) RIVERSIDE

Your Quarterly Data is Certified for this quarter.

Chief Business Officer

James L. Buysse


District Contact Person

Name: Bill J. Bogle, Jr.

CBO Phone: 951-222-8047

Title: Controller

CBO Signature:

  
11/16/09

Date Signed:

Telephone: 951-222-8041

Chief Executive Officer Name:

Gregory W. Gray

Fax: 951-222-8021

CEO Signature:



Date Signed:

E-Mail: Bill.Bogle@rcc.edu

Electronic Cert Date: 11/16/2009

California Community Colleges, Chancellor's Office  
1102 Q Street Sacramento, California 95814-6511

Send questions to:  
Christine Atalig (916)327-5772 [atalig@ccccc.edu](mailto:atalig@ccccc.edu) or Glen Campora (916)323-6899 [gcampora@ccccc.edu](mailto:gcampora@ccccc.edu)  
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**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q  
VIEW QUARTERLY DATA**

District: (960) RIVERSIDE

CHANGE THE PERIOD

Fiscal Year: 2009-2010

Quarter Ended: (Q1) Sep 30, 2009

As of June 30 for the fiscal year specified

**I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Actual 2006-07	Actual 2007-08	Actual 2008-09	Projected 2009-2010
<b>A.</b>	<b>Revenues:</b>				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	136,328,169	140,056,553	142,429,004	141,212,568
A.2	Other Financing Sources (Object 8900)	-965,504	-930,061	-814,021	-2,808,102
A.3	<b>Total Unrestricted Revenue (A.1 + A.2)</b>	135,362,665	139,126,492	141,614,983	138,404,466
<b>B.</b>	<b>Expenditures:</b>				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	128,975,161	137,207,962	145,870,223	142,772,460
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	976,930	1,166,930	1,291,930	1,152,570
B.3	<b>Total Unrestricted Expenditures (B.1 + B.2)</b>	129,952,091	138,374,892	147,162,153	143,925,030
C.	<b>Revenues Over(Under) Expenditures (A.3 - B.3)</b>	5,410,574	751,600	-5,547,170	-5,520,564
D.	<b>Fund Balance, Beginning</b>	12,638,845	18,049,419	18,801,019	13,253,849
D.1	Prior Year Adjustments + (-)	0	0	0	0
D.2	<b>Adjusted Fund Balance, Beginning (D + D.1)</b>	12,638,845	18,049,419	18,801,019	13,253,849
E.	<b>Fund Balance, Ending (C. + D.2)</b>	18,049,419	18,801,019	13,253,849	7,733,285
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	13.9%	13.6%	9%	5.4%

**II. Annualized Attendance FTES:**

Line	Description	2006-07	2007-08	2008-09	2009-2010
G.1	Annualized FTES (excluding apprentice and non-resident)	23,967	27,526	30,969	30,969

**III. Total General Fund Cash Balance (Unrestricted and Restricted)**

H.1	Cash, excluding borrowed funds	33,871,337	8,909,101	22,183,347
H.2	Cash, borrowed funds only	0	0	10,883,389
H.3	Total Cash (H.1 + H.2)	27,477,165	8,909,101	33,066,736

**IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
<b>Revenues:</b>					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	141,212,568	141,212,568	26,803,374	19%
I.2	Other Financing Sources (Object 8900)	-2,808,102	-2,808,102	-18,769	0.7%
I.3	<b>Total Unrestricted Revenue (I.1 + I.2)</b>	138,404,466	138,404,466	26,784,605	19.4%
<b>Expenditures:</b>					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	142,772,460	142,772,460	28,270,335	19.8%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	1,152,570	1,152,570	0	1,152,570
J.3	<b>Total Unrestricted Expenditures (J.1 + J.2)</b>	143,925,030	143,925,030	28,270,335	19.6%
K.	<b>Revenues Over(Under) Expenditures (I.3 - J.3)</b>	-5,520,564	-5,520,564	-1,485,730	
L	Adjusted Fund Balance, Beginning	13,253,849	13,253,849	13,253,849	
L.1	<b>Fund Balance, Ending (C. + L.2)</b>	7,733,285	7,733,285	11,768,119	
M	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	5.4%	5.4%		

**V. Has the district settled any employee contracts during this quarter?**

YES

**If yes, complete the following: (if multi-year settlement, provide information for all years covered.)**

Contract Period Settled (Specify) YYYY-YY	Management		Academic		Classified	
	Total Cost Increase %*	Permanent Total Cost Increase %*	Temporary Total Cost Increase %*	Total Cost Increase %*	Total Cost Increase %*	
<b>a. SALARIES:</b>						
<b>Year 1: 2008-09</b>					506,361	1.7%
<b>Year 2: 2009-10</b>					319,134	0.3%

	Year 3:							
<b>b. BENEFITS:</b>								
Year 1:								
Year 2:								
Year 3:								

\* As specified in Collective Bargaining Agreement or other Employment Contract

**c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.**

Contract Settlement Terms Revenue Source  
2008/09 - 1% plus .68% one time increase for FY 2008-09 has been funded by the General Fund  
2009/10 - 1% less the .68% one time increase in FY 2008-09, this increase is being funded by the General Fund  
2010/11 - Funded COLA - At this time it is unknown if the State will be funding any COLA and if they are at what funding level.

**VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)?** YES

**If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)**

The State's failure to adopt a timely budget and the ensuing extended delay through the month of August 2009 and the State's deferral of July 2009 apportionment funding until late October 2009 caused cash flow difficulties. The District was forced to seek emergency cash flow alternatives such as internal borrowing, and a Tax and Revenue Anticipation Note (TRAN).

**VII. Does the district have significant fiscal problems that must be addressed?** YES

**This year?** YES  
**Next year?** YES

**If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)**

FY 2009-2010  
State budget cuts in FY 08-09 and FY 09-10 left the District with a \$16.5 million budget shortfall. As a result, the District was forced to make significant cuts in section offerings, decrease discretionary expenses, and enact a hiring freeze.

The State's action of deferring apportionment funding will cause the District to experience cash flow shortages. The District was forced to secure alternate financing and implement internal borrowing measures to mitigate the impact of expected cash deficits.

FY 2010-2011

It is anticipated that the State will again reduce apportionment in FY 10-11 and will not fund projected increases to PERS and STRS. As a result, the District will be exploring budget strategies to address an expected future budget shortfall.

It is expected that the State will continue to defer apportionment funding on par with prior fiscal years. The District will be forced to secure external financing and implement internal borrowing measures to mitigate the impact of cash deficits as a result of the apportionment deferrals.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL FUND REVENUE AND EXPENDITURE REPORT  
 FOR THE PERIOD ENDED SEPTEMBER 30, 2009**

**Cash Position - Unrestricted and Restricted**

	YTD Activity
Beginning Cash, July 1, 2009	\$ 9,764,402
Net Change in Accounts Receivables	21,218,687
Net Change in Accounts Payables	1,783,694
Revenue and Other Financial Sources	33,354,950
Expenditures and Other Outgo	(33,054,996)
Ending Cash, September 30, 2009	\$ 33,066,736

**Budget and Actual Activity - Unrestricted**

	Adopted Budget	Revised Budget	YTD Activity
<b>Revenues</b>			
Federal	\$ 652,199	\$ 652,199	\$ -
State	96,764,515	96,764,515	20,100,795
Local	43,795,854	43,795,854	6,702,579
Total Revenues	141,212,568	141,212,568	26,803,374
<b>Other Financing Sources</b>	(2,808,102)	(2,808,102)	(18,769)
<b>Total Revenues</b>	138,404,466	138,404,466	26,784,605
<b>Expenditures</b>			
Academic Salaries	\$ 65,201,780	\$ 65,201,780	\$ 13,380,597
Classified Salaries	32,451,494	32,451,494	7,589,205
Employee Benefits	27,090,060	27,090,060	3,633,473
Materials & Supplies	2,503,978	2,503,978	475,896
Services	14,702,218	14,702,218	2,980,855
Capital Outlay	822,930	822,930	210,309
Total Expenditures	142,772,460	142,772,460	28,270,335
<b>Other Outgo - Objects</b>	1,152,570	1,152,570	0
<b>Total Expenditures and Other Outgo</b>	143,925,030	143,925,030	28,270,335
<b>Revenues Over (Under)</b>			
<b>Expenditures</b>	(5,520,564)	(5,520,564)	(1,485,730)
<b>Beginning Fund Balances</b>	\$ 13,253,849	13,253,849	\$ 13,253,849
<b>Ending Fund Balances</b>	\$ 7,733,285	\$ 7,733,285	\$ 11,768,119
<b>Contingency</b>			
Unrestricted	\$ 6,833,285	\$ 6,833,285	\$ 10,868,119
<b>Reserve</b>	900,000	900,000	900,000
<b>Total Contingency/Reserve</b>	\$ 7,733,285	\$ 7,733,285	\$ 11,768,119

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
ADMINISTRATION AND FINANCE

Report No.: V-B-3

Date: December 15, 2009

Subject: Measure C Project Commitments Summary

Background: Attached for the Board's review and information is a summary report on Measure C general obligation bond financial activity through the period ended November 30, 2009.

Information Only.

Gregory W. Gray  
Chancellor

Prepared by: Aaron S. Brown  
Associate Vice Chancellor, Finance

**Riverside Community College District  
Office of the Chancellor  
Measure C Project Commitments Summary  
Through November 30, 2009**

Voter Approved Measure C Authorization	\$ 350,000,000
Issuances	( <u>155,000,000</u> )
Remaining Measure C Authorization	\$ <u><u>195,000,000</u></u>
Measure C - Cash on Hand	\$ <u><u>61,703,361</u></u>
Completed Projects	\$ 68,575,788
In-Progress Projects	<u>407,121,595</u>
Total Project Commitments	\$ <u><u>475,697,383</u></u>
Measure C Funds	\$ 213,080,926
State Funds	182,744,715
Other Funds	<u>79,871,742</u>
Total Funding	\$ <u><u>475,697,383</u></u>



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
TEACHING AND LEARNING COMMITTEE

Report No.: VI-A-1

Date: December 15, 2009

Subject: Operational Agreement with County of Riverside

Background: Attached for the Board's review and consideration is a new operational agreement between Riverside Community College District and County of Riverside to supply office space, classroom and laboratory facilities for the purpose of teaching criminal justice, fire technology, emergency medical services, and related general education courses at its facility known as the Ben Clark Public Safety Training Center, from July 1, 2009 through June 30, 2012. In March 2009, the County Board of Supervisors approved a new fee structure for the Ben Clark Public Safety Training Center. Unlike the previous operational agreement, in which fee for services was based upon headcount at a \$1.34 per student contact hour, the new fee for services is based upon the type, rate, and usage of space identified in the County's Schedule of Fees attached to this agreement, for the Ben Clark Training Center during the Fiscal Year 2008-2009.

The RCCD staff evaluated the new fee for services to determine if the new fee structure would have a negative impact on the District. Based upon the information that RCCD received, it does not appear that the new rates will have a negative, fiscal impact on the District. Funding source: Public Safety Education and Training Fund.

Recommended Action: It is recommended the Board of Trustees ratify the agreement from July 1, 2009 through June 30, 2012, to supply office space, classroom and laboratory facilities, based upon the fiscal year 2008-2009 Schedule of Fees for Ben Clark Training Center, and authorize the Vice Chancellor, Administration and Finance, to sign the agreement.

Gregory Gray  
Chancellor

Prepared by: Monte Perez  
President, Moreno Valley Campus

Cordell Briggs  
Dean, Public Safety Education and Training

LICENSE AGREEMENT  
BETWEEN  
RIVERSIDE COMMUNITY COLLEGE DISTRICT  
AND  
COUNTY OF RIVERSIDE

The RIVERSIDE COMMUNITY COLLEGE DISTRICT, LICENSEE, hereinafter referred to as "RCCD", and the COUNTY OF RIVERSIDE, a Political Subdivision of the State of California LICENSOR, hereinafter referred to as "COUNTY", do hereby agree as follows:

The term "Parties" may be used throughout this document to collectively refer to RCCD and COUNTY.

1. AGREEMENT. COUNTY agrees to supply adequate office and classroom space, as well as the use of Mat room, range, laboratory facilities, and drill grounds for the purpose of teaching criminal justice, fire technology, emergency medical services and related general education courses at the COUNTY'S facility known as the Ben Clark Public Safety Training Center (BCTC), or other locations as deemed appropriate between the parties. The designated classrooms, offices, Mat, range, laboratory space and drill grounds being currently utilized by RCCD are attached hereto and incorporated herein as Exhibit A. Classroom assignments will be mutually agreed upon between the parties. Any change to assignments for any of the space mentioned above must be in writing and will be mutually agreed upon between the parties.

2. TERM. The term of this agreement shall be from July 1, 2009, through June 30, 2012.

3. PAYMENT BASIS. RCCD agrees to compensate COUNTY at rates established and adopted by the County Board of Supervisors (County Board Policy H-30). Said rates are based on total square footage of all space utilized by RCCD, on an hourly, a half or whole day's usage. The exception to a square footage charge would be the use of the Range, which is a flat rate per half or whole day usage. RCCD shall be notified by COUNTY of any proposed change in rates to be charged prior to COUNTY's submittal to the Board of Supervisors for adoption, and RCCD shall be given an opportunity to review and approve the proposed change with COUNTY personnel. Any rate increases shall take effect at the beginning of the District's next fiscal year, beginning on July 1. A copy of the current rate sheet is attached hereto and incorporated herein as Exhibit B.

4. IMPROVEMENTS. In the event that RCCD desires to make any improvements, alterations or installations of fixtures, it shall first notify COUNTY, providing COUNTY with proposed plans (if applicable) and obtain COUNTY's written approval from the Economic Development Agency, to make the improvements, alterations or installation of fixtures. COUNTY shall not withhold consent unreasonably.

Any improvements or alterations which are made, or fixtures installed, or caused to be made and installed by RCCD shall become the property of COUNTY with the exception of trade

fixtures as that term is defined in Section 1019 of the Civil Code. At or prior to expiration of this Agreement, RCCD may remove such trade fixtures. In the event removal causes injury or damage to the premises, RCCD shall restore the premises to the original condition, as nearly as practicable. If such trade fixtures are not removed by RCCD, COUNTY may, at its election either: 1) remove and store them, restoring the premises to its original condition and within thirty (30) days of removal and storage, seek reimbursement of any costs associated therewith; or 2) take and hold such fixtures as its sole property.

5. SIGNS. Other than the signs, displays or other forms of advertising which RCCD already has in place, RCCD shall not add any additional signage, displays or advertising without the written consent of COUNTY. Said approval shall not be unreasonably withheld.

6. FURNITURE AND EQUIPMENT. COUNTY shall provide furniture in the classroom areas. RCCD shall have the right to install portable equipment and fixtures as may be necessary for conducting classes and such equipment shall remain the property of RCCD. RCCD shall provide all office furniture and equipment that may be required for conducting business at BCTC.

7. INGRESS AND EGRESS. RCCD shall be permitted ingress and egress to and from the premises through such doors and routes as are designated by the COUNTY through its Sheriff's Department and CAL Fire Department.

8. CUSTODIAL MAINTENANCE. COUNTY shall provide for custodial services in connection with the premises and shall maintain the premises in good working order and repair.

9. UTILITIES. COUNTY shall provide, or cause to be provided, all utility services, including, but not limited to, electric, water, gas, refuse collection and sewer services necessary for the operation, maintenance and use of the premises. In addition, COUNTY shall provide internet infrastructure for all office space used by RCCD.

10. INSPECTION OF PREMISES. COUNTY shall have, at any time during normal business hours, the right to enter the premises used by RCCD for the purpose of inspecting, monitoring and evaluating the obligations of RCCD hereunder and for the purpose of doing any and all things which it is obligated and has a right to do under this Agreement. COUNTY will do everything possible in connection with any inspections to see that classes in session at the time of inspection are disrupted as little as possible.

11. QUIET ENJOYMENT. RCCD shall have, hold and quietly enjoy the use of the premises so long as it shall fully and faithfully perform the terms and conditions that it is required to do under this Agreement.

12. TERMINATION BY COUNTY. COUNTY shall have the right to terminate this agreement forthwith if RCCD:

- a. Files for voluntary or involuntary bankruptcy;

- b. Makes a general assignment or RCCD's interest hereunder is assigned involuntarily or by operation of law, for the benefit of creditors;
- c. Abandons the premises; or
- d. Refuses to meet any of its obligations hereunder or as otherwise provided by law.

13. **TERMINATION BY EITHER PARTY.** Notwithstanding the provisions in Paragraph 12 above, either party may terminate this Agreement upon notice in writing to the other party of not less than six (6) months prior to the effective date of termination. Whether termination is by COUNTY or RCCD, it will coincide with the end of a semester.

14. **INSURANCE.** RCCD shall provide Workers' Compensation Insurance in accordance with the laws of the State of California. RCCD, being self-insured, shall not be entitled to recover any costs, settlements or expenses of workers' Compensation claims, arising from this Agreement, from COUNTY. RCCD shall provide an endorsement of coverage to waive subrogation in favor of COUNTY.

RCCD shall procure and maintain commercial general liability insurance coverage that shall protect from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from RCCD's use of the premises or the performance of its obligations hereunder, whether such use or performance is by RCCD, or by anyone employed directly or indirectly by RCCD while acting in the scope of their employment. Said insurance shall provide for limits of not less than One Million Dollars (\$1,000,000) per occurrence. RCCD shall have insurer endorse its policy to add COUNTY as an additional insured.

RCCD shall provide, upon COUNTY's request, a Certificate of Insurance showing that such insurance is in full force and effect and in the limits required.

The above insurance requirements may be met with a program of self-insurance, through a Joint Powers Authority, or a combination of both; however, it is agreed between the parties that the administration of any self-insurance will be done in a manner as if all insurance requirements contained herein are part of RCCD's self-insurance program.

The specified insurance limits herein shall in no way limit or circumscribe obligations to indemnify and hold COUNTY free and harmless herein.

15. **INDEMNIFICATION/HOLD HARMLESS.**

RCCD shall indemnify and hold COUNTY, its officers, agents, employees, and independent contractors free and harmless from any claim or liability whatsoever, based or asserted upon any act or omission of RCCD, its officers, agents, employees, volunteers, subcontractors or independent contractors, for property damage, bodily injury or death, or any other element of damage of any kind or nature arising out of the performance of this Agreement to the extent that such liability is imposed on COUNTY by the provisions of California Government Code Section 895.2 or other applicable law, and RCCD shall defend at its expense, including attorney fees, expert fees and investigation fees COUNTY, its officers, agents,

employees and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

The obligations to indemnify and hold COUNTY free and harmless herein shall survive until any claim, action or cause of action with respect to any such alleged acts or omissions are fully and finally barred by the applicable statute of limitations.

COUNTY shall indemnify and hold RCCD, its officers, agents, employees, and independent contractors free and harmless from any claim or liability whatsoever, based or asserted upon any act or omission of COUNTY, its officers, agents, employees, volunteers, subcontractors or independent contractors, for property damage, bodily injury or death, or any other element of damage of any kind or nature arising out of the performance of this Agreement to the extent that such liability is imposed on RCCD by the provisions of California Government Code Section 895.2 or other applicable law, and COUNTY shall defend at its expense, including attorney fees, expert fees and investigation fees RCCD, its officers, agents, employees and independent contractors in any legal action or claim of any kind based upon such alleged acts or omissions.

The obligations to indemnify and hold RCCD free and harmless herein shall survive until any claim, action or cause of action with respect to any such alleged acts or omissions are fully and finally barred by the applicable statute of limitations.

16. LIMITATIONS. COUNTY reserves the right to close BCTC during times of emergency or when needed by the Sheriff or Fire Departments for their activities. COUNTY shall notify RCCD of any such closure as soon as practicable, but not less than 48 hours prior to closure unless the closure is for an emergency due to a natural disaster or a catastrophic event and in that case, notice shall be as soon as possible after the decision to do the closure.

All range firing will be under direct supervision of BCTC Range Safety Officers who have completed a POST approved firearms instructors certification course or satisfactorily completed the Ben Clark Training Center's prescribed Range Safety Officer's course. RCCD shall comply with all Facility Use Rules.

17. NOTICES. Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

COUNTY:  
Stan Sniff, Sheriff  
P.O. Box 512  
Riverside, CA 92502

John R. Hawkins, Fire Chief  
210 W. San Jacinto  
Perris, CA 92570

Assistant County Executive Officer

RCCD:  
Cordell Briggs, Dean  
Public Safety, Education and Training  
Ben Clark Training Center  
16791 Davis Ave.

Riverside, CA 92518

Ruth W. Adams, Esq.  
Director, Contracts, Compliance & Legal Serv.  
Riverside Community College District

Economic Development Agency      1533 Spruce St.  
County of Riverside                      Riverside, CA 92507  
3133 Mission Inn Ave.  
Riverside, CA 92507

Or to such other addresses as from time to time shall be designated by the respective parties. An information copy of any notice to COUNTY shall also be sent to:

Clerk of the Board of Supervisors  
County of Riverside  
4080 Lemon St., 1<sup>st</sup> Flr.  
Riverside, CA 92501

18. CONFORMITY WITH LAW AND SAFETY. RCCD shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal and local governing bodies, having jurisdiction over the subject matter hereof, including all provisions of the Occupational Safety and Health Act of 1979 and all amendments thereto, and all applicable federal, state, municipal and local safety regulations.

ACCIDENTS: If a death, serious personal injury or substantial property damage occurs in connection with the performance of this Agreement, RCCD shall immediately notify the BCTC staff or Riverside County Sheriff Dispatch department. RCCD shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents that occur in connection with this Agreement. This report must include the following information:

1. Name and address of the injured or deceased person(s);
2. Name and address of RCCD'S risk manager for purposes of Insurance coverage;
3. A detailed description of accident and whether any of COUNTY'S Equipment, tools, material or staff involved.

19. DRUG-FREE WORKPLACE. RCCD and its employees shall comply with the COUNTY'S policy of maintaining a drug-free workplace. RCCD'S employees shall not unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code, Section 812, including marijuana, heroin, cocaine and amphetamines at any COUNTY facility, including the training facilities. If any employee of RCCD is convicted or pleads nolo contendere to any criminal drug statute violation occurring at any county facility or work site, RCCD, within five (5) days thereafter, shall notify the Sheriff. Violation of this provision shall constitute a material breach of this Agreement.

20. ASSIGNMENT. RCCD shall not assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties, or obligations hereunder to any person or entity without first obtaining the written consent of COUNTY with the exception of two (2) offices which shall be sublet to the California Highway Patrol.

21. EMPLOYEES AND AGENTS OF RCCD. It is understood and agreed that all persons hired or engaged by RCCD shall be considered to be employees or agents of RCCD and not of COUNTY, unless otherwise agreed to between the parties.

22. BINDING ON SUCCESSORS. RCCD, its assignees and successors in interest, shall be bound by all the terms and conditions contained in this agreement, and all of the parties thereto shall be jointly and severally liable hereunder.

23. SEVERABILITY. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or enforceable, the remaining provisions shall continue in full force and effect.

24. NON-DISCRIMINATION. The parties assure that they will comply with Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1990, the American's With Disabilities Act of 1990, and that no person shall, on the grounds of race, creed, color, disability, sex, national origin, age, religion, sexual orientation, Vietnam Era Veteran's status, political affiliation or any other non-merit factor to be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination under this Agreement.

25. JURISDICTION AND VENUE. This Agreement shall be construed under the laws of the State of California. In the event any action or proceeding is filed to interpret, enforce, challenge, or invalidate any term of this Agreement, venue shall lie only in the state or federal courts in or nearest to Riverside County.

26. ENTIRE AGREEMENT. This agreement may be changed or modified only upon the written consent of the parties. This Agreement is intended by the parties as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes the 2008 agreement (and its Amendment) currently in place for use of the facilities at BCTC by RCCD.

27. This License Agreement shall not be binding or consummated until its approval by the Riverside County Board of Supervisors.

Dated: \_\_\_\_\_

COUNTY OF RIVERSIDE

By: \_\_\_\_\_

Jeff Stone, Chairman  
Board of Supervisors

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: \_\_\_\_\_

Deputy

LICENSEE

RIVERSIDE COMMUNITY COLLEGE  
DISTRICT:

By: \_\_\_\_\_  
James L. Buisse, Vice Chancellor  
Administration and Finance

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Cordell Briggs, Dean  
Public Safety, Education and Training

Date: \_\_\_\_\_

SG:jw  
07/21/09  
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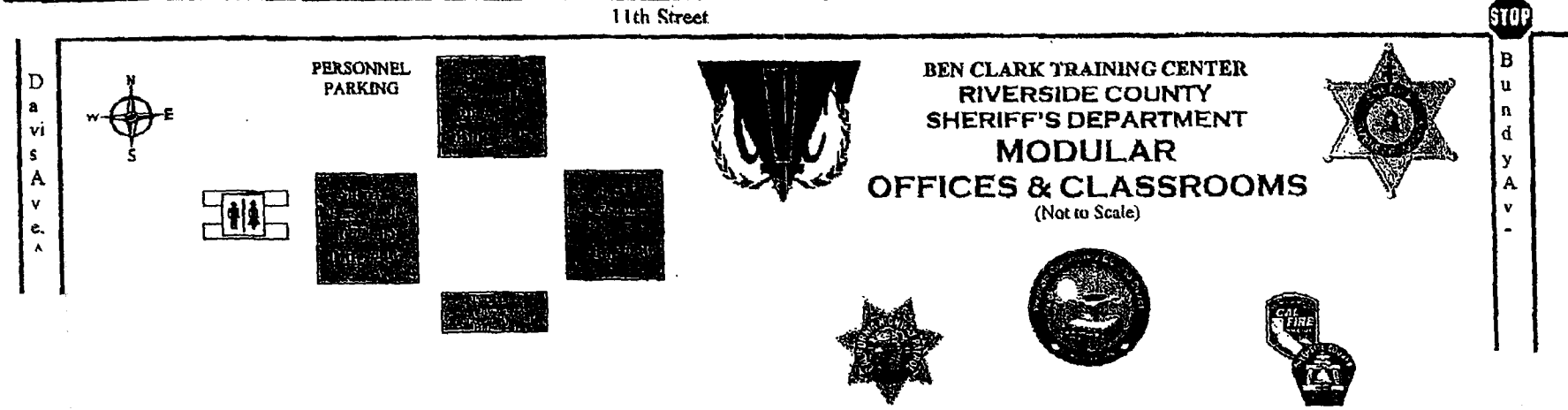
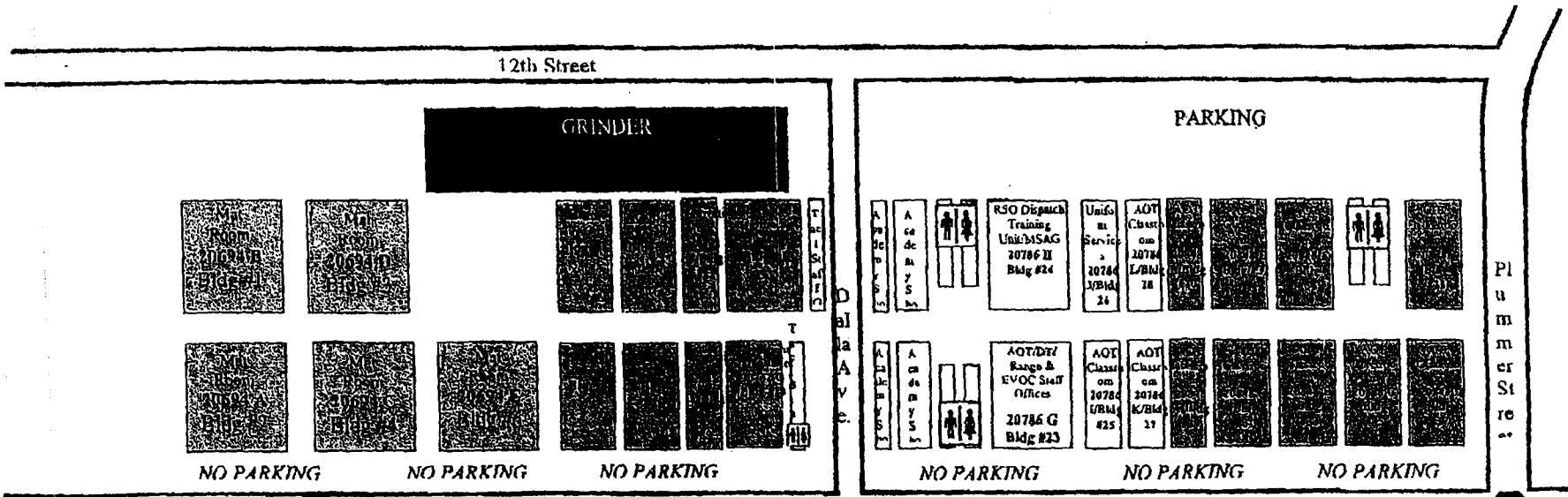


EXHIBIT A

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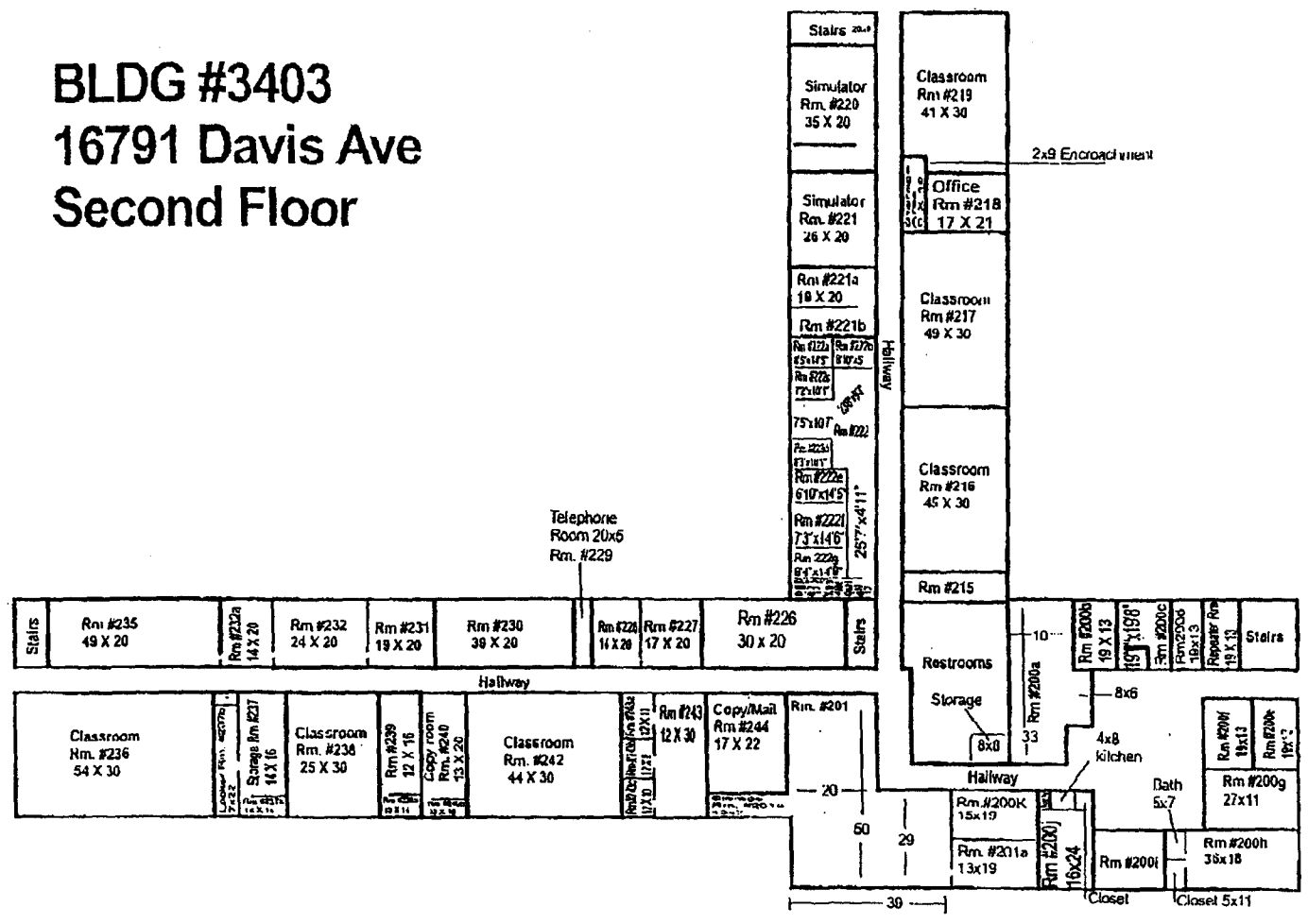
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# BLDG #3403

## 16791 Davis Ave

### Second Floor

EXHIBIT A



By: CO M. Jones  
 11/06/08

EXHIBIT A

Schedule of Fees  
 For Ben Clark  
 Training Center  
 FY08/09

Fee Type	Rate	Usage
Office	\$ 2.13	Per Square Foot Per Month
Classroom	\$ 0.16	Per Square Foot Per Day
	\$ 0.08	Per Square Foot Per Half Day (Minimum use 4 hours = Half Day )
Conference Room	\$ 0.02	Per Square Foot Per Hour (Minimum use 1 hour)
Mat Room:	\$ 0.10	Per Square Foot Per Day
	\$ 0.05	Per Square Foot Per Half Day (Minimum use 4 hours = Half Day)
Lodging	\$ 34.00	Per Night Per Guest
Range	\$ 413.76	Per Day Per Bay
	\$ 206.88	Per Half Day Per Bay (Minimum use 4 hours = Half Day )
Weapon & Ammunition Storage	\$ 0.32	Per Square Foot Per Day
Vehicle & Equipment Storage	\$ 0.04	Per Square Foot Per Day
Drill Grounds	\$ 0.0060	Per Square Foot Per Day
	\$ 0.0030	Per Square Foot Per Half Day (Minimum use 4 hours = Half Day)

EXHIBIT B

COUNTY OF RIVERSIDE, CALIFORNIA  
BOARD OF SUPERVISORS POLICY

<u>Subject:</u>	<u>Policy Number</u>	<u>Page</u>
BEN CLARK PUBLIC SAFETY TRAINING CENTER FACILITY USE	H-30	1 of 1

PURPOSE

This policy provides guidelines for the use of the Ben Clark Public Safety Training Center.

FACILITY DESCRIPTION

The Ben Clark Public Safety Training Center is located in Riverside County and jointly operated by the Riverside County Sheriff's and Riverside County Fire Departments. The center offers a variety of training facilities and venues for public safety personnel.

CONDITIONS OF USE

1. Use of the facility is on a space available basis. The Riverside County Sheriff and Fire departments have priority usage.
2. Use of the facility is restricted and available only to agencies that provide a nexus to local and state public safety training. Any request for use outside public safety training operations must be addressed to Riverside County Facilities Management.
3. Reservations for facility use can be made by contacting either the Riverside County Sheriff or Riverside County Fire at the Ben Clark Public Safety Training Center.
4. Non-county entities will be required to complete an "Agreement for Use of the Ben Clark Public Safety Training Center" at least two weeks prior to the requested use date. The user agrees to pay the County the facility use fees approved by the Board of Supervisors. The Board reserves the right to periodically revise these rates.
5. Displays of art and the distribution of information or other media must be reviewed and approved in advance by either the Riverside County Sheriff or Fire Department Ben Clark Public Safety Training Center commander.
6. All buildings at the training center are non-smoking. Smoking on the grounds is only permitted in identified designated areas.

Reference:

Minute Order 3.13 of 05/05/09

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
TEACHING AND LEARNING COMMITTEE

Report No.: VI-A-2

Date: December 15, 2009

Subject: Agreement with Adventureland Safari LLC

Background: Attached for the Board's review and consideration is an agreement between Riverside Community College District and Adventureland Safari LLC to provide orientation meetings, faculty and student housing accommodations, transfer transportation, academic guides, group airfare, and insurance for the summer session study abroad program in Morocco from June 18, 2010 through June 29, 2010. Adventureland Safari LLC will receive \$750.00 to cover unforeseen costs for students/participants. Funding source: General Fund.

Recommended Action: It is recommended that the Board of Trustees approve the agreement to provide travel services to Morocco for the study abroad program, for June 18, 2010 through June 29, 2010, for an amount not to exceed \$750.00, and authorize the Vice Chancellor, Administration and Finance, to sign the agreement.

Gregory W. Gray  
Chancellor

Prepared by: Ray Maghroori  
Vice Chancellor, Academic Affairs

Jan Schall  
Coordinator, International Education/Study Abroad Programs

ADVENTURELAND SAFARI LLC  
NATIONAL / INTERNATIONAL STUDY PROGRAMS

PROGRAM PROPOSAL  
RIVERSIDE COMMUNITY COLLEGE DISTRICT  
MOROCCO EDUCATIONAL TOUR  
June 18 to June 29, 2010

1. What is Adventureland Safari LLC International Study Programs and what services does it provide?

Adventureland/Safari LLC acts as a travel contractor for study programs; it will provide the following services:

- a. Travel and living accommodations for students and faculty members participating in the Morocco educational tour.
- b. Assistance while in Morocco for participants having medical and logistical problems or needing individual travel arrangements.
- c. Escort services and assistance by one of its representatives for the duration of the program.
- d. Orientation meetings both prior to departure from the U.S. as well as on arrival in Casablanca, Morocco
- e. Synopsis booklets on the historical and cultural aspects of Morocco, if requested by Riverside Community College District.

2. Dates for Program

- Depart LAX for CASABLANCA: Friday, June 18, 2010
- Depart CASABLANCA for LAX: Tuesday, June 29, 2010

3. Itinerary of Program

The following itinerary was negotiated between the Riverside Community College District and Adventureland Safari LLC:

JUNE 18, 2010: Departure from LAX  
JUNE 19, 2010: Casablanca  
JUNE 20, 2010: Fes  
JUNE 21, 2010: Fes  
JUNE 22, 2010: Merzouga  
JUNE 23, 2010: Quarzazate  
JUNE 24, 2010: Marrakesh  
JUNE 25, 2010: Marrakesh  
JUNE 26, 2010: Marrakesh  
JUNE 27, 2010: Marrakesh  
JUNE 28, 2010: Casablanca

## JUNE 29, 2010: Return to LAX

### 4. Air and land transportation

- Adventureland Safari LLC will be responsible for all transportation related to the tour program. Adventureland Safari LLC will make arrangements for smooth departures, transfers, and arrivals related to the trip.
- Adventureland Safari LLC will provide peak-season, round-trip air transportation from Los Angeles to Africa on a regularly scheduled carrier. Due to recent events and their impact on air travel, airlines have been reducing the number of flights and changing schedules on short notices. At the present time no carrier flies non-stop from LAX to Morocco and from Morocco to LAX.
- Land transportation from town to town will be by air-conditioned motor -coach. Stops will be made, as requested, at gas stations or markets with restroom facilities.
- Adventureland Safari LLC will provide airport transfers in Casablanca on arrival and on departure.

### 5. Living accommodations for students

- In Morocco the group will lodge in centrally located 4 and 5 star hotels.
- In all hotels breakfast is served daily.
- In all hotels a 24-hour receptionist will relay messages received by telephone or fax. In case of emergency the receptionist will promptly contact the tour representative and/or the Adventureland Safari LLC office, as well as designated faculty, if so instructed.

### 6. Social programs / orientations

- Adventureland Safari LLC will conduct a pre-departure orientation meeting to cover such general aspects of Moroccan culture and social customs, as well as practical information concerning how to exchange money, how to obtain laundry service, how to send and receive faxes and e-mail, and how to find inexpensive but good restaurants. Students holding passports other than USA will be required to bring their passports with the appropriate visa for Morocco
- A second orientation meeting will take place on day of arrival in Morocco, along with a complimentary welcome dinner. Participants will also be given detailed instructions in case of medical emergencies or in case Police assistance should be needed. A list of pharmacies, postal offices, laundry establishments, internet facilities, banks, ATM

machines (“Bankomats”), good and inexpensive restaurants, etc. will also be provided.

#### 7. Local Staff Assistance

- The Adventureland Safari LLC representative will meet the group at the Casablanca airport on arrival and any other time during the program, as requested by the Director of the Program. The representative will be available to instructors and participants throughout the program.

#### 8. Safety / Crisis management plan

- A 24-hour English speaking receptionist will be instructed to promptly report to the Adventureland Safari LLC representative as well as the Adventureland Safari LLC office any emergency or other situation requiring prompt attention and assistance.
- The Adventureland Safari escort will be available for help and assistance throughout the entire program.
- A list of local pharmacies and Medical Clinics with English-speaking doctors will be provided by Adventureland Safari LLC for students wishing to seek care for non-emergency medical problems.
- The Riverside Community College District Coordinator of the International Education Program will be promptly notified of any bona-fide emergency situation and will be informed about steps being taken to control it.

#### 9. Entrance fees and sites of cultural interest

- Adventureland Safari LLC will provide all entrance fees to museums and monuments

#### 10. Meals

- Daily breakfast.
- Welcome dinner on arrival in Casablanca
- Farewell dinner in Marrakesh
- All other dinners except on day before departure

#### 11. Insurance for students and Faculty

- Students/faculty who carry no insurance in the United States can, for a reasonable fee, buy extra coverage through Adventureland Safari LLC.

#### 12. Contractor’s Insurance and Registration.



- Adventureland Safari LLC holds foreign general liability and errors and omissions insurance policies to the amount of \$1,000,000 / \$3,000,000.
- ADVENTURELAND SAFARI, LLC is registered with the California Seller of Travel Program, CST #2018845-10, and is a participant in the Travel Consumer Restitution Fund (TCRC). Registration as a Seller of Travel does not constitute approval by the State of California.

Passengers may request reimbursement from TCRC if they are owed a refund of more than \$50 for transportation or travel services which was not refunded in a timely manner by a Seller of Travel who was registered and participating in the TCRC at the time of the sale. The maximum amount that may be paid by the TCRC to any one passenger is the total amount paid on behalf of the passenger to the Seller of Travel, not to exceed \$15,000. A claim must be submitted to the TCRC within six months after the scheduled completion date of the travel. A claim must include sufficient information and documentation and a \$35 processing fee. Passenger must agree to waive his/her right to other civil remedies against a registered participating Seller of Travel for matters arising out of a sale for which the claim is filed with the TCRC, if claimant was located in California at the time of the sale. A claim form can be requested by writing to: Travel Consumer Restitution Corporation  
P.O. Box 6001  
Larkspur, CA 94977-6001

or by faxing a request to: (415) 927-7698

- Passengers purchasing travel outside of California are not covered by the California Travel Consumer Restitution Corporation.

13. Cost of program: \$3,450 per person, which includes:

- Basic air fare from LAX to Casablanca and from Casablanca to LAX
- Airport transfers in Casablanca on arrival and return
- Accommodations on a double-occupancy basis in 4 and 5-star hotels
- All transfers to and from hotels at each port
- Daily buffet breakfast
- All dinners except on last day before departure for LAX
- VAT taxes and all other local taxes and service charges
- Services of a local, professional guide at each site to be visited
- Entrance fees to museums, monuments, etc. as per program
- Escort throughout by an Adventureland Safari LLC representative

Single supplement: \$780

Not included in above cost:

- Airport taxes / fuel surcharges
- Meals not listed above
- Items of a personal nature (laundry, telephone, minibar, etc.)

14. Payment schedule and procedures

1 <sup>st</sup> payment of \$500 (non-refundable deposit)	due upon application
2 <sup>nd</sup> payment of \$1,000	due March 11, 2010
Balance of payment	due May 12, 2010

Checks are payable to Adventureland Safari LLC.  
First payment should be sent to RCCD  
Adventureland Safari LLC will be responsible for collecting the balance.  
VISA and MASTERCARD payments are accepted with a 4% processing fee  
There will be a \$25 per person service fee for any final payment received after the due date, and a \$25 fee for each bounced check.

15. Cancellations

Cancellation charges are as follows:

Before March 15	\$500.00 (the non-refundable deposit)
On and after April 1	\$1,400 (including the non-refundable deposit)
On and after May 13	no refund

Notification of withdrawal from the program must be made in writing, with proof of mailing, to ADVENTURELAND SAFARI LLC 10738 Riverside Drive, Suite D, North Hollywood, CA 91602. Refunds will be calculated according to the post office date on the certificate of mailing.

16. Subcontracting and responsibilities

- Adventureland Safari LLC will perform the services listed above, subcontracting with other entities (airlines, hotels, tour companies, etc.) as required. Adventureland Safari LLC is not responsible for airline delays of any kind, or for expenses or loss incurred as a result of such delays. In regard to transportation/travel, regardless of the type of vehicle, N/ISP acts for the passenger as agent only. Adventureland Safari LLC assumes no liability for accident, injury, damage, or loss in any transportation conveyance, or as a result of default by any person or company engaged in transporting the passenger.
- Adventureland Safari LLC will not be responsible for losses due to acts of negligence, replacement of lost items (such as passports, conveyance tickets, etc.), for items of a personal nature (such as use of mini-bar, personal

telephone calls, faxes and e-mail, personal laundry) or for damages to furniture, etc.

- Adventureland Safari LLC – not Riverside Community College District – is responsible for all travel arrangements and any liability arising therefrom. The Riverside Community College District is NOT liable for any damages arising out of the services described herein, including, but not limited to any promises or representations, whether expressed or implied. Nothing contained herein shall be construed to in any way bind Riverside Community College District, the Riverside Governing Board, any of its agents, employees, or representatives to any promises, obligations, covenants or duties, whether expressed or implied herein.

#### 17. Indemnification

“It is mutually agreed and understood that, during the term of this Agreement, RCCD shall indemnify and hold ADVENTURELAND SAFARI LLC and its officers, directors, agents, affiliates and employees, harmless from all claims, actions and judgments, including attorney fees, costs and interest and related expenses for losses, liability, damages and costs and expenses of any kind in any way caused by, related to, or arising out of the acts or omissions of the RCC, the instructors, employees and students, arising out of, under, pursuant to or in connection with this Agreement.

It is mutually agreed and understood that, during the term of this Agreement, ADVENTURELAND SAFARI LLC shall indemnify and hold RCC, its Board of Trustees, officers, employees and students harmless from all claims, actions and judgments, including attorney fees, costs and interest and related expenses for losses, liability, damages and costs and expenses of any kind in any way caused by, related to, or arising out of the acts or omissions of ADVENTURELAND SAFARI LLC, its officers and employees, arising out of, under, pursuant to or in connection with this Agreement.”

#### 18. Release and hold harmless agreement

Riverside Community College District (RCCD) will provide academic instruction for the Summer study abroad program, Morocco 2010. Adventureland/Safari LLC will provide housing accommodations and travel arrangements in Morocco.

1. This Addendum is attached to and modifies the contract between Adventureland/Safari LLC and RCCD for the Summer 2010 study abroad program to Morocco for the period of June 18 – June 29, 2010.

2. Adventureland/Safari LLC shall indemnify and hold RCCD, its Trustees, officers, agents, employees and independent contractors, free and harmless from any liability whatsoever, based or asserted upon any acts or omission of Adventureland/Safari, its agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death or any other element of damage of any kind or nature, including violations of the Americans with Disability Act, the California Fair Housing and

Employment Act, Section 504 of the Rehabilitation Act of 1973, and Title VII of the Civil Rights Act of 1964, relating to or in anywise connected with or arising from the performance of the services contemplated hereunder, and Adventureland/Safari LLC shall defend, at its expense, including without limitation, attorney fees, RCCD, its officers, agents, employees and independent contractors, in any legal actions based upon such alleged acts or omissions. The obligations to indemnify and hold RCCD free and harmless herein shall survive until any and all claims, actions and causes of action with respect to any and all such alleged acts or omissions are fully and finally barred by the applicable statute of limitations.

3. Adventureland/Safari LLC shall procure and maintain comprehensive general liability insurance coverage covering such international operations contemplated by this contract that shall protect RCCD from any claims for damages for personal injury, including, but not limited to, accidental or wrongful death, as well as from claims for property damage, which may arise from Adventureland/Safari LLC activities as well as RCCD's activities under this contract. Such insurance shall name RCCD as additionally insured with respect to this agreement and the obligations of RCCD hereunder. Adventureland / Safari LLC will provide evidence of such insurance to RCCD.

For Adventureland / Safari LLC

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

For the Riverside Community College District

\_\_\_\_\_ Date \_\_\_\_\_

Dr. James Buysse, Vice Chancellor, Administration & Finance

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-1

Date: December 15, 2009

Subject: Norco Secondary Effects Project – Construction Management Services Agreement

Background: On May 19, 2009, the Board of Trustees approved project planning and design funding for the Secondary Effects project at the Norco Campus. In addition to the planning and design funding approval, the Board of Trustees approved on May 19, 2009 an agreement with Hill Partnership (HPI) Architects to provide design and engineering services for the Norco Secondary Effects project. On October 20, 2009, staff and the architect presented to the Board of Trustees a project design presentation of the project. A tentative project budget was also approved by the Board using District Measure “C” funds in the amount of \$16,009,004.

Staff is now recommending that the Norco Secondary Effects Project be delivered using Construction Management Multiple Prime (CMMP) contracting.

On February 2, 2009 and February 3, 2009 interviews were conducted with nine of the District’s pre-approved construction management firms. The interviews were administered by a multi-college staff committee. Based on the results of the interviews and proposals, staff is requesting approval to enter into the attached agreement with Tilden Coil Constructors, Inc. to provide said multiple prime construction management services for the Secondary Effects project at the Norco Campus. Services under this agreement would include management and oversight of bid preparation, cost estimating, construction execution and ensuring compliance with: bid drawings and specifications, contract documents, code and labor compliance, and Division of State Architect (DSA) requirements, and assistance with building commissioning.

The total fixed fee for the construction management services is identified as follows:

Basic Compensation Fee – \$613,504  
General Conditions Costs – \$1,125,260  
Total Fee – 1,738,764

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-1

Date: December 15, 2009

Subject: Norco Secondary Effects Project – Construction Management Services Agreement (continued)

To be funded from the Board approved project budget District Measure “C” Funds (Resource 4160).

Recommended Action: It is recommended the Board of Trustees approve the Norco Secondary Effects project be delivered using Construction Management Multiple Prime contracting; and approve the agreement with Tilden Coil Constructors, Inc., in the amount of \$1,738,764; and authorize the Vice Chancellor, Administration and Finance, to sign the agreement.

Gregory W. Gray  
Chancellor

Prepared by: Brenda Davis  
President  
Norco Campus

Gaither Loewenstein  
Vice President Educational Services  
Norco Campus

Orin L. Williams  
Associate Vice Chancellor,  
Facilities Planning, Design and Construction



Construction Management – Multiple Prime  
Public Works Agreement

RIVERSIDE COMMUNITY COLLEGE DISTRICT

And

TILDEN-COIL CONSTRUCTORS, INC.

Construction Management Services

Secondary Effects Project  
Norco Campus

## **CONSTRUCTION MANAGEMENT SERVICES**

(Secondary Effects, Norco Campus)

This Construction Management Services Agreement (“Agreement”) is made and entered into this 16th day of December, 2009 by and between Riverside Community College District (hereinafter “District”) and Tilden-Coil Constructors, Inc. (hereinafter referred to as “Construction Manager”) for construction management services relating to a multi-prime construction contract for construction of the Secondary Effects project located at Norco Campus, Norco, California (the “Project”).

### **ARTICLE 1**

#### **CONSTRUCTION MANAGER’S SERVICES AND RESPONSIBILITIES**

Construction Manager represents to District that it has the necessary license for a Construction Manager as provided for in Government Code Section 4525, *et seq.* that it has expertise and experience in construction supervision; bid evaluation; project scheduling; cost benefit analysis; claims review and negotiation; and general management and administration of construction projects. Construction Manager covenants to provide its best skill and judgment in furthering the interests of District in the management of the construction of the Project. Construction Manager agrees to furnish efficient business administration and management services and to perform in an expeditious and economical manner consistent with the interests of District. The Construction Manager hereby designates the following:

Steve Worley, Vice President Building Development (Project Executive)  
Jason Howarth, Preconstruction Manager  
Tracy Ellis, Project Manager  
Mike Heck, Superintendent

The designee’s are Construction Manager’s representatives to the Owner. Any substitution of the Construction Manager’s representatives shall be approved in writing by the Owner. Construction Manager shall provide the following services with respect to the Project.

#### **1.1 DESIGN PHASE.**

The services to be provided during the Design Phase for the Project include, but are not limited to, providing responsible reporting, documentation, recommendations and supervision of the following services: pre-construction scheduling, review and recommendations during the design development stages from the schematic phase to the completion of working drawings, preparation of conceptual and periodic estimates, budget assessment and cost containment advice, value engineering studies and recommendations, and Construction Manager reviews.



1.1.1 Construction Management Plan. In consultation with the District's architect ("Architect"), the Construction Manager shall prepare a Construction Management Plan for the Project which shall establish the scope for the Project and the general basis for the sequence of contracting for construction of the Project. In preparation for this Construction Management plan, the Construction Manager shall evaluate the local construction market, the District's schedule and budget goals for the Project, develop various alternative approaches, and make recommendations to the District. Upon approval by the District of the Construction Management Plan for the Project, the Construction Manager shall prepare the Construction Management Plan in final form. This document shall indicate the Project's rationale and recommend the strategy for purchasing, construction, the various bid packages for Project, and a Master Project Schedule.

1.1.2 Master Project Schedule. The Construction Manager shall develop a Master Project Schedule for the Project, subject to approval by District, which shall contain key milestones to be accomplished by the participants, including milestone completion dates for the Architect's and any consultant's design activities. The Master Project Schedule shall be consistent with the schedule attached hereto as Exhibit "A" and incorporated herein. The Master Project Schedule shall contain a critical path Master Construction Schedule for the Project and shall provide all major elements.

If necessary, the Construction Manager shall periodically update the Master Project Schedule for the Project and submit each update to the District for the District's approval.

1.1.3 Project Budget. The Construction Manager shall provide a budget based upon the amounts provided by the District pursuant to Paragraph 2.2 ("Project Budget"). This budget shall include: the anticipated total of all of the separate contracts for the Project pursuant to Section 1.1.10 ("Construction Cost"); Construction Manager's compensation; and the General Conditions costs as provided in this Agreement. The Construction Manager shall review any Project requirements of District, the District's schedule goals, and existing budget data.

The Construction Manager shall make a report of the Project Budget to the District indicating: (1) shortfalls or surpluses in the budget, and (2) recommendations for cost reductions, value engineering, or revisions to the District's Project requirements. The Construction Manager shall consult with the Architect and the District to suggest reasonable adjustments in the scope of the Projects, if any, and to suggest alternate Bids in construction documents to adjust the construction costs to conform to the Project Budget.

1.1.4 Cost Management Procedures. The Construction Manager shall implement and maintain cost management procedures throughout the Design Phase for the Project. When design or programmatic changes are made and approved by the District, these changes shall be recorded and the cost effect shall be documented.

1.1.5 Construction Management Coordination and Value Engineering Review. The Construction Manager shall perform constructability reviews, utilizing a checklist type

method such as Redicheck or some other form acceptable to District, and shall provide input to the District relative to means and methods of construction, duration of construction, and constructability. This checklist shall be made available to the District and the Architect.

1.1.6 Coordination/Value Engineering Review. With respect to the Project, the Construction Manager shall review the Architect's 50% and 90% contract document submissions and provide written comments on the coordination of the various disciplines, including civil, structural, architectural, mechanical, electrical, HVAC, plumbing, and landscape.

1.1.7 Design Review and Comments. The Construction Manager shall provide coordination between the Architect and the District on the proper flow of information for the Project. The Construction Manager shall develop written procedures for orderly communication to all Project consultants. Construction Manager shall advise on-site use and improvements.

1.1.8 Cost Adjustment Sessions. The Construction Manager shall prepare for the District's approval a more detailed estimate of Construction Cost, as defined in Article 3, developed by using estimating techniques which anticipates the various elements of the Project. The Construction Manager shall update and refine this estimate at 50% and 90% completion of the Construction Documents. The Construction Manager shall advise the District and the Architect if it appears that the Construction Cost may exceed the budgeted amount for Construction Cost as set forth in the Project Budget. The Construction Manager shall make recommendations for corrective action to bring the Construction Costs within the District Budget.

A fixed limit has been established to the project budget under Paragraph 2.2. The Construction Manager shall consult with the Architect and the District to suggest reasonable adjustments in the scope of the Project, and to suggest alternate bids in the Construction Documents to adjust the Construction Cost to the budgeted amount for Construction Cost as set forth in the Project Budget, if necessary.

1.1.9 Assignment of Responsibility. The Construction Manager shall provide recommendations and information to the District regarding the assignment of responsibilities for safety precautions and programs; temporary Project facilities; and equipment, materials and services for common use of contractors. The Construction Manager shall verify that the requirements and assignment of responsibilities are included in the proposed contract documents.

1.1.10 Separate Contracts (Multi-Prime Contracting). The Construction Manager shall advise on the separation of the Project into separate contracts for various categories of work ("Contracts"). The Construction Manager shall advise on the method to be used for selecting contractors and awarding individual bids. The Construction Manager shall prepare and revise contractor pre-qualification documents and identify potential contractors for District approval. The Construction Manager shall inspect, review, revise and assure proper delivery, assembly of the Project manuals and specifications and shall manage and coordinate the development of construction documents with the Architect. The Construction Manager shall review drawings

and specifications for the Contracts to provide that (1) the work of the separate contractors is coordinated, (2) all requirements for the Project have been assigned to the appropriate separate Contract, (3) the likelihood of jurisdictional disputes has been minimized, and (4) proper coordination has been provided for phased construction.

1.1.11 Monthly Reports. With the District's assistance, Construction Manager shall provide a detailed cash flow tracking system for the Project. The system must be approved and accepted by the District. The Construction Manager shall update the cash flow spread sheet monthly or as required by the District.

1.1.12 Coordination of Relocation of District Property. If applicable, Construction Manager shall coordinate the moving, relocation, temporary housing and storing of District's property prior to the construction phase for the Project.

1.1.13 State Chancellor and Other Public Agencies. The Construction Manager, in cooperation with the District and Architect, shall assist with the coordination and processing of all necessary paperwork and close-out documents with the State Chancellor, Division of the State Architect and any other applicable public agencies.

1.1.14 Professional Consultants. The Construction Manager shall assist the District, if required, in selecting and retaining the professional services of surveyors, special consultants and testing laboratories, and coordinate their services.

## **1.2 PLAN CHECK AND BIDDING PHASE.**

1.2.1 Bidding Procedures. The Construction Manager shall develop and expedite bidding procedures for bid document issuance, bid tracking and receipt of proposals with regard to each of the Contracts. The Construction Manager shall also take the necessary procedures to administer any prequalification of potential contractors as directed by the District and ensure that all Contracts are competitively bid when required by law.

1.2.2 Public Relations Activities. The Construction Manager shall assist the District in all public relations including, but not limited to, preparation of Project information and attending internal and public meetings as required, including site meetings.

The Construction Manager shall be the point of contact for the entire community during all phases of construction in regards to any complaints, questions, safety issues, noise problems, dust problems, etc.

1.2.3 Generate Bidder Interest. The Construction Manager shall develop bidder's interest in the Project and shall maintain contact with potential bidders for the Contracts on a regular basis throughout the bid period. A telephone campaign shall be conducted by Construction Manager to stimulate and maintain interest in bidding on the Project.

1.2.4 Bid Advertisements. The Construction Manager shall coordinate the preparation and placement of the notices and advertisements to solicit bids for each of the Contracts as required by law in cooperation with the District.

1.2.5 Prepare and Expedite Bid Documents Delivery. The Construction Manager shall coordinate and expedite the preparation, assembly and delivery of bid documents and any addenda for each of the Contracts to the bidders including the following, as applicable:

- (a) Establish bid schedule by trade;
- (b) Prepare summaries of work bid packages;
- (c) Arranging for printing, binding and wrapping;
- (d) Arranging for delivery; and
- (e) Follow-up calls to the bidders.

The Construction Manager shall include the following requirements in all proposed Contract Documents:

- (a) The following bonding requirements:
  - (i) Performance bond at 100% of the contract amount.
  - (ii) Labor and material bond at 100% of the contract amount.
- (b) Insurance in amounts and coverage as directed by the District prior to bid.
- (c) All bonds must be provided by a California admitted surety.

1.2.6 Pre-Bid Conference(s). In conjunction with the Architect and District, the Construction Manager shall conduct the pre-bid conference(s). These conferences shall be a forum for the District, the Construction Manager, and Architect to present the District's Project requirements to the bidders, including prequalification requirements, as appropriate, and shall familiarize bidders with the particular Project, bid documents, management techniques and with any special systems, materials or methods.

1.2.7 Coordination and Inquiries. The Construction Manager shall coordinate communications related to bidder inquiries and seek resolution for the appropriate party and provide timely forwarding of such information to the bidders and District.

1.2.8 Addenda Review. The Construction Manager shall administer the addenda process and shall provide a review of each addendum during the bid phase for time, cost, or constructability impact, and make appropriate comments or recommendations.

1.2.9 Bidding of Work. All construction work for the Project shall be competitively bid when required by law and awarded in no more than two bid phases in

accordance with normal requirements for general contractors. If the Project is funded with any State funds, Construction Manager shall comply with all applicable requirements. A bid phase summary shall be submitted with each bid phase package listing only the low bidders, their contract amounts, the Construction Manager's fee and General Conditions costs assigned to each bid phase, summed as a total committed cost. Construction Manager shall assist District and Architect to ensure compliance with any Disabled Veteran Business Enterprise goals.

1.2.10 Bid Evaluation. The Construction Manager in cooperation with Architect shall assist the District in pre-qualification, the bid opening, evaluation of the bids for completeness, full responsiveness and price, including alternate prices and unit prices (if applicable), shall make a formal report to the District with regard to the potential award of a Contract, shall receive bids, prepare bids. The Construction Manager shall include a copy of the proposed Contract for each bidder recommended by the Construction Manager.

If applicable, the summary of bids shall classify all bids according to cost allowance categories. When a bid includes work in more than one cost category, the summary shall assign an appropriate amount to each.

Construction Manager shall certify in writing that the Contracts contained in the submittal for the District represents all the contracts required to perform the work in the plans and specifications for the Project, and that no additional contracts are foreseen to complete the necessary work for such Project. In the event the contracts and the work deferred for the future does not represent 100% of the work, the additional necessary work shall be offset by a reduction in the Construction Manager's fees.

1.2.11 Rebidding. In the event the bids exceed the Project Budget and the District authorizes rebidding of all or portions of the Project, the Construction Manager shall cooperate in revising the scope and the quality of work as required to reduce the construction costs for the Project. The Construction Manager, without additional compensation, shall cooperate with the District and Architect as necessary to bring construction costs within the Project Budget.

1.2.12 Non-interest in Project. The Construction Manager shall not be a bidder, or perform work for any bidder on any individual Contract.

1.2.13 Purchase, Delivery and Storage of Materials and Equipment. If applicable, the Construction Manager shall investigate and recommend a schedule for the District's purchase of materials and equipment which are a part of the Project and require long lead time procurement, and coordinate the schedule with the early preparation of portions of the contract documents. The Construction Manager shall expedite and coordinate delivery of all purchases.

If applicable, the Construction Manager shall arrange for delivery and storage, protection and security for District-purchased materials, systems and equipment which are a part of the Project, until such items are incorporated into the Project. The Construction Manager

shall coordinate with or assign these activities to the appropriate contractor who is responsible for the installation of such materials, systems, and equipment.

1.2.14 Analysis of Labor. The Construction Manger shall provide an analysis of the types and quantities of labor required for the Project and review the availability of appropriate categories of labor required for critical phases. The Construction Manager shall make recommendations to minimize adverse effects of labor shortages.

### **1.3 CONSTRUCTION PHASE.**

The Construction Phase for the Project shall commence with the award of the initial Contract and shall continue until sixty-five (65) days after the recording of a notice of completion for the Project or sixty-five (65) days after completion of the Project as defined in Public Contract Code Section 7107 whichever is earlier.

The Construction Phase consists of the coordination of all activities that are included in the construction of a particular Project. The Construction Manager shall be responsible for coordinating the work for the Project pursuant to the Master Project Schedule. The Construction Manager shall maintain communication with the District throughout the Construction Phase and shall provide responsible reporting and documentation prior to the contractors' pre-construction conference and shall be responsible for coordinating the site construction services provisions (general conditions items) including supervision and administration of the Project, conducting construction progress meetings, providing progress reports, processing contractors requests for information (RFI's), reviewing and recommending with the Architect the approval or disapproval of change orders and payments to the contractors, and maintaining record keeping to assist the District in negotiations, mediation or arbitration of claims or disputes.

1.3.1 Pre-Construction Conference(s). The Construction Manager shall conduct, in conjunction with the District and the Architect, pre-construction orientation conference(s) for the benefit of the successful contractors and shall serve to orient the contractors to the various reporting procedures and site rules prior to the commencement of actual construction. The Construction Manager shall obtain the certificates of insurance and bonds from the contractors and forward such documents after approval by the Construction Manager to the District.

1.3.2 Contract Administration. The Construction Manager, in cooperation with the Architect, shall administer the construction Contracts as set forth herein and as provided in the General Conditions of the Contacts for construction. The Construction Manager shall coordinate the preparation of construction staging areas on-site for the Project and shall coordinate the preparation of the site for construction, including, but not limited to, coordinating fencing, barricades or other items reasonably necessary for efficient construction. The Construction Manager shall also coordinate the mobilization of all contractors and shall coordinate construction sequencing.

In addition, the Construction Manager shall provide management and related services as required to coordinate work of the contractors with each other and the activities and responsibilities of the Architect and District in order to complete the Project in accordance with the Contract Documents and this Agreement and within the Project Budget. The Construction Manger shall provide sufficient organization, qualified and experienced personnel and management to carry out the requirements of this Agreement.

The Construction Manager shall maintain a competent full-time staff at the Project site for the purpose of coordinating and providing general direction for the work and progress of the contractors.

1.3.3 Submittal Procedures. The Construction Manager shall establish and implement procedures with the Architect and coordinate and review shop drawing submittals, requests for information, samples, product data, change orders, payment requests, material delivery dates and other procedures; and maintain logs, files and other necessary documentation. Construction Manager shall assist the Architect and the District's inspector with monitoring the certified payroll for the Project. The Construction Manager shall coordinate the dissemination of any information regarding submittals and consult with the Architect and the District if any Contractor requests interpretations of the meaning and intent of the Contract Documents, and assist in the resolution of questions which may arise.

1.3.4 Meetings. The Construction Manager shall coordinate and conduct preconstruction, construction and weekly job-site progress meetings with the Contractors and shall work with the Architect to ensure that the Architect records, transcribes and distributes minutes to all attendees, the District, and all other appropriate parties. The Construction Manager shall assist in the resolution of any technical construction issues.

1.3.5 Coordination of Technical Inspection and Testing. The Construction Manager shall coordinate with the District's certified inspector all testing required by the Architect or other third parties. If requested, the Construction Manager shall assist the District in selecting any special consultants or testing laboratories. All inspection reports shall be provided to the Construction Manager on a regular basis.

1.3.6 Construction Observation. The Construction Manager shall assist the District's inspector in observing that the materials and equipment being incorporated into the work are handled, stored and installed properly and adequately and are in compliance with the contract documents for the Project. The Construction Manager shall report to the District regarding the status of such activity. The Construction Manager shall endeavor to guard against defects and deficiencies and shall advise the District of any deviations, defects or deficiencies the Construction Manager observes in the work. The Construction Manager's observation duties shall include reasonable diligence to discover work that is not in compliance with the contract documents. These observations shall not, however, cause the Construction Manager to be responsible for those duties and responsibilities which belong to the District's inspector.

1.3.7 Non-Conforming Work. The Construction Manager shall, in conjunction with the District's inspector, review contractor's recommendations for corrective action on observed non-conforming work. The Construction Manager shall make recommendations to the District, the Architect and District' inspector in instances where the Construction Manager observes work that, in its opinion, is defective or not in conformance with the contract documents. The Construction Manager shall assist the District's inspector in observing the Contractor's work to verify that all authorized changes are properly incorporated in the Project. The Construction Manager shall report to the District regarding the status of such activity and provide a written record of the same.

1.3.8 Exercise of Contract Prerogatives. The Construction Manager shall advise the District and make recommendations to the District for exercising the District's Contract prerogatives, such as giving the Contractor notice to accelerate the progress when the schedule goals are in jeopardy due to Contractor failings, withholding payment for cause and other prerogatives when required in an effort to achieve Contract compliance.

1.3.9 Implementation of Master Project Schedule. The Construction Manager shall implement the Master Project Schedule and shall regularly update and maintain the Master Project Schedule incorporating the activities of Contractors on the Project, including activity sequences and durations, allocation of labor and materials, processing of shop drawings, product data and samples, and delivery of products requiring long lead time procurement. The Master Project Schedule shall include the District's occupancy requirements showing portions of the Project having occupancy priority. The Construction Manager shall update, reissue and distribute the Master Project Schedule as required to show current conditions and revisions required by the actual experience.

1.3.10. Safety Programs. To the extent required by OSHA or any other public agency, Construction Manager shall obtain each Contractor's safety programs and monitor their implementation along with any necessary safety meetings. Construction Manager shall ensure that such safety programs are submitted to the District.

1.3.11 Endorsements of Insurance, Performance/Payment Bonds. The Construction Manager shall receive and review Endorsements of Insurance, Performance/Payment Bonds from the Contractors and forward them to the District with a copy to the Architect prior to commencement of any work by such contractors. Construction Manager shall inform the District of any noted deficiencies in insurance, or books submitted.

1.3.12 Changes in Construction Cost. The Construction Manager shall revise and refine the approved estimate of Construction Cost, incorporate approved changes as they occur, and develop cash flow reports and forecasts as needed.

The Construction Manager shall provide regular monitoring of the approve estimate of Construction Cost, showing actual costs for activities in progress and estimates for uncompleted tasks. The Construction Manager shall identify variances between



actual and budgeted or estimated costs and advise the District and the Architect whenever the Project's costs appear to be exceeding budgets or estimates.

1.3.13 Construction Progress Review. The Construction Manager shall keep a daily log containing a record of weather, the Contractors working on the site, number of workers, work accomplished, problems encountered, and other relevant data or such additional data as the District may require. The Construction Manager shall make the log available to the District upon request. The Construction Manager shall prepare and distribute the construction schedule updates to the Master Project Schedule on a monthly basis to maintain the Master Project Schedule. After an evaluation of the actual progress as observed by the Construction Manager, scheduled activities shall be assigned percentage-complete values. The report shall reflect actual progress as compared to scheduled progress and note any variances. The Construction Manager shall identify problems encountered in accomplishing the work and recommend appropriate action to the District to resolve these problems with a minimum effect on the timely completion of the Project. If requested by the District, the Construction Manager shall assist the Contractor(s) in preparing a recovery schedule. The recovery schedule shall reflect the corrective action costs (if any) and efforts to be undertaken by the contractor(s) to recapture lost time. This recovery schedule shall be distributed to the Contractor(s), the District, Architect and other appropriate parties.

1.3.14 Maintain On-Site Records. The Construction Manager shall develop and implement a comprehensive document management program. The Construction Manager shall maintain at the Project site, on a current basis: a record copy of all Contracts, drawings, specifications, addenda, change orders and other modifications, in good order and marked to record all changes made during construction; shop drawings; product data; samples; submittals; purchases; materials; equipment; applicable handbooks; Titles 21 and 24 of the California Code of Regulations; the California Uniform Building Code; maintenance and operating manuals and instructions; other related documents and revisions which arise out of the Contracts. The Construction Manager shall maintain records in duplicate, of principal building layout lines, elevations for the bottom of footings, floor levels and key site elevations certified by a qualified surveyor or professional engineer, if necessary. The Construction Manager shall make all records available to the District. At the completion of the Project, the Construction Manager shall deliver all such records to the Architect, so the Architect may complete the record as-built drawings.

1.3.15 Schedule of Values and Processing of Payments. The Construction Manager shall review and approve each Contractor's schedule of values for each of the activities included in that Contractor's schedule of events. The Construction Manager shall develop and maintain a master schedule of values. The Construction Manager shall develop and implement procedures for the review and processing of applications by Contractors for progress and final payments. As part of the evaluation of progress payments, the Construction Manager shall review all "as-built" documents and ensure that the Contractor's "as-built" documents are updated and current. The Construction Manager shall review with the Architect and make recommendations to the District pertaining to payments to the Contractors.

1.3.16 Evaluate Proposal Costs. The Construction Manager shall evaluate Contractors' proposal costs and make a formal recommendation to the District regarding the acceptance of any proposals for a change order.

1.3.17 Negotiations of Change Order Costs and Time Extensions. The Construction Manager shall assist the District and the Architect representative in negotiating any change order costs and time extensions.

1.3.18 Change Order Reports. The Construction Manager shall not issue instructions contrary to the contract between District and a Contractor, or between the District and Architect. The Construction Manager shall ensure that all changes to the Contract between the District and a Contractor shall be by change order executed by the District. Any communication between the Construction Manager and the Contractors shall not in any way be construed as binding on the District, or releasing the Contractor from fulfillment of any of the terms of the Contract. For the Project, the Construction Manager shall prepare and distribute change order reports on a monthly basis throughout the Construction Phase. This report shall provide information pertaining to proposed and executed change orders and their effect on the Contract price and Master Project Schedule as of the date of the report.

1.3.19 Contractor Claims. The Construction Manager shall be given copies of all notices of claims by Contractors against the District for any alleged cause. The Construction Manager, jointly with Architect, shall perform evaluation of the contents of the claim within twenty-five (25) days, and make recommendations to the District. If requested by the District, the Construction Manager shall prepare estimates based on any alleged cause of claims submitted by the Contractor(s) and shall prepare alternate estimates based on varying scenarios of the claim cause. These estimates shall be transferred to the District and shall be used in claim rulings and negotiations. If requested by the District, the Construction Manager shall analyze the claims for extension of time and prepare an impact evaluation report which reflects the actual impact to the Master Construction Schedule. The report shall also provide a narrative including a recommendation for action to the District. If requested by the District, the Construction Manager shall negotiate claims with the Contractor(s) on behalf of the District. The Construction Manager shall make a written recommendation to the District concerning settlement or other appropriate action. Excepting those claims of which the Construction Manager is responsible, Construction Manager's obligations pursuant to this Paragraph shall cease upon completion of the Project as defined in Paragraph 1.3 of this Agreement.

1.3.20 Project Status Reports. The Construction Manager shall prepare and distribute monthly a Project Status Report. The Construction Manager shall ensure that the Verified Reports required by Title 24 of the California Code of Regulations be completed quarterly by the contractors for the Project.

1.3.21 Equipment Instruction Manuals, Warranties and Releases. The Construction Manager shall obtain all written material such as operations and maintenance manuals, warranties, affidavits, releases, bonds, waivers and guarantees for all equipment

installed in the Project. All such materials, including equipment instruction material, keys and documents shall be reviewed and delivered to appropriate District personnel.

1.3.22 Completion of Contracts and Project. When the Construction Manager considers a Contractor's work or a designated portion thereof complete, the Construction Manager shall prepare for the Architect a list of incomplete or unsatisfactory items ("Punch-list") and a schedule for their completion. The Construction Manager shall assist the Architect in conducting inspections.

The Construction Manager shall coordinate the correction and completion of the work. The Construction Manager shall assist the Architect in determining when the Project or a designated portion thereof is complete. The Construction Manager shall prepare a summary of the status of the work of each contractor, listing changes in the previously issued Punch-list and recommending the times within which contractors shall complete the uncompleted items on the Punch-list.

1.3.23 As-Built Documents. The Construction Manager shall perform coordination, supervisory and expediting functions in connection with the contractor's obligation to provide "as-built" documents and make recommendations for adequate withholding of retention in the event that a contractor fails to provide acceptable "as-built" documents.

1.3.24 Training Sessions. The Construction Manager shall coordinate and schedule training sessions, if necessary, for the District's personnel and shall require that the Contractor's obligation in providing this training is fulfilled.

1.3.25 Recommendations to District. The Construction Manager shall endeavor to achieve satisfactory performance from each Contractor. The Construction Manager shall recommend courses of action to the District when requirements of a Contract are not being fulfilled, and the nonperforming party shall not take satisfactory corrective action.

1.3.26 Accounting Records. The Construction Manager shall establish and administer an appropriate Project accounting system in conjunction with the District and shall maintain cost accounting records on authorized work performed under unit costs, additional work performed on the basis of actual costs of labor and materials, or other work requiring accounting records.

1.3.27 Permits. The Construction Manager shall assist the District in obtaining all necessary permits for the Project, including without limitation, building, grading, and occupancy permits. This task may encompass accompanying governmental officials (Fire Marshal, DSA, Health Department, etc.) during inspections, assisting in preparing and submitting proper documentation to the appropriate approving agencies, assisting in final testing and other necessary and reasonable activities.

1.3.28 Initial Start-up and Testing. With the Architect and the District's maintenance personnel, the Construction Manager shall observe the Contractors' proper

installation of utilities, operational systems and equipment for readiness and assist in their initial start-up and testing for the Project. The Construction Manager shall coordinate and assist District in the move-in for the Project.

1.3.29 Final Completion and Project Report. The Construction Manager, in conjunction with the Architect and the District's inspector, shall at the conclusion of all corrective action of Punch-list items, make a final comprehensive review of the Project, make a report to the District which indicates whether the Construction Manager and the Architect find the work performed acceptable under the Contract Documents and the relevant Project data, and make recommendations as to final payment and the notice of completion to the Contractor(s) for the Project. At the conclusion the Project, the Construction Manager shall prepare final accounting and close-out reports of all above indicated report systems. These reports shall summarize, for historical purposes, any items which are not self-explanatory.

1.3.30 Warranty. The Construction Manager, shall assist the owner by coordinating and scheduling all warranty work as pertains to Section 1.3.21 (above), throughout the 1 year construction warranty period.

#### **1.4 TIME.**

1.4.1 The Construction Manager shall perform the services set forth in this Agreement as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Projects.

1.4.2 In the event the construction time requirements set forth in Section 1.1.2 of this Agreement are exceeded, and the delay is caused by the Construction Manager, the Construction Manager's fee shall be reduced by an amount of \$500.00 per calendar day as liquidated damages, but not as a penalty, starting from the scheduled construction completion date for the Project until construction is substantially complete.

1.4.3 Construction Manager shall be entitled to an extension of time for the time of completion and shall not be subject to a claim for liquidated damages for delays which may arise due to an Act of God as defined in Public Contract Code Section 7105 if the act of God affects the governmental agency from which approvals are necessary for completion of the Project, but Construction Manager shall have no claim for any other compensation for such delay. Should the schedule for the Project be extended due to an act of God as discussed above, the Construction Manager's performance contract shall be extended and the Construction Manager shall be compensated for this extension under the provisions of Section 4.4 of this Agreement.

**ARTICLE 2**  
**THE DISTRICT'S RESPONSIBILITIES**

2.1 The District shall provide full information regarding the requirements of the Project including the District's objectives, constraints and criteria.

2.2 Prior to the commencement of the Design Phase for the Project, the District shall provide a financial plan and budget to be utilized by Construction Manager as set forth in Section 1.1.3 of this Agreement.

2.3 The District shall designate a representative ("District Representative") to act on the District's behalf with respect to each Project. The District, or the District Representative, if authorized, shall render decisions promptly to avoid unreasonable delay in the progress of the Construction Manager's services.

2.4 The District shall furnish tests, inspections and reports as required by law or the contract documents.

2.5 The services, information and reports required by Paragraphs 2.1 through 2.4, inclusive, shall be furnished at District's expense.

2.6 If the District observes or otherwise becomes aware of any fault or defect in the Project, or nonconformance with the contract documents, prompt notice thereof shall be given by the District to the Construction Manager.

2.7 The District reserves the right to perform work related to the Project with the District's own forces and/or to award contracts in connection with the Project. The Construction Manager shall notify the District within ten (10) days of actual knowledge of the District's intent to perform work related to the Project with the District's own forces and/or to award contracts in connection with the Project, if any such independent action shall in any way compromise the Construction Manager's ability to meet the Construction Manager's responsibilities under this Agreement.

2.8 The District shall retain an Architect whose services, duties and responsibilities are described in the Agreement between the District and the Architect. The terms and conditions of the District-Architect agreement shall be furnished to the Construction Manager.

### **ARTICLE 3**

### **CONSTRUCTION COST AND PROJECT BUDGET**

3.1 The Construction Cost of the Project shall be the total of the final contract sums of all of separate contracts of contractors for the Project, and shall not exceed the budgeted amount for the Construction Cost as set forth in the Project Budget.

3.2 Construction Cost shall not include the compensation of Construction Manager, the Architect and other consultants, general conditions, the cost of land, rights-of-way and other costs which are the responsibility of District as provided in Article 2 hereof, inclusive.

3.3 The Project Budget has been established under paragraph 2.2 hereof by the allowance for construction. Construction Manager shall consult with the Architect and District to suggest reasonable adjustments in the scope of the Project, and to suggest alternate bids in the construction documents to adjust the construction Project costs so that it does not exceed the Project Budget.

3.4 If the fixed limit of Construction Cost as set forth in the Project Budget is exceeded by the sum of the lowest figures from bona fide bids, District shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding of the Project or portions of the Project within a reasonable time, (3) cooperate in revising the scope and the quality of the work as required to reduce the Construction Cost or (4) reject all bids and abandon the Project. In the case of items (2) and (3), Construction Manager, without additional compensation, shall cooperate with District and Architect as necessary, including providing services as set forth in Article I, to bring the Construction Cost within the fixed limit of the Project Budget.

3.5 With the District's assistance, Construction Manager shall provide, on a monthly basis, a detailed cash flow tracking system for the Project. The system must be approved and accepted by the District. The Construction Manager shall update the cash flow spread sheet monthly or as required by the District.

Construction Manager shall provide for the District's review and acceptance, a monthly report for the Project. This report shall show the status for the Project that is under construction pertaining to this contract. With the District's assistance, the Construction Manager shall provide all construction related agenda items. Examples: change orders, notices to proceed, notice of completion, authorization to bid, award of contracts, etc.

3.6 Audit. Construction Manager shall maintain auditable books, records, documents, and other evidence pertaining to costs and expenses in this Agreement. These records shall be maintained for a period of at least three (3) years after final payment has been made, subject to any applicable rules, regulations or statutes.

District's authorized representative(s) shall have access, with reasonable notice, to any books, documents, papers, electronic data, and other records which they determine

to be pertinent to this Agreement for performing an audit, evaluation, inspection, review, assessment, or examination. These representative(s) are authorized to obtain excerpts, transcripts, and copies, as they deem necessary.

Should Construction Manager disagree with any audit conducted by District, Construction Manager shall have the right to employ a licensed, Certified Public Accountant (CPA) to prepare and file with District a certified financial and compliance audit that is in compliance with generally-accepted government accounting standards of related services provided during the term of this Agreement. Construction manager shall not be reimbursed by District for such an audit.

In the event Construction manager does not make available its books and financial records at the location where they are normally maintained, Construction manager agrees to pay all necessary and reasonable expenses, including legal fees, incurred by District in conducting any audit.

#### **ARTICLE 4** **BASIS OF COMPENSATION AND PAYMENT**

District shall compensate Construction Manager for the services required hereunder, as follows:

##### **4.1 BASIC COMPENSATION FEE - FIXED.**

4.1.1 Construction Manager's Services, as described in Article 1 shall be the amount of \$613,504 (Six Hundred Thirteen Thousand Five Hundred-Four Dollars).

##### **4.1.2 GENERAL CONDITIONS COSTS.**

General Conditions as described in Article 5 shall be reimbursed at cost in accordance with Article 5 with the total not to exceed \$1,125,260.

##### **4.2 PAYMENT**

##### **4.2.1 BASIC COMPENSATION PAYMENT:**

4.2.1.1 Pre-Construction Invoicing. Construction Manager shall invoice 20% of the Basic Services for the services set forth in Articles 1.1 and 1.2 in equal monthly increments, from the time the Construction Manager begins work on the Project to the commencement of the Construction Phase time the contractor is selected by the District.

4.2.1.2 Construction Invoices. Construction Manager shall invoice 70% of the Basic Services Fee in equal monthly increments during the Construction Phase.

4.2.1.3 Project Retention. Construction Manager shall invoice 10% of the Basic Services Fee 35 days after the District files the last Notice of Completion for the Project.

#### **4.2.2 GENERAL CONDITIONS PAYMENT.**

Construction Manager shall invoice General Conditions costs monthly during the duration of the construction work. All General Condition costs must be supported by an invoice, receipt, an employee time sheet, or other acceptable documentation.

#### **4.3.2 PAYMENT OF INVOICES.**

District shall make payments to Construction Manager within thirty (30) days of receipt of the appropriate and approved invoice from Construction Manager.

#### **4.4 ADDITIONAL COMPENSATION.**

Construction Manager shall not be entitled to additional compensation unless there are unusual and unanticipated circumstances and only when approved in writing by District, in advance of such services being provided. If the Construction Manager shall claim compensation for any damage sustained by reason of the acts of the District or its agents, Construction Manager shall, within ten (10) days after sustaining of such damage, make to the District a written statement of the damage sustained. On or before the 15th day of the month succeeding that in which such damage shall have been sustained, the Construction Manager shall file with the District an itemized statement of the details and amount of such damage in accordance with this Article, and unless such statement is submitted, any claims by Construction Manager shall be forfeited and invalidated and Construction Manager shall not be entitled to consideration for payment on account of any such damage. In the event extra compensation is approved, extra compensation shall be computed at cost plus ten percent (10%) of billings to Construction Manager by Construction Manager's consultants and for other costs incurred by the Construction Manager and at the following hourly rates for Construction Manager's employees:

Principal In Charge/Project Executive	\$ 160.00
Project Manager	\$ 140.00
General Superintendent	\$ 130.00
Project Superintendent	\$ 120.00
Estimating/Precon Services Manager	\$ 120.00
BIM/Constructability Manager	\$ 120.00
Scheduling Manager	\$ 85.00
Field Engineer	\$ 85.00
Clerical Assistance	\$ 50.00



## **ARTICLE 5**

### **GENERAL CONDITIONS**

Construction Manager shall provide the General Conditions for the Project. General Conditions of the Project are defined as those generic support activities which must be in place to support all construction aspects of the Project. These support activities are set forth in the Reimbursable Expenses and General Conditions Estimate attached hereto as Exhibit "B".

In no event shall the General Condition costs exceed \$1,125,260.

All General Condition reimbursables shall be billed at their actual cost, and the Construction Manager shall take all reasonable steps necessary to obtain the most competitive prices available for these items. If Construction Manager desires to be reimbursed for any other General Conditions costs not specifically set forth in this Article, prior to the commencement of the Construction Phase, Construction Manager shall submit a list of these General Condition items to District for District's approval. The cost of any additional items shall not be reimbursable unless advance written authorization is provided by the District to Construction Manager to obtain the item.

## **ARTICLE 6**

### **TERMINATION, ABANDONMENT OR SUSPENSION OF WORK**

#### **6.1 TERMINATION OF CONSTRUCTION MANAGER SERVICES.**

The District may give seven (7) days written notice to Construction Manager of District's intent to suspend or terminate the Construction Manager's services under this Agreement for failure to satisfactorily perform or provide prompt, efficient or thorough service or Construction Manager's failure to complete its services or otherwise comply with the terms of this Agreement. If after the expiration of such seven (7) days, Construction Manager fails to cure the performance as set forth in the District's notice of intent to suspend or terminate the Construction Manager's services, District may issue a notice of termination or suspension. At that time, Construction Manager's services shall be suspended or terminated as set forth in District's notice.

District shall also have the right in its absolute discretion to terminate this Agreement in the event the District is not satisfied with the working relationship with Construction Manager and without cause following twenty-one (21) days prior written notice from District to Construction Manager.

#### **6.2 CONTINUANCE OF WORK.**

In the event of a dispute between the parties as to performance of the work or the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the parties shall attempt to resolve the dispute. Pending resolution of this dispute, Construction Manager agrees to continue the work diligently to completion. If the dispute is not

resolved, Construction Manager agrees it shall neither rescind the Agreement nor stop the progress of the work, but Construction Manager's sole remedy shall be to submit such controversy to determination by a court having competent jurisdiction of the dispute, after the Project has been completed, and not before.

### **6.3 ABANDONMENT OF A PROJECT.**

The District has the absolute discretion to suspend or abandon all or any portion of the work on the Project and may do so upon fourteen (14) day written notice to the Construction Manager. Upon notice of suspension or abandonment, Construction Manager shall immediately discontinue any further action on the Project. If the entire work to be performed on the Project is abandoned, the parties shall each be relieved of the remaining executory obligations of the Agreement, as it relates to the Project, but shall not be relieved of any obligations arising prior to said abandonment.

### **6.4 COMPENSATION IN THE EVENT OF TERMINATION, ABANDONMENT OR SUSPENSION.**

In the event the District terminates, abandons or suspends the work on the Project, there shall be due and payable within thirty (30) days following such termination, abandonment or suspension a sum of money sufficient to increase the total amount paid to Construction Manager to an amount which bears the same proportion to the total fee as the amount of services performed or provided by Construction Manager prior to the time of such termination, suspension or abandonment of this Agreement bears to the entire services Construction Manager is required to perform or provide for the Project.

In the event of termination due to a breach of this Agreement by Construction Manager, the compensation due Construction Manager upon termination shall be reduced by the amount of damages and liquidated damages sustained by District due to such breach.

In the event that District chooses to abandon the Project or terminate the Agreement without cause, Construction Manager shall, in addition to the compensation described above, also be reimbursed for reasonable termination costs through the payment of (1) 3% of the Construction Management Fees incurred to date if less than 50% of the Construction Management Fees have been paid; or (2) 3% of the remaining Construction Management Fees if more than 50% of the Construction Management Fees have been paid. This payment is agreed to compensate Construction Manager for any damages resulting from early termination and is consideration for entry into this termination for convenience clause.

### **6.5 DELIVERY OF DOCUMENTS.**

Upon termination, abandonment or suspension, Construction Manager shall deliver to District all documents and matters related to the Project.

## **ARTICLE 7**

### **INDEMNIFICATION**

To the fullest extent permitted by law, Construction Manager agrees to indemnify, defend and hold District entirely harmless from all liability arising out of:

(a) Any and all claims under workers' compensation acts and other employee benefit acts with respect to Construction Manager's employees or Construction Manager's subcontractors' employees arising out of Construction Manager's work under this Agreement; and

(b) Liability for damages for (1) death or bodily injury to person; (2) injury to, loss or theft of property; (3) any failure or alleged failure to comply with any provision of law or (4) any other loss, damage or expense arising under either (1), (2), or (3) above, sustained by the Construction Manager or any person, firm or corporation employed by the Construction Manager upon or in connection with the Project, except for liability resulting from the sole or active negligence, or willful misconduct of the District, its officers, employees, agents or independent contractor's who are directly employed by the District;

(c) Any loss, injury to or death or persons or damage to property caused by any act, neglect, default or omission of the Construction Manager, or any person, firm or corporation employed by the Construction Manager, either directly or by independent contract, including all damages due to loss or theft, sustained by any person, firm or corporation including the District, arising out of, or in any way connected with the Project, including injury or damage either on or off District property; but not for any loss, injury, death or damages caused by sole or active negligence, or willful misconduct of the District.

The Construction Manager at Construction Manager's own expense, cost, and risk, shall defend any and all claims, actions, suits, or other proceedings that may be brought or instituted against the District, its officers, agents or employees, on any such claim or liability, and shall pay or satisfy and judgment that may be rendered against the District, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

## **ARTICLE 8**

### **SUCCESSORS AND ASSIGNS OR CONFLICT OF INTEREST**

8.1 Successors and Assigns. This Agreement is binding upon and inures to the benefit of the successors, executors, administrators, and assigns of each party to this Agreement, provided, however, that the Construction Manager shall not assign or transfer by operation of law or otherwise any or all rights, burdens, duties, or obligations without prior written consent of the District. Any attempted assignment without such consent shall be invalid.

8.2 Corporate Status. In the event of a change in the corporate status of the Construction Manager, the Owner shall have the right to review the conditions of said change, and if warranted, exercise Section 6.1 Termination of Construction Manager Services.

8.3 Conflict of Interest. For the term of this Agreement, no member, officer or employee of the Owner, during the term of his or her service with the Owner, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.

8.4 Conflict of Employment. Employment by the Construction Manager of personnel on the payroll of Owner shall not be permitted in the performance of the Services, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Construction Manager of personnel who have been on the Owner's payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Construction Manager securing this or related Agreements with the Owner, is prohibited.

8.5 Fiduciary Responsibilities. The Construction Manager accepts the relationship of trust and confidence established with the Owner by this Agreement. The Construction Manager covenants with the Owner to furnish his best skill and judgment and to cooperate with the Owner's Design Professional in furthering the interests of the Owner. The Construction Manager agrees to furnish efficient business administration and superintendence and to use the Construction Manager's best efforts at all times in the most expeditious and economical manner consistent with the interest of the Owner.

## **ARTICLE 9**

### **APPLICABLE LAW**

This Agreement shall be governed by the laws of the State of California, however, in the event that the District receives any State funding for the Project, this Agreement shall also be governed by any applicable laws and/or regulations relating to such State funding ("Applicable Law"). To the extent that there is any inconsistency between this Agreement and the Applicable Law, or this Agreement omits any requirement of the Applicable Law, the language of the Applicable Law, in effect on the date of the execution of this Agreement, shall prevail.

## **ARTICLE 10**

### **CONSTRUCTION MANAGER NOT AN OFFICER OR EMPLOYEE OF DISTRICT**

While engaged in carrying out and complying with the terms and conditions of this Agreement, the Construction Manager is an independent contractor and not an officer or employee of the District.

## **ARTICLE 11** **INSURANCE**

11.1 The Construction Manager shall purchase and maintain policies of insurance with an insurer or insurers, qualified to do business in the State of California and acceptable to District which will protect Construction Manager and District from claims which may arise out of or result from Construction Manager's actions or inactions relating to the Agreement, whether such actions or inactions be by themselves or by a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The aforementioned insurance shall include coverage for:

(a) The Construction Manager shall carry Workers' Compensation and Employers Liability Insurance in accordance with the laws of the State of California in an amount not less than One Million Dollars (\$1,000,000).

(b) Comprehensive general and auto liability insurance with limits of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit, bodily injury and property damage liability per occurrence, including:

1. Owned, non-owned and hired vehicles;
2. Blanket contractual;
3. Broad form property damage
4. Products/completed operations; and
5. Personal injury.

(c) Professional liability insurance, including contractual liability, with limits of \$1,000,000, per occurrence. Such insurance shall be maintained during the term of this AGREEMENT and renewed for a period of at least three (3) years thereafter and/or at rates consistent with the time of execution of this Agreement adjusted for inflation.

11.2 Each policy of insurance required in (b) above shall name District and its officers, agents and employees as additional insureds; shall state that, with respect to the operations of Construction Manager hereunder, such policy is primary and any insurance carried by District is excess and non-contributory with such primary insurance; shall state that no less than thirty (30) days' written notice shall be given to District prior to cancellation; and, shall waive all rights of subrogation. Construction Manager shall notify District in the event of material change in, or failure to renew, each policy. Prior to commencing work, Construction Manager shall deliver to District certificates of insurance as evidence of compliance with the requirements herein. In the event Construction Manager fails to secure or maintain any policy of insurance required hereby, District may, at its sole discretion, secure such policy of insurance in the name of an for the account of Construction Manager, and in such event Construction Manager shall reimburse District upon demand for the costs thereof.

**ARTICLE 12**  
**EXTENT OF AGREEMENT**

12.1 This Agreement represents the entire and integrated agreement between the District and the Construction Manager for this Project and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the District and the Construction Manager

The parties, through their authorized representatives, have executed this Agreement as of the day and year first written above.

CONSTRUCTION MANAGER:

DISTRICT:

Tilden-Coil Constructors, Inc.

Riverside Community College District

By: \_\_\_\_\_

By: \_\_\_\_\_

Brian Jaramillo  
President  
3612 Mission Inn Ave  
Riverside, CA 92501

James L. Buysse  
Vice Chancellor  
Administration and Finance

## EXHIBIT "A"

### PROPOSED PROJECT SCHEDULE

<b>Design Phase</b>	
Start Working Drawings	N/A
Complete Working Drawings	6/29/2010
<b>Plan Check &amp; Bidding Phase</b>	
DSA Final Approval	2/8/2011
Advertise Bid for Construction	2/9/2011
Award Construction Contract (Board Approval)	3/22/2011
<b>Construction Phase</b>	
Start of Project	3/23/2011
Complete Project (20 months after start)	11/12/2012

## **EXHIBIT “B”**

### **REIMBURSABLE EXPENSES**

The following Reimbursable Expenses shall be provided under the Construction Manager’s direction and shall be reimbursable items under this Agreement. All reimbursables shall be billed at their actual cost, and the Construction Manager shall take all reasonable steps necessary to obtain the most competitive prices available for these items. The cost for any additional items shall not be reimbursable unless advance written authorization is provided by the Owner to the Construction Manager to obtain the item.





Original: 10/14/09  
 Project Duration: 20 months (87 weeks)

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**  
**Norco - Secondary Effects**  
 General Conditions Estimate

Description	Qty	Unit	Unit Cost	Total	General Conditions	District Expense	By Others
Preconstruction Expense	1	ls			X		
Preconstruction Manager	6	wk			X		
Supervision (Field)	87	wk			X		
Project Manager (1/2 time)	43.5	wk			X		
Project Engineer	87	wk			X		
Project Administrator (1/2 time)	44	wk			X		
General Labor		wk					X
General Clean Up (labor & bins)							X
Final Clean Up	31,000	sf			X		
Punch List		inc.			X		
Safety Measures / Badges	1	ls			X		
Traffic Control / Signage	1	ls			X		
Dust Control							X
Dewatering							X
SWPPP Plan & BMP Development							X
SWPPP Implementation/Maintenance & Erosion Control							X
Weather Protection							X
Temporary Heating							X
Trailer Rental & Expenses (Includes IOR)	20	mo			X		
Trailer Mobilization & Set up & tear down	2	ea			X		
Trailer Alarm (includes commissioning)	20	mo			X		
Caretaker/Security						X	
Warehouse						X	
Signs & Bulletin Boards	3	ea			X		
Temp Power Poles/Distribution	1	ls			X		
Toilets / Hand Wash	20	mo			X		
Trash Bins (2yd for office)	20	ea			X		
Storage Bins							X
Fencing	2,000	lf			X		
Temp Lighting							X
Extend Temp Utilities	1	allow			X		
Management Fuel	20	mo			X		
Supervision Fuel	20	mo			X		
Radios		inc.			X		
Management Vehicle		inc.			X		
Supervision Vehicle		inc.			X		
Document Archive/Storage	1	ls			X		
Blueprints/Plans (does not include bid printing)	1	ls			X		
Photos/Film/Video	1	ls			X		
Surveying	1	ls			X		
C.P.M. Schedule		inc.			X		
Material Testing						X	
Special Inspections						X	
Soils Testing						X	
Internet Services	20	mo			X		
Telephones	20	mo			X		



Original: 10/14/09  
 Project Duration: 20 months (87 weeks)

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**  
**Norco - Secondary Effects**  
 General Conditions Estimate

Description	Qty	Unit	Unit Cost	Total	General Conditions	District Expense	By Others
Pay Phones						X	
Cellular Phones	20	mo			X		
Skylog Service	20	mo			X		
Water							X
Hydrant Meters	20	mo			X		
Power						X	
Office Equipment	20	mo			X		
Office Supplies	20	mo			X		
Office Cleaning	20	mo			X		
Drinking Water	20	mo			X		
Postage/Shipping	20	mo			X		
Owner Purchases						X	
Legal Advertising						X	
Permits/Fees/Licenses	1	ls			X		
Liability Insurance	1	ls			X		
Professional Liability	1	ls			X		
District Directed Reimbursable Allowance	1	ls	\$75,000	\$75,000	X		
<b>Total</b>				<b>\$1,125,260</b>			

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-2

Date: December 15, 2009

Subject: Riverside Nursing/Science Building Project – Design Amendment No. 6

Background: On June 20, 2006, the Board of Trustees approved an agreement with GKK Works (GKK) to provide plans, specifications and working drawings for the Nursing/Science Building project at the Riverside City College for \$4,290,825.15. The agreement included the provision to assign GKK additional services on a negotiated basis. On September 11, 2007, the Board of Trustees approved a first amendment with GKK for the development of design and specifications of a site plan layout and special signage, engineering and design services for audio-visual and information technology systems, and design services for development of safety and security systems for \$389,952. On June 17, 2008, the Board of Trustees approved a second amendment for design services to assess changes required by the California Building Code (2007 CBC) related to structural/mechanical systems and fire/life safety issues for \$850,482. On August 18, 2009, the Board of Trustees approved a third amendment for the development of hazardous materials management services in response to Division of State Architect (DSA) Fire Marshal's Plan review of the Riverside Nursing/Science Building project for \$22,857. On October 20, 2009, the Board of Trustees approved a fourth amendment for a Leadership in Energy and Environmental Design (LEED) feasibility study. The LEED feasibility study will provide the District with a summary analysis for LEED prerequisites and a summary estimating potential savings to the District for changes to green project design, development and operations for the Riverside Nursing/Science Building project in the amount of \$24,900. On November 17, 2009, the Board of Trustees approved a fifth amendment in the amount of \$87,564 for revisions to the Life Science Department for architectural services, mechanical, plumbing and electrical engineering, Information Technology and Audio Video consulting services.

Staff now requests approval of a sixth request for additional services with GKK for the Riverside Nursing/Science Building project in the amount of \$153,808. The additional services are for LEED implementation, not originally designed within the project. The LEED implementation includes; administrative LEED online project support, update of construction documents and review/update/coordinate services within the construction phases. The GKK agreement, including all six amendments and reimbursable expenses, totals \$5,820,388.15

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-2

Date: December 15, 2009

Subject: Riverside Nursing/Science Building Project – Design Amendment No. 6  
(continued)

To be funded from the Board approved project budget, State Construction Act (Resource 4100) and District Measure “C” Funds (Resource 4160).

Recommended Action: It is recommended that the Board of Trustees approve Amendment No. 6 with GKK Works for revisions LEED implementation services for the Riverside Nursing/Science Building project in an amount not to exceed \$153,808, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment.

Gregory W. Gray  
Chancellor

Prepared by: Jan Muto  
President  
Riverside City College

Norm Godin  
Vice President Business Services  
Riverside City College

Orin L. Williams  
Associate Vice Chancellor  
Facilities Planning, Design and Construction

SIXTH AMENDMENT TO AGREEMENT  
BETWEEN  
RIVERSIDE COMMUNITY COLLEGE DISTRICT  
AND  
GKK WORKS  
(Riverside Nursing/Science Building Project)

This document amends the original agreement between the Riverside Community College District and GKK Works, which was approved by the Board of Trustees on June 20, 2006.

The agreement is hereby amended as follows:

- I. Additional compensation of this amended agreement shall not exceed \$153,808, including reimbursable expenses. The term of this agreement shall be from the original agreement date of June 21, 2006, to the estimated completion date of September 30, 2012. Payments and final payment shall coincide with original agreement.
- II. The additional scope of work is described in Exhibit I, attached.

All other terms and conditions of the original agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date written below.

GKK WORKS

RIVERSIDE COMMUNITY COLLEGE  
DISTRICT

By: \_\_\_\_\_

Kris Kay  
Principle of Higher Education  
2355 Main St., Ste. 220  
Irvine, CA 92614

By: \_\_\_\_\_

James L. Buysse  
Vice Chancellor  
Administration and Finance

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit I

Project: Nursing/Science Building Project  
Riverside City College

### Scope of Work:

Additional services include Architectural services, Landscape Architectural services, Mechanical, Plumbing, & Electrical Engineering Consulting services to obtain LEED for New Construction 2009 (LEED-NC) Basic Certification for the Riverside Nursing/Science Building Project. The project has been registered with the Green Building Certification Institute (GBCI), which was not originally designed with LEED goals as part of the project consideration. The GKK team will only be partially responsible for providing services that support meeting LEED certification goals (the District, Construction Manager, and its Commissioning Agents share in this responsibility).

### Scope of Services:

#### TASK 1 – LEED Administration:

1. Confirm proposed component credit achievement paths.
2. Administrate the LEED Online project site.
3. GKK has registered the project with the GBCI during the Feasibility Phase.

#### TASK 2 –Construction Documents:

1. Update Construction Documents for LEED considerations.
  - a. Specifications
  - b. Drawings
  - c. Addenda
2. Provide ongoing administration of the LEED Online project site.
3. Work with the Construction Manager (CM), Barnhart, LEED Project Coordinator to coordinate information management related to LEED and communications with the GBCI.
4. Update project documentation after each review.
5. Performing required calculations for approval of various target LEED credits.

#### TASK 3 –Construction Phase Services:

1. Provide explanations and guidance for the construction team to meet the LEED requirements for indoor air quality management during construction.
2. Review Submittals for key materials specifications and LEED requirements.
3. Review requirements and sample submittal forms for the contractor to provide materials costs in the proper LEED format.
4. Review Commissioning Agents specification requirements.
5. Coordinate point verification status, work with Contractors and CM to assure paperwork is completed.
6. Coordinate, update and facilitate information management related to LEED and communications with GBCI.
7. Perform LEED construction phase credit calculations,
8. Update Project LEED submittals to the project's LEED-Online database.

9. Meetings and Coordination: Attendance at up to six (6) jobsite/construction phase meetings for the purpose of LEED coordination, information management and photo documentation.
10. Review and respond to project construction meeting minutes, memos and correspondence related to LEED/Sustainability issues.
11. Construction Phase LEED Documentation & Certification:
  - a. Provide assembly of LEED submittal documents and coordinate LEED Construction Phase submission.
  - b. Receive and review initial and final LEED Review Team responses and coordinate Project team response.

Assumptions:

1. LEED Certification fees are not included.

(Commissioning agent to be provided by the Construction Manager.)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-3

Date: December 15, 2009

Subject: Riverside Aquatics Complex Project – Design Amendment No. 1

Background: On June 17, 2008, the Board of Trustees approved an agreement with AVRP Studios, Inc. (formerly Austin Veum Robbins Partners) to prepare plans, specifications, and working drawings for the Aquatics Complex project located at Riverside City College in the amount of \$1,015,300 including reimbursable expenses. On September 16, 2009, AVRP Studios, Inc. (AVRP) presented a design presentation of the Riverside Aquatics Complex to the Board for informational purposes.

Staff now requests approval for additional services with AVRP for the Riverside Aquatics Complex project. The additional architectural services are for security purposes and require Division of State Architect (DSA) approval. Therefore, AVRP's additional services include coordination of the design and construction documents package, one meeting with the District, and preparation of details for gates, doors and camera mounting. The additional services are in an amount not to exceed \$16,000. The total of AVRP's agreement with this amendment, including reimbursables, is \$1,031,300.

This project is to be jointly funded by Riverside Community College District using the Board approved project budget (Measure C funding – Resources 4160), the City of Riverside, the County of Riverside and private contributions.

Recommended Action: It is recommended that the Board of Trustees approve Amendment No. 1 with AVRP Studios, Inc. for additional services for the Riverside Aquatics Complex project in an amount not to exceed \$16,000, and authorize the Vice Chancellor, Administration and Finance, to sign the amendment.

Gregory W. Gray  
Chancellor

Prepared by: Jan Muto  
President  
Riverside City College

Norm Godin  
Vice President Business Services, Riverside City College

Orin L. Williams  
Associate Vice Chancellor, Facilities Planning, Design and Construction



FIRST AMENDMENT TO AGREEMENT  
BETWEEN  
RIVERSIDE COMMUNITY COLLEGE DISTRICT  
AND  
AVRP STUDIOS, INC.  
(Riverside Aquatics Complex Project)

This document amends the original agreement between the Riverside Community College District and AVRP Studios, Inc. (formerly Austin Veum Robbins Partners), which was approved by the Board of Trustees on June 17, 2008.

The agreement is hereby amended as follows:

- I. Additional compensation of this amended agreement shall not exceed \$16,000, including reimbursable expenses. The term of this agreement shall be from the original agreement date of June 21, 2006, to the estimated completion date of December 31, 2010. Payments and final payment shall coincide with original agreement.
- II. The additional scope of work includes coordination of the design and construction documents package, one meeting with the District, and preparation of details for gates, doors and camera mounting for security purposes of the project.

All other terms and conditions of the original agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date written below.

AVRP STUDIOS, INC.

RIVERSIDE COMMUNITY COLLEGE  
DISTRICT

By: \_\_\_\_\_  
Randy S. Robbins, AIA  
Principal  
1620 Fifth Avenue, Suite 600  
San Diego, CA 92101

By: \_\_\_\_\_  
James L. Buysse  
Vice Chancellor  
Administration and Finance

Date: \_\_\_\_\_

Date: \_\_\_\_\_

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-4

Date: December 15, 2009

Subject: Riverside Aquatics Complex Project – Excavation Resolution No. 17-09/10

Background: On September 11, 2007, the Board of Trustees approved the expenditure of \$5 million from Measure “C” funds and the development of a joint use agreement for the Aquatics Complex project located on the Riverside City College. On June 17, 2008, the Board of Trustees approved an agreement with AVRP Studios, Inc. (formerly Austin Veum Robbins Partners) to provide design services and an agreement with Tilden-Coil Constructors to provide multiple prime construction management services. On September 15, 2009, the Board of Trustees approved the award of bids for all scopes of work for the Riverside Aquatics Complex project in the amount of \$7,704,815. Included within the award of bid was a contract with Crew, Inc. for demolition, earthwork and grading in the amount of \$118,000 for the Riverside Aquatics Complex project.

On October 12, 2009, the construction commenced for the Riverside Aquatics Complex project, however the project excavation operations have revealed significant buried or concealed debris, and moderately saturated soil that require a considerable amount of manipulation with labor and equipment. The conditions encountered on the Riverside Aquatics Complex project are materially different than documented within the project soils report within isolated areas now found to be undocumented disposal sites. Additionally, the excavation uncovered transite (asbestos) pipe used predominately during the late 1940’s and early 1950’s as drainage pipe. This transite pipe requires special disposal methods not otherwise anticipated prior to bid time. Both of these factors will contribute to an additional cost of approximately \$100,000.

Staff now requests the Board of Trustees to adopt the attached Riverside Aquatics Complex Project - Excavation Resolution No. 17-09/10 authorizing the additional grading and earthwork required for the project due to the conditions encountered during the excavation, and approve funding in an amount not to exceed \$100,000 to cover the additional labor and equipment. This change will be covered within the project contingency of \$450,000 without issue, however the amount exceeds Crew, Inc. change order limit. A change order for the project will be submitted for the Board’s ratification once the final cost is determined. Additionally, although the added amount will exceed ten percent (10%) of the allowable limit of the contract with Crew, Inc., the attached Resolution No. 17-09/10 authorizes the contractor to proceed.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-4

Date: December 15, 2009

Subject: Riverside Aquatics Complex Project – Excavation Resolution No. 17-09/10  
(continued)

To be funded by the Board approved project budget; jointly funded by Riverside Community College District's Measure C Funds (Resources 4160), the City of Riverside, the County of Riverside and private contributions.

Recommended Action: It is recommended that the Board of Trustees adopt the Riverside Aquatics Complex Project - Excavation Resolution No. 17-09/10 authorizing additional grading and earthwork required for the project, and an amount not to exceed \$100,000 to proceed with Crew, Inc for the Riverside Aquatics Complex Project excavation.

Gregory W. Gray  
Chancellor

Prepared by: Jan Muto  
President  
Riverside City College

Norm Godin  
Vice President Business Services  
Riverside City College

Orin L. Williams  
Associate Vice Chancellor  
Facilities Planning, Design and Construction

BEFORE THE GOVERNING BOARD OF THE  
RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION FOR APPROVAL OF ADDITIONAL GRADING AND EARTHWORK FOR  
THE RIVERSIDE AQUATICS COMPLEX PROJECT  
ON THE RIVERSIDE CITY COLLEGE

RESOLUTION NO. 17-09/10

WHEREAS, the Governing Board of the Riverside Community College District (“District”) previously awarded a contract for construction work located on the Riverside City College for the Aquatics Complex, (“Project”) to Crew, Inc. (“Contractor”);

WHEREAS, subsequent to the award of the contract for the Project, it was determined that additional grading and earthwork was necessary on the Project for unforeseen conditions revealing moderately saturated soil and significant debris, including transite (asbestos) pipe requiring special disposal;

WHEREAS, the Contractor is intimately familiar with the Project and is ready, willing and able to perform the additional work;

WHEREAS, the total cost for the Change Order is approximately \$100,000 and exceeds the limitations set forth in Public Contract Code Section 20659;

WHEREAS, it would be more costly and time-consuming to bid this additional work since it is integral to the Project and the work being performed by the Contractor;

WHEREAS, competitive bidding the additional work covered by the Change Order would result in the delay of the completion of the Project;

WHEREAS, the additional work must be performed before the Project can be completed and failure to complete the Project will disrupt the construction schedule;

WHEREAS, it would work an incongruity and not produce any advantage to the District to competitively bid the Change Order since such competitive bid work could result in multiple contractors being required to perform work more efficiently and effectively performed by one contractor; and

WHEREAS, Meakin v. Steveland (1977) 68 Cal.App.3d 490 and Los Angeles Dredging v. Long Beach (1930) 210 Cal. 348 holds that statutes requiring competitive bidding do not apply when competitive bidding would work an incongruity or not produce any advantage.

NOW, THEREFORE, the Governing Board of the Riverside Community College District does hereby find, resolve, determine, and order as follows:

Section 1. That all of the recitals set forth above are true and correct, and the Board so finds and determines.

Section 2. That it would work an incongruity and not produce any advantage to the District to competitively bid the additional work.

Section 3. That the District approves the immediate completion of the additional work without competitively bidding such work and approves the District's payment to the Contractor in accordance with the terms and conditions set forth in the Change Order.

Section 4. That the completion and approval of the additional work stated in this Resolution is necessary to ensure completion of the Project and use of the facilities by students and staff.

Section 6. That the Governing Board delegates to its Vice Chancellor, Administration and Finance, authority to execute all agreements and complete all necessary documents for the additional work and to otherwise fulfill the intent of this Resolution.

APPROVED, PASSED AND ADOPTED by the Governing Board of the Riverside Community College District this 15<sup>th</sup> day of December, 2009, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAINED: \_\_\_\_\_

I, Virginia Blumenthal, President of the Riverside Community College District Governing Board, do hereby certify that the foregoing is full, true, and correct copy of the Resolution passed

and adopted by said Board at a regularly scheduled and conducted meeting held on said date, which Resolution is on file in office of said Board.

---

President of the Board of Trustees  
Riverside Community College District

I, Mark Takano, Secretary of the Board of Trustees of the Riverside Community College District Governing Board, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the Board of Education of the Riverside Community College District Governing Board at a regular meeting thereof held on the 15<sup>th</sup> day of December, 2009, by the above described vote of the Governing Board;

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Riverside Community College District Governing Board this 15<sup>th</sup> day of December, 2009.

---

Secretary of the Board of Trustees  
Riverside Community College District

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-5

Date: December 15, 2009

Subject: 2008-2009 Independent Audit Report for the Riverside Community College District Foundation

Background: An independent audit of the Foundation's 2008-2009 financial statements was performed by Vavrinek, Trine, Day & Co., LLP Certified Public Accountants (VTD). A representative of the firm will be available to present the report. The Foundation's Board of Directors accepted the audit report on November 17, 2009. Results of the audit are summarized below.

Audit Adjustments to the Financial Statements

VTD recommended two audit adjustments to the Foundation's financial statement as follows:

- To defer revenue recorded as of June 30, 2009 from the City of Riverside (\$3,000,000) and from Riverside County (\$1,250,000) to fiscal year 2009-2010. The decision to defer revenue was based on executable clauses in the Memorandum of Understanding between the District and the City of Riverside (30 days following the awarding of the Bid) and the County of Riverside (definitive payment schedule). These amounts were pledged to the Foundation to support construction of the new Aquatic Complex on the Riverside City College Campus.
- To recognize in-kind donated assets contributed to the Riverside Community College District Foundation.

Auditor's Required Communication – Audit Completion

In accordance with the Statement on Auditing Standards No. 114, at the conclusion of the audit engagement VTD is required to communicate information to the Board of Directors regarding their responsibility under United States Generally Accepted Auditing Standards, significant accounting policies, accounting estimates, significant audit adjustments and uncorrected misstatements, disagreements with management, consultation with other independent accountants, issues discussed prior to retention of the independent auditors and difficulties encountered in performing the audit. Attached for your information is the required communication issued by VTD.

Management Recommendations

There were two reported management recommendations for fiscal year 2008-2009 as shown in the attached letter.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-5

Date: December 15, 2009

Subject: 2008-2009 Independent Audit Report for the Riverside Community College  
District Foundation (continued)

Recommended Action: It is recommended that the Board of Trustees receive the Riverside Community College District Foundation's independent audit report for the year ended June 30, 2009 for the permanent file of the District.

Gregory W. Gray  
Chancellor

Prepared by: James L. Buysse  
Vice Chancellor, Administration and Finance

Bill J. Bogle, Jr.  
Controller

Amy Cardullo  
Director, RCCD Foundation and Alumni Affairs



**RIVERSIDE COMMUNITY COLLEGE  
DISTRICT FOUNDATION**

**(A California Nonprofit Corporation)**

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**ANNUAL FINANCIAL REPORT**

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**JUNE 30, 2009 AND 2008**



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**JUNE 30, 2009 AND 2008**

CONTENTS

<b>INDEPENDENT AUDITORS' REPORT</b> .....	1
<b>FINANCIAL STATEMENTS</b>	
Statements of Financial Position June 30, 2009 and 2008.....	2
Statements of Activities For the Years Ended June 30, 2009 and 2008.....	3
Statements of Cash Flows For the Years Ended June 30, 2009 and 2008.....	4
Statements of Functional Expenses For the Years Ended June 30, 2009 and 2008.....	5
Notes to Financial Statements.....	6
<b>INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i></b> .....	16
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule of Unrestricted Net Assets.....	18
Schedule of Temporarily Restricted Net Assets.....	19
Schedule of Permanently Restricted Net Assets .....	27
Note to Supplementary Information.....	31

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Riverside Community College Foundation  
Riverside, California

We have audited the accompanying statements of financial position of Riverside Community College District Foundation (a California nonprofit corporation) as of June 30, 2009 and 2008, and the related statements of activities, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of Riverside Community College District Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Riverside Community College District Foundation as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2009, on our consideration of Riverside Community College District Foundation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Vavrinek, Trine, Day & Co., LLP

Rancho Cucamonga, California  
November 11, 2009

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30,**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents		
Unrestricted	\$ -	\$ 61,852
Restricted	2,437,711	1,972,479
Accounts receivable	2,545	267
Receivable due from unrestricted funds	13,841	-
Unconditional promises to give	122,940	72,607
Total Current Assets	<u>2,577,037</u>	<u>2,107,205</u>
Noncurrent Assets		
Investments - restricted	2,815,387	2,739,990
Long-term unconditional promises to give, net of allowance	362,729	276,585
Total Noncurrent Assets	<u>3,178,116</u>	<u>3,016,575</u>
Total Assets	<u>\$ 5,755,153</u>	<u>\$ 5,123,780</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 197,525	\$ 181,470
Borrowing from restricted funds	13,841	-
Refundable advances	-	77,148
Obligation to Riverside Community College District	346,478	-
Total Current Liabilities	<u>557,844</u>	<u>258,618</u>
Long-Term Liabilities		
Long-term obligation to Riverside Community College District	357,550	610,870
Total Long-Term Liabilities	<u>357,550</u>	<u>610,870</u>
Total Liabilities	<u>915,394</u>	<u>869,488</u>
 <b>NET ASSETS</b>		
Unrestricted		
Undesignated	(887,243)	(712,741)
Board designated	12,289	14,768
Total Unrestricted	<u>(874,954)</u>	<u>(697,973)</u>
Temporarily restricted	3,011,599	2,018,794
Permanently restricted	2,703,114	2,933,471
Total Net Assets	<u>4,839,759</u>	<u>4,254,292</u>
Total Liabilities and Net Assets	<u>\$ 5,755,153</u>	<u>\$ 5,123,780</u>

See the accompanying notes to financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30,**

	2009			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
<b>REVENUES</b>				
Donations	\$ 6,266	\$ 1,728,202	\$ 276,666	\$ 2,011,134
In-kind donations				
Donated assets	73,727	-	-	73,727
Donated material	45,310	-	-	45,310
Donated services	433,102	-	-	433,102
Assets released from restrictions	899,717	(685,482)	(214,235)	-
Total Revenues	<u>1,458,122</u>	<u>1,042,720</u>	<u>62,431</u>	<u>2,563,273</u>
<b>EXPENSES</b>				
Operating expenses	213,757	-	-	213,757
Program expenses	1,223,890	-	-	1,223,890
Fundraising expenses	127,734	-	-	127,734
Total Expenses	<u>1,565,381</u>	<u>-</u>	<u>-</u>	<u>1,565,381</u>
<b>OTHER INCOME (EXPENSE)</b>				
Realized gain (loss) on sale of investments	(8,429)	(7,933)	(33,219)	(49,581)
Unrealized loss on investments	(59,371)	(55,879)	(233,993)	(349,243)
Interest and dividends income	345	325	1,362	2,032
Interest expense	(15,633)	-	-	(15,633)
Transfers	13,366	13,572	(26,938)	-
Total Other Income (Expense)	<u>(69,722)</u>	<u>(49,915)</u>	<u>(292,788)</u>	<u>(412,425)</u>
<b>CHANGE IN NET ASSETS</b>	(176,981)	992,805	(230,357)	585,467
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>(697,973)</u>	<u>2,018,794</u>	<u>2,933,471</u>	<u>4,254,292</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ (874,954)</u>	<u>\$ 3,011,599</u>	<u>\$ 2,703,114</u>	<u>\$ 4,839,759</u>

See the accompanying notes to financial statements.



2008

<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
\$ 38,274	\$ 629,173	\$ 197,254	\$ 864,701
21,044	-	-	21,044
50,146	-	-	50,146
406,859	-	-	406,859
702,196	(628,425)	(73,771)	-
<u>1,218,519</u>	<u>748</u>	<u>123,483</u>	<u>1,342,750</u>
287,705	-	-	287,705
1,120,991	-	-	1,120,991
133,856	-	-	133,856
<u>1,542,552</u>	<u>-</u>	<u>-</u>	<u>1,542,552</u>
138	70	1,583	1,791
(8,122)	(2,018)	(92,867)	(103,007)
5,887	62,676	67,306	135,869
(22,341)	-	-	(22,341)
31,054	(20,223)	(10,831)	-
<u>6,616</u>	<u>40,505</u>	<u>(34,809)</u>	<u>12,312</u>
(317,417)	41,253	88,674	(187,490)
(380,556)	1,977,541	2,844,797	4,441,782
<u>\$ (697,973)</u>	<u>\$ 2,018,794</u>	<u>\$ 2,933,471</u>	<u>\$ 4,254,292</u>

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30,**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 585,467	\$ (187,490)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities		
Unrealized loss on investments	349,243	103,007
Contributions of long-term investments	(2,004,868)	(632,068)
Changes in Assets and Liabilities		
(Increase) decrease in accounts receivable	(2,278)	6,862
(Increase) decrease in unrestricted unconditional promises to give	71,501	(29,053)
Increase in accounts payable	16,055	67,570
Decrease in refundable advances	(77,148)	(72,852)
Net Cash Flows From Operating Activities	<u>(1,062,028)</u>	<u>(744,024)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(467,983)	(332,740)
Proceeds from sale of investments	629,867	380,568
Net Cash Flows From Investing Activities	<u>161,884</u>	<u>47,828</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of debt	93,158	189,502
Increase in long-term unconditional promises to give	(207,978)	(276,585)
Collections of contributions restricted for long-term purposes	953,112	632,068
Net Cash Flows From Financing Activities	<u>838,292</u>	<u>544,985</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(61,852)</b>	<b>(151,211)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>61,852</b>	<b>213,063</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ -</u></b>	<b><u>\$ 61,852</u></b>
<b>REQUIRED DISCLOSURE</b>		
Interest paid	<u>\$ 15,633</u>	<u>\$ 22,341</u>

See the accompanying notes to financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30,**

	2009			
	Operating	Program	Fundraising	Total
In-Kind Distributions				
Donated assets	\$ -	\$ 73,727	\$ -	\$ 73,727
Donated services	-	478,412	-	478,412
Support - Instructional and student programs	109,898	224,986	1,080	335,964
Scholarships	5,000	435,354	-	440,354
Printing	17,815	-	127	17,942
Allowance for uncollected pledges	6,607	-	-	6,607
Investment fees	16,553	8,338	15,633	40,524
Office supplies	109	-	172	281
Postage	713	-	-	713
Other services	57,062	3,073	110,722	170,857
<b>TOTAL EXPENSES</b>	<b>\$ 213,757</b>	<b>\$ 1,223,890</b>	<b>\$ 127,734</b>	<b>\$ 1,565,381</b>

See the accompanying notes to financial statements.

2008			
<u>Operating</u>	<u>Program</u>	<u>Fundraising</u>	<u>Total</u>
\$ -	\$ 21,044	\$ -	\$ 21,044
-	457,005	-	457,005
169,884	131,725	-	301,609
-	511,217	-	511,217
12,308	-	3,076	15,384
1,529	-	-	1,529
29,255	-	-	29,255
2,013	-	894	2,907
372	-	-	372
72,344	-	129,886	202,230
<u>\$ 287,705</u>	<u>\$ 1,120,991</u>	<u>\$ 133,856</u>	<u>\$ 1,542,552</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION  
(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

***NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

**Organization and Nature of Activities**

The Riverside Community College District Foundation (the Foundation) was formed as a nonprofit corporation on October 21, 1975, to solicit funds, provide support for the programs and projects of the Riverside Community College District (the District), and to account for the issuance of scholarships to the students of the District. The Foundation also serves as a link between the District and the community. The Foundation is considered a Voluntary Health and Welfare Organization (VHWO) as defined by Statement of Financial Accounting Standard (SFAS) No. 117.

**Basis of Accounting**

The financial statements of the Foundation have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) on the accrual basis of accounting. The statement of activities is a statement of financial activities related to the current reporting period. Using this method, revenues are recognized when earned, and expenses are recognized when incurred.

**Financial Statement Presentation**

The Foundation presents its financial statements in accordance SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows. As permitted by the statement, the Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The Foundation and the District are financial interrelated organizations as defined by SFAS No. 136, *Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others*. Under SFAS No. 136, the Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program and supporting services.

**New Accounting Pronouncement**

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements*. This statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This statement establishes a fair value hierarchy that distinguishes between valuations obtained from sources independent of the entity and those from the entity's own observable inputs that are not corroborated by observable market data. SFAS No. 157 expands disclosures about the use of fair value to measure assets and liabilities in interim and annual periods subsequent to initial recognition. This disclosure focuses on the inputs used to measure fair value and for recurring fair value measurements using significant unobservable inputs, the effect of the measurements on earnings, or changes in net assets for the period. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

The Foundation adopted SFAS No. 157 on July 1, 2008, and the adoption did not have a material impact on the Foundation's financial statements.

In August 2008, FASB issued SFAS No. 117-1, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*. This FASB Staff Position (FSP) provides guidance on the net asset classification of *donor-restricted endowment funds* for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). UPMIFA is a model act approved by the Uniform Law Commission (ULC) (formerly known as the National Conference of Commissioners on Uniform State Laws) that serves as a guideline for states to use in enacting legislation. This FSP also improves disclosures about an organization's *endowment funds* (both donor-restricted endowment funds and *board-designated endowment funds*), whether or not the organization is subject to UPMIFA. The provisions of this FSP shall be effective for fiscal years ending after December 15, 2008.

The Foundation adopted SFAS No. 117-1 on July 1, 2008, and the adoption did not have a material impact on the Foundation's financial statements.

**Public Support and Revenue**

The Foundation receives substantially all of its revenue from direct donations and pledges. Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized gains/losses and unrealized gains/losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as assets released from restriction between the applicable classes of net assets.

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value at the time of the gift.

**Comparative Financial Information**

Comparative financial information for the prior year has been presented for additional analysis; certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION  
(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2009 AND 2008**

**Donated Assets, Service, and Facilities**

The Foundation records the value of donated assets, services, and facilities when there is an objective basis available to measure their value. Donated facilities are reflected as support in the accompanying statements at their estimated values at date of donation and fair market value of facilities for the year. Donated assets are capitalized at the stated donated value and depreciated in accordance with Foundation policies, unless they are passed through to the District. Donated services are reflected in the accompanying statements when the criteria for recognition under SFAS No. 116 have been met and are recorded at fair value.

**Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Income Taxes**

The Foundation is a charitable, not-for-profit, tax-exempt organization qualified under provisions of Section 501(c)(3) of the Internal Revenue Code and corresponding California provisions. Accordingly, no provision for income taxes has been provided in the financial statements. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a). The Foundation annually files information returns, Forms 990, 199, and RRF-1, with the appropriate agencies. There were no unrelated business activities during the years ended June 30, 2009 and 2008.

**Cash Equivalents for Statements of Cash Flows**

For purposes of the statements of cash flows, the Foundation considers all highly liquid unrestricted investments available for current use purchased with an initial maturity of three months or less to be cash equivalents.

**Investments**

The Foundation has adopted SFAS No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*, as amended. Under SFAS No. 124, investments in marketable securities with readily determinable fair values are presented at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

**Pledges Receivable**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined the amount of allowance for uncollectible promises to give at June 30, 2009 and 2008, to be \$25,561 and \$18,378, respectively.

**Functional Allocation of Expenses**

The costs of providing various programs and activities have been summarized on a functional basis. Accordingly, based upon management's estimates, certain costs have been allocated among the programs, support services, and fundraising activities.

***NOTE 2 - CONCENTRATION OF RISK***

Cash accounts maintained by the Foundation are insured up to \$250,000 by the Federal Deposit Insurance Corporation. Additionally, the Foundation deposits are covered under the collateralization of governmental funds agreement which provides for collateralization of deposits with eligible securities at a rate of 110 percent of the deposit on hand. As of June 30, 2009, the balances held in financial institutions of \$2,252,756 were not fully insured, but were collateralized with securities held by the financial institution, but not in the Foundation's name. Management reviews the balances and the financial condition of these financial institutions on a periodic basis.

***NOTE 3 - RESTRICTIONS ON NET ASSETS***

Permanently restricted net assets are gifts of cash and securities restricted by donors in ways that permit only the earnings to be used for specific programs, scholarships, and general operations of the Foundation. As restrictions on the net assets expire, due to time passing and earnings becoming available for expenditure, the funds are released to either temporarily restricted net assets or unrestricted net assets as applicable. Permanently restricted net assets consist of endowments to be held in perpetuity, the income in expendable for the donor's stated purpose.

Temporarily restricted net assets have donor-imposed restrictions that permit the Foundation to use up or expend the donated assets as specified and are satisfied either by the passage of time or by actions of the Foundation. As the restrictions expire and become available for expenditure, the funds are released to unrestricted net assets.

Temporarily restricted net assets are available for the following purposes:

	<u>2009</u>	<u>2008</u>
Riverside Community College District Programs	\$ 1,434,913	\$ 383,494
Scholarships	1,576,686	1,635,300
	<u>\$ 3,011,599</u>	<u>\$ 2,018,794</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

**NOTE 4 - UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give at June 30, 2009 and 2008, consists of pledges and are due within the following schedule:

	<u>2009</u>	<u>2008</u>
Unconditional promises to give - other	\$ 511,230	\$ 367,570
Less: Allowance for uncollectible promises to give	(25,561)	(18,378)
Total	<u>\$ 485,669</u>	<u>\$ 349,192</u>

	<u>2009</u>	<u>2008</u>
Due within 1 year	\$ 122,940	\$ 72,607
Due within 1 to 5 years	388,290	294,963
Less: Allowance for uncollectible promises to give	(25,561)	(18,378)
Total	<u>\$ 485,669</u>	<u>\$ 349,192</u>

**Allowance for Uncollectible Promises to Give**

	<u>2009</u>	<u>2008</u>
Beginning Balance	\$ 18,378	\$ 16,849
Additions	9,533	1,529
Write-offs	(2,350)	-
Ending Balance	<u>\$ 25,561</u>	<u>\$ 18,378</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

**NOTE 5 - INVESTMENTS**

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2009:

	Adjusted Cost	Fair Market Value	Unrealized Gain (Loss)
Equity	\$ 1,702,368	\$ 1,494,030	\$ (208,338)
Corporate bonds	685,003	543,974	(141,029)
Government bonds	697,259	697,383	124
Interest in the California Community Colleges Scholarship Osher Endowment Fund	80,000	80,000	-
	<u>\$ 3,164,630</u>	<u>\$ 2,815,387</u>	<u>\$ (349,243)</u>

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2008:

	Adjusted Cost	Fair Market Value	Unrealized Gain (Loss)
Equity	\$ 1,977,658	\$ 1,806,706	\$ (170,952)
Corporate bonds	465,581	533,526	67,945
Government bonds	399,758	399,758	-
	<u>\$ 2,842,997</u>	<u>\$ 2,739,990</u>	<u>\$ (103,007)</u>

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2009:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 345	\$ 325	\$ 1,362	\$ 2,032
Net realized and unrealized gains	(67,800)	(63,812)	(267,212)	(398,824)
	<u>\$ (67,455)</u>	<u>\$ (63,487)</u>	<u>\$ (265,850)</u>	<u>\$ (396,792)</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

The following schedule summarizes the investment return and its classification in the statement of activities for the year ended June 30, 2008:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Interest and dividends	\$ 5,887	\$ 62,676	\$ 67,306	\$ 135,869
Net realized and unrealized gains (losses)	(7,984)	(1,948)	(91,284)	(101,216)
	<u>\$ (2,097)</u>	<u>\$ 60,728</u>	<u>\$ (23,978)</u>	<u>\$ 34,653</u>

**Fair Value Measurements**

Effective January 1, 2008, the Foundation determines the fair market values of certain financial instruments based on the fair value hierarchy established in SFAS No. 157, *Fair Value Measurements*, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

The following provides a summary of the hierarchical levels, as defined by SFAS No. 157, used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities may include debt securities with quoted prices that are traded less frequently than exchange-traded instruments and other instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes U.S. Government and agency mortgage-backed debt securities, and corporate debt securities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined by means other than described above and require significant judgment or estimation. This category generally includes pledge receivables where independent pricing information was not able to be obtained for a significant portion of the underlying assets.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

The table below presents the balance of assets and liabilities measured at fair value.

Description of Assets	Carrying Value at June 30, 2009	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Investments - Bonds	\$ 1,241,357	\$ 492,650	\$ 748,707	\$ -
Investments - Equity	1,494,030	792,660	701,370	-
Interest in the California Community Colleges Scholarship Osher Endowment Fund	80,000	-	-	80,000
Unconditional promises to give	485,669	-	-	485,669
Total Assets	<u>\$ 3,301,056</u>	<u>\$ 1,285,310</u>	<u>\$ 1,450,077</u>	<u>\$ 565,669</u>
Description of Liability				
Obligation to Riverside Community College District	<u>\$ 704,028</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 704,028</u>

The following table presents changes in the Foundation's Level 3 assets and liabilities measured at fair value on a recurring basis for the year ending June 30, 2009:

Level 3	Assets
Balance, Beginning of Year	\$ 349,192
Additions	589,590
Allowance for uncollectible pledges	(7,183)
Deletions	(365,930)
Balance, End of Year	<u>\$ 565,669</u>
Level 3	Liability
Balance, Beginning of Year	\$ 610,870
Additions	93,158
Balance, End of Year	<u>\$ 704,028</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

**NOTE 6 - OBLIGATIONS PAYABLE TO DISTRICT**

During the year ended June 30, 2006, the Foundation entered into an agreement with the District whereby the District will advance funds up to \$1.3 million to the Foundation to cover costs associated with the Major Gifts Campaign. Repayment of advances will be in equal semi-annual payments beginning July 1, 2009, with the final payment due on or before June 30, 2011. Balances accrue interest at the rate realized by the District from the Riverside County Treasurer, which is 3.15 percent at June 30, 2009. Total amounts due to the District at June 30, 2009 and 2008, is \$704,028 and \$610,870, respectively. The repayment schedule is presented below:

Year Ending June 30,	Principal	Interest	Total Payment
2010	\$ 346,478	\$ 19,598	\$ 366,076
2011	357,550	8,525	366,075
Total Due	<u>\$ 704,028</u>	<u>\$ 28,123</u>	<u>\$ 732,151</u>

**NOTE 7 - RELATED PARTY TRANSACTIONS**

The Foundation provides various levels of monetary support and service to the District. The transactions are recorded within the financial statements as instructional and student programs and scholarship expense. The District provides office space and other support to the Foundation. As described in Note 6, the Foundation has a long-term debt balance of \$704,028 at June 30, 2009, with the District. Interest expenses for the year ended June 30, 2009, was \$15,633. The Foundation office is currently housed in a building, which is owned by the District, and is jointly used by both the District and the Foundation. The Foundation leases the property at a cost of \$1.00 per year. This agreement expires November 30, 2018.

The Foundation received contributed employee services, other professional services, and materials valued at \$478,412 and \$457,005 from the District for the years ended June 30, 2009 and 2008, respectively. During the years ended June 30, 2009 and 2008, the Foundation also received donated assets of \$73,227 and \$21,044, respectively, which they passed through to the District for use in its facilities and programs.

**NOTE 8 - COMMITMENTS**

During the year ended June 30, 1997, the Foundation began the "Passport to College" program which was designed to encourage local elementary-age school children to pursue a college education. As part of this program, the Foundation guaranteed scholarships to eligible local elementary school students who would be beginning their first year of college at the District in the fall of 2005. At June 30, 2009, \$26,287 is remaining in the Passport to College scholarship fund in the Foundation's temporarily restricted scholarship funds. During the year ended June 30, 2009, the Foundation paid \$0 to the District for scholarships and expenses related to the program.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009 AND 2008**

The Foundation is the fiscal agent for a scholarship component of a District Gear-Up Grant through the Department of Education. As of June 30, 2009, the Foundation has received a total of \$1,289,400 for years one through five of the five-year grant. At June 30, 2009, the funds, including interest income less a small amount expended for investment management fees, are included in the Foundation's temporarily restricted scholarship funds and total \$1,033,731. The Foundation will hold the funds until the scholarships are distributed beginning in the summer of 2007. During the year ended June 30, 2009, the Foundation has expended \$99,177 in scholarships and expenses related to the program.

***NOTE 9 - TRANSFERS BETWEEN FUNDS***

During the year ended June 30, 2009, management reviewed donor instructions and determined donations in the amount of \$26,938 has been classified as permanently restricted when the donor's intent was to have the funds be temporary and unrestricted.

***NOTE 10 - DEFICIT NET ASSETS***

The unrestricted fund of the Foundation has incurred operating deficits in past years that created a net deficit ending balance. Management has increased unrestricted fundraising efforts and has reduced operating costs to correct this deficit. During the years ended June 30, 2009 and 2008, the unrestricted fund noted negative in ending balances of (\$851,137) and (\$697,973), respectively. The deficit account balance is a result of the Major Gift Campaign expenses which were \$127,733 and \$325,605 for the years ended June 30, 2009 and 2008, respectively. The Board has approved the deficit until such time as there are sufficient gifts from the Campaign. Management is continuing to address this deficit and will be developing a plan to be in a positive position.

***NOTE 11 - BEQUESTS***

The Foundation is involved in a bequest which is considered to be a special kind of pledge. The bequest received generally requires compliance with terms and conditions specified in the agreement. During the year ended June 30, 2009, the Foundation received a bequest which the donor bequeathed a life insurance policy to the Foundation which has a value of \$560,000. As this donation is conditional based on the terms of the bequest, it has not been recognized in the financial statements.

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors  
Riverside Community College District Foundation  
Riverside, California

We have audited the financial statements of Riverside Community College District Foundation as of and for the year ended June 30, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Riverside Community College District Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Riverside Community College District Foundation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Riverside Community College District Foundation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Riverside Community College District Foundation's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Riverside Community College District Foundation's financial statements that is more than inconsequential will not be prevented or detected by Riverside Community College District Foundation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Riverside Community College District Foundation's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether Riverside Community College District Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Riverside Community College District Foundation in a separate letter dated November 11, 2009.

This report is intended solely for the information and use of the Board of Directors, Management, others within Riverside Community College District Foundation, and Federal awarding agencies, and is not intended to be and should not be used by anyone other than these specified parties.

*Vauriac, June, Day & Co. LLP*

Rancho Cucamonga, California  
November 11, 2009

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**Supplementary Information**

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF UNRESTRICTED NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
<b>Unrestricted</b>				
Undesignated	\$ 214,420	\$ 581,997	\$ (628,766)	\$ 167,651
Major Gifts Campaign	(927,161)	-	(127,733)	(1,054,894)
Total Unrestricted - Undesignated	<u>(712,741)</u>	<u>581,997</u>	<u>(756,499)</u>	<u>(887,243)</u>
<b>Unrestricted - Board Designated</b>				
Powell, Berkeley Douglas Endowment	14,768	(2,031)	(448)	12,289
Total Board Designated	<u>14,768</u>	<u>(2,031)</u>	<u>(448)</u>	<u>12,289</u>
<b>Total Unrestricted</b>	<u>\$ (697,973)</u>	<u>\$ 579,966</u>	<u>\$ (756,947)</u>	<u>\$ (874,954)</u>

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
<b>TEMPORARY RESTRICTED PROGRAMS</b>				
Alumni House Bricks	\$ (15,866)	\$ 500	\$ (229)	\$ (15,595)
Alumni House Library	14,559	-	-	14,559
Advanced Technology Center - Norco	10,481	50	57	10,588
Alumni House Program	74,666	(11,121)	(179)	63,366
Art Gallery	535	-	-	535
Annual Recognition Event	628	25,375	(13,664)	12,339
Airey, Wilfred J. Library Fund	650	-	-	650
RCC Associates	9,569	2,998	(3,043)	9,524
Arbor Fund	8,000	5,000	(5,000)	8,000
African American Heritage Fund	4,968	79	(196)	4,851
Art Department Supply Fund	1,169	-	11	1,180
Aquatics Complex	66,659	1,014,791	(23,802)	1,057,648
Athletics	14,625	3,000	(2,589)	15,036
Baseball Program Fund	200	-	-	200
Best Technician Academy	347	-	-	347
Campus Account - Moreno Valley	905	-	-	905
Basic Skills and Readiness - Riverside	3,738	-	(58)	3,680
Basic Skills and Readiness - Norco	570	-	5	575
Basic Skills and Readiness - Moreno Valley	1,846	-	16	1,862
Center for Primary Education La Sierra	1,957	-	30	1,987
Chancellor Retirement	4,002	-	-	4,002
Chemistry Department Equipment	419	-	4	423
Chemistry Instructional Improvements (Bond)	306	-	-	306
College Safety and Police	98	-	-	98
Community Events	131	-	-	131
Construction Technology	2,000	-	-	2,000
Culinary Arts	21	-	-	21
Dance Studio Renovation	195	-	(195)	-
DSP&S	209	-	-	209
Dental Assisting Program	427	-	-	427
Dental Hygiene Grant	264	-	-	264
Dental Hygiene Program	21,886	71,705	(87,075)	6,516
Dental Hygiene Clinic	1,025	-	(1,025)	-

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Digital Library Opening	\$ 3,199	\$ -	\$ (3,199)	\$ -
Early Childhood Studies	6,456	174	-	6,630
Early Childhood Studies - Moreno Valley	2,330	600	(956)	1,974
EMS Program	775	984	-	1,759
Faculty Association - Riverside	-	8,849	-	8,849
Faculty Association - Norco	-	1,249	-	1,249
Faculty Association - Moreno Valley	-	1,666	-	1,666
Faculty Development - Moreno Valley	1,454	-	15	1,469
Ford Asset	96	-	-	96
Forensics	40,264	17,195	(6,687)	50,772
Foundation Restricted	255	-	-	255
Guthrie Insurance Policy Gift	22,428	20,000	(741)	41,687
Handicapped Students	1,164	-	-	1,164
Instructional Media Services	79	-	-	79
International Students Program	250	-	-	250
Journalism Department	1,635	-	-	1,635
Library Acquisition	1,354	3,000	(138)	4,216
Library, Moreno Valley	153	-	-	153
Loma Linda Toy Project	283	-	-	283
Machine Shop	604	-	-	604
McGaugh Building Fund	4,000	2,000	-	6,000
Men's Tennis Program	3,160	-	(653)	2,507
Moreno Valley Outreach	60	-	-	60
Music Department	3,340	1,000	-	4,340
Musical Theater Conservatory	100	-	-	100
Moreno Valley Campus Grounds Beautification	1,902	-	16	1,918
Moreno Valley Music Department	692	-	(142)	550
New Nursing Prep Program - Moreno Valley	754	-	6	760
Norco Children's Playground	154	-	-	154
Norco ECS Fund	840	-	(48)	792
Norco Campus Fund	-	4,024	(150)	3,874
Norco Student Service	-	200	(200)	-
Norco Student Success	-	400	(400)	-
Nursing Immersion	4,357	-	-	4,357

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Off-Broadway	\$ 509	\$ -	\$ -	\$ 509
Okubo, Mine Memorial Fund	3,770	-	-	3,770
Passport Plus	260	-	-	260
Performance Riverside	10,776	60,803	(60,404)	11,175
Physician Assistant Program	1,009	11,344	(11,081)	1,272
Planetarium Development	934	-	-	934
President's Discretionary	149	-	-	149
Professional Auto Tech Center	1,090	-	10	1,100
Public Art - Norco	3,000	500	-	3,500
Public Safety and Homeland Security	2,125	-	(297)	1,828
Puente Alumni Fund	493	422	-	915
Retiree Luncheon	175	-	-	175
Riverside Master Chorale	1,145	350	-	1,495
RSA Rotella Fund	5,245	-	-	5,245
School of Nursing	11,134	1,000	(115)	12,019
Showcase Singers	200	-	-	200
Stover Fund for Music and Arts	100	265	-	365
Study Abroad Program	500	-	-	500
Teacher Prep Program	600	150	-	750
Theatre Department	135	-	-	135
Toyota T-Ten	3,131	987	(987)	3,131
Toyota T-Ten Books	2,999	-	-	2,999
Toyota T-Ten Regionals	518	-	-	518
Wells Fargo Grant	-	25,000	-	25,000
Young at Heart	170	425	(462)	133
<b>Total Temporarily Restricted - Programs</b>	<b>\$ 383,494</b>	<b>\$ 1,274,964</b>	<b>\$ (223,545)</b>	<b>\$ 1,434,913</b>

See accompanying notes to supplementary information.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
<b>TEMPORARY RESTRICTED SCHOLARSHIPS</b>				
AAUW Scholarship	\$ 350	\$ -	\$ -	\$ 350
Aiko, Dora Katono Scholarship	-	150	(150)	-
Air Force Association Scholarship	1,250	1,000	(500)	1,750
Allied Health Scholarship	200	-	-	200
Alpha Delta Kappa Iota Chapter Scholarship	3,610	2,000	(200)	5,410
American Legion Scholarship	300	200	(300)	200
Angel, Nicholas Scholarship	668	332	(1,000)	-
Applied Technology Scholarship	3,765	68	(600)	3,233
Art Club Scholarship	-	250	-	250
Ayres, Tillie Scholarship	505	500	(500)	505
Anderberg Nursing Scholarship	3,109	1,481	(1,529)	3,061
Armstrong, Devonne Music Scholarship	1,000	1,000	(1,000)	1,000
Baum, Drs. Bradley and Carla Lidner	1,000	-	-	1,000
Bigbee, Elizabeth Scholarship	25	-	-	25
Belote, Roberta Memorial Scholarship	2,007	10	(971)	1,046
Best, Patricia Leigh	-	100	-	100
Business Office Scholarship	1,446	-	(391)	1,055
Blaker, Bill Memorial Scholarship	1,220	-	-	1,220
Boyd, Allan Memorial Scholarship	800	-	(500)	300
Courbat, Thomas Citizen Activist Scholarship	1,000	1,000	(1,000)	1,000
Corona Rotary Textbook Scholarship	1,862	96	(1,958)	-
Communication Department Scholarship - Norco	1,613	-	20	1,633
Cancer Federation Award Scholarship	500	250	(250)	500
Carnes, Carl and Margaret Scholarship	250	-	-	250
Carranza, Rosalie Memorial Scholarship	692	120	(198)	614
Clark, Christopher A. Scholarship	250	-	-	250
Thomas/Vallejo Family Scholarship	5,232	170	(925)	4,477
Clark, Megan E. Memorial Scholarship	3,766	-	(500)	3,266
College for Kids Scholarship	3,102	240	-	3,342
Community Foundation Scholarship	15,323	35,227	(35,227)	15,323
Community Foundation Designated Scholarship	500	3,000	(1,000)	2,500
Community Foundation Edna Bailey Lockhart	-	3,181	(1,211)	1,970
Creative Writing Scholarship	4,971	450	(388)	5,033
Cutter, Albert B. Memorial Scholarship	-	1,800	(1,350)	450
Deutsch, Osker Memorial Nursing	-	250	(250)	-

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Dance Department Scholarship	\$ 4,207	\$ 850	\$ (700)	\$ 4,357
Dassow Memorial Scholarship	86	-	-	86
Dance - Dorella Anderson Scholarship	1,000	1,000	(500)	1,500
Deluhery, James Memorial Scholarship	500	-	(500)	-
Dieguez, Alcira Memorial Scholarship	1,472	-	(238)	1,234
DLLRC Scholarship	500	500	(500)	500
Dyer, Bob Memorial Scholarship	1,575	-	-	1,575
Ehret, Dr. Charles F. Memorial Scholarship	932	470	(528)	874
Ellis, Robert Memorial Scholarship	50	-	-	50
EOPS Scholarship Fund	2,907	-	30	2,937
Eslamidoust, Pouran Memorial Scholarship	295	-	-	295
Exchange Club Scholarship	3,500	2,000	(2,500)	3,000
Faculty Memorial Scholarship	10,876	1,711	(14)	12,573
Farmer, William M. (Max) Memorial	-	785	-	785
Foreman Scholarship	1,000	-	(1,000)	-
Gateway to College	26,124	-	(11,247)	14,877
Gear-Up Scholarship	1,110,859	22,049	(99,177)	1,033,731
Gentry Scholarship	500	-	-	500
Gospel Singers Scholarship	805	-	(250)	555
Grant, David Memorial Scholarship	169	-	1	170
Griffin, Dale and Theresa	104,792	-	-	104,792
Guzman, Manuel F. Scholarship	-	1,600	-	1,600
Hanson, Paul Memorial EMT/Paramedic	-	1,000	(1,000)	-
History Department Scholarship	1,050	-	(500)	550
Hispanic Educators Scholarship	380	-	(380)	-
History Day Scholarship	75	-	-	75
Honore, Annie and Raymond Scholarship	-	500	-	500
International Student Scholarship	401	-	6	407
Iravani, Roya Telecom Scholarship	300	-	(300)	-
Irvine, James Foundation Fund	54,804	77,148	(117,955)	13,997
Jackson, Henry Welding Scholarship	-	1,685	(56)	1,629
Jacobs, Doug Memorial Scholarship	1,516	120	6	1,642
Kaiser Hospital Volunteer Scholarship	500	-	(500)	-

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Kinser, William M. Nursing Scholarship	\$ 5,667	\$ 1,177	\$ (500)	\$ 6,344
Kirkpatrick, Jeanne N. Nursing Scholarship	-	570	-	570
Latino Network Leadership Institution	300	300	(300)	300
Locke Family Scholarship	6,003	-	(6,003)	-
Locke, Owen Memorial Scholarship	10,000	100,000	(31,000)	79,000
Maghroori, Ray Scholarship	-	100	(100)	-
Maguire Family Scholarship	1,100	-	-	1,100
Medrano, Martin J. Memorial Scholarship	1,611	-	(592)	1,019
Mehegan, Dr. James Memorial Scholarship	3,067	745	(192)	3,620
Mosaic Scholars Foster Youth	662	-	12	674
Moors, Susen Study Abroad Scholarship	2,049	-	15	2,064
Moreno Valley Middle College HS Program	290	-	-	290
Music Department Faculty Scholarship	2,200	-	(600)	1,600
Moreno Valley Math/Science Scholarship	5,424	-	6	5,430
Nightingales, Memorial Scholarship	500	500	(500)	500
Norco Campus Student Book Scholarship	1,575	1,750	-	3,325
Norco Math Tutor Scholarship	1,000	1,000	(500)	1,500
Nursing Leadership Scholarship	2,305	350	(1,000)	1,655
Ogata-Sarafian Family Memorial	100	100	(100)	100
Oksman, Dr. Linda Cosmetology	300	-	(150)	150
Panhellenic Association Scholarship	600	500	(500)	600
Pardee, Dr. Ron Scholarship	-	500	-	500
Parker, Chrystine Memorial Scholarship	1,445	975	(100)	2,320
Passport to College Program	30,556	(4,269)	-	26,287
Pauley, Blaga S. Memorial	4,557	70	(163)	4,464
Perkic, Alex Memorial Telecom Scholarship	3,117	-	-	3,117
Pepsi Bottling Group Scholarship	750	-	(750)	-
Pond, Lena T. Scholarship	-	18,098	(18,098)	-
Quin Piano Scholarship	100	850	(350)	600
RCC Moreno Valley Campus Student Services	6,289	100	3	6,392
Renaissance Scholars - Moreno Valley	961	-	10	971
Richards, Regina Education Scholarship	1,000	1,000	(750)	1,250
Rickson, Roger Memorial Scholarship	3,804	-	(500)	3,304
Riverside Community Hospital Auxiliary Nursing Scholarship	3,000	2,000	(3,500)	1,500

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Riverside Library Scholarship	\$ -	\$ 500	\$ (500)	\$ -
Riverside School for the Arts	22,371	70	(2,397)	20,044
Riverside Scholars Scholarship	31,500	20,000	(13,500)	38,000
Riverside Women's Club Scholarship	-	2,000	(2,000)	-
Roby, Paul Memorial Nursing Scholarship	1,750	500	(500)	1,750
Rotary Club of Magnolia Center Scholarship	1,550	2,050	(3,225)	375
Rotary Club of Norco Scholarship	375	2,700	(1,700)	1,375
Russell, Hazel M. Hawkins Scholarship	372	-	-	372
Ruiz, Shawn Marie Memorial CIS Scholarship	3,792	38	(474)	3,356
Ryan Memorial Scholarship	2,705	500	(800)	2,405
Scandura, Al Scholarship	50	-	-	50
Schmitt, Chuck Memorial Scholarship	138	-	-	138
Scileppi, Professor Patricia Interpersonal Communication Scholarship	-	1,165	-	1,165
Smith, Brodie James Scholarship	6,237	310	-	6,547
Smith, V.C. "Smitty" Memorial Scholarship	-	350	-	350
So Cal Restaurant Writers Scholarship	1,000	500	(1,000)	500
Spoto, Luciana Memorial Scholarship	590	-	(200)	390
Spencer, Mary Jo Memorial Scholarship	-	100	-	100
Stalder, Cecil Scholarship	1,000	500	(500)	1,000
Stalder, Evelyn RN Scholarship	500	500	(500)	500
Strickland, Dean E. Memorial Scholarship	6,650	1,000	(500)	7,150
Student Financial Aid Scholarship	239	-	-	239
Student Equity Scholarship	17,540	(925)	(1,283)	15,332
Student Insurance Age	-	300	-	300
Tassari, Patrick Memorial	250	-	(250)	-
Taylor, Gary and Patty	-	2,000	(38)	1,962
Telecom Award Fund	800	-	(800)	-
Textbook Assistance	2,021	-	-	2,021
Thompson, Wilson Memorial	-	1,000	-	1,000
Tolson, Jay Memorial Scholarship	125	-	(125)	-
Tworek, Dr. R K President Scholarship	11,964	-	91	12,055
Ursua, Genera Memorial Scholarship	250	-	(250)	-
Ursua, Joseph and Jacob Memorial Scholarship	500	250	(750)	-
RCC Norco Campus Faculty Scholarship	788	298	(1,005)	81
Vargas, Gina Memorial Scholarship	9,560	2,050	(241)	11,369

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF TEMPORARILY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Expenditures Transfers	Balance June 30, 2009
Victor, Lucille Book Fund	\$ 10,800	\$ -	\$ -	\$ 10,800
Veltum, Ann Memorial Scholarship	1,482	-	-	1,482
Vocational/Occupational Scholarship	2,123	-	-	2,123
Voiture 394 Scholarship	1,625	2,500	(1,500)	2,625
Walsh, Bonita Scholarship	2,230	-	-	2,230
Wilds, Dr. Dennis and Leilani	-	1,300	(1,300)	-
Wright Family Scholarship	-	250	-	250
Zimmerman Family Scholarship	600	-	-	600
<b>Total Temporarily Restricted Scholarships</b>	<u>1,635,300</u>	<u>332,515</u>	<u>(391,129)</u>	<u>1,576,686</u>
<b>GRAND TOTAL TEMPORARY RESTRICTED NET ASSETS</b>	<u>\$ 2,018,794</u>	<u>\$ 1,607,479</u>	<u>\$ (614,674)</u>	<u>\$ 3,011,599</u>

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF PERMANENTLY RESTRICTED NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Transfers and Losses	Balance June 30, 2009
Arlington/Riverside Gakuen Endowment	\$ 12,560	\$ (1,737)	\$ (276)	\$ 10,547
ASRCC Endowment	207,037	(27,656)	(11,020)	168,361
Alan and Jan Pauw FOF Endowment	11,256	(1,580)	(112)	9,564
Alan and Jan Pauw Endowment	63,577	(1,913)	(836)	60,828
Angrimson, Sharon Evans Nursing Endowment	-	13,231	(179)	13,052
Barron, Paul Memorial Endowment	30,072	(4,210)	(601)	25,261
Bates, Cheri Jo Endowment	11,987	(1,683)	(120)	10,184
Birren, Coach Don Endowed Scholarship	9,787	(1,305)	119	8,601
Blakely, Marjorie C. Memorial Endowed	10,017	(1,107)	159	9,069
Board of Realtors/Devonne Armstrong Endowment	30,155	(3,645)	(851)	25,659
Brauti, T. Martin Memorial Endowment	18,430	(2,538)	(534)	15,358
Brown, Bartholomew Endowed Memorial	12,379	1,034	(435)	12,978
Bushman, Fran Memorial Endowment	-	14,621	-	14,621
Castro, Rodolpho Endowment	94,311	(13,150)	(3,333)	77,828
Chemistry/Allied Health Endowment	10,160	(1,081)	(803)	8,276
Chin, Harry S.P. Endowment	15,557	(2,128)	(556)	12,873
Coil, Horace O. Endowment	15,516	(2,205)	(555)	12,756
Coil, James L. Endowment	16,466	(2,256)	(565)	13,645
Corona, Frank and Mary Endowment	21,537	(2,982)	(831)	17,724
Coudures, John M. Health Sciences Endowed	39,658	3,162	(2,293)	40,527
Coudures, John M. Health Sciences Endowed - OSHER	-	35,000	-	35,000
Day, Betty Endowed Scholarship	17,393	8,900	(624)	25,669
DeAro, Steven Memorial Endowment	12,365	(1,658)	(349)	10,358
DeFrancisco, Nate Endowment	16,780	(1,969)	(394)	14,417
Diederich, Antoinette "Tony" Endowment	-	8,714	-	8,714
Distribution Management Association Endowment	26,306	4,022	(763)	29,565
Faculty Memorial Endowment	50,984	(6,516)	(3,085)	41,383
Fauth, Bette Memorial Endowment	26,189	(3,611)	(1,262)	21,316
Ferne McCoy FOF Endowment	12,635	(1,727)	(126)	10,782
Finch, Vernon and Sylvia Endowment	20,237	(2,826)	(603)	16,808
Ford, Charles and Elaine Endowment	124,500	(15,721)	(2,745)	106,034
Foster, Sandra Filion Memorial Endowment	10,032	(1,421)	(301)	8,310
Hawkins-Newstead Endowed Scholarship	104,025	(13,501)	(2,040)	88,484
Hayashi, Norio Endowed Scholarship	11,609	(1,268)	(416)	9,925
Hockett, Bruce Memorial Directors Choice Award	10,906	1,161	(468)	11,599
Hord, Roy Athletic Endowed Scholarship	17,358	(2,405)	(399)	14,554

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF PERMANENTLY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Transfers and Losses	Balance June 30, 2009
Hunt, Debby R.N. Endowed Nursing Scholarship	\$ 25,357	\$ (1,956)	\$ (1,254)	\$ 22,147
Information Services Endowed Scholarship	20,898	(2,120)	(802)	17,976
Jaeger, Edmund Endowment	15,469	(2,140)	(304)	13,025
Kincell, Dorothy - Foreign Language Endowment	29,486	(4,062)	(834)	24,590
Kincell, Dorothy - Spanish Endowment	28,737	(3,957)	(838)	23,942
Knox, Harley Endowed Scholarship	104,049	(14,596)	(881)	88,572
Friends of Forensics Endowment	16,137	(2,223)	(461)	13,453
Geluso, Annie Memorial Endowment	1,502	28	(1,530)	-
General Scholarship Endowment	114,043	(11,459)	(6,520)	96,064
General Scholarship Endowment - Moreno Valley	54,346	(7,574)	(503)	46,269
General Scholarship Endowment - Norco	40,597	(5,557)	(2,091)	32,949
General Scholarship Endowment - Riverside	63,754	(6,270)	(3,146)	54,338
Grindstaff, Leonard Memorial Endowment	11,580	(1,591)	(366)	9,623
Groves, Eleanore Endowed Nursing	16,429	(2,275)	(629)	13,525
Heers, John C. Memorial Endowment	18,277	(2,531)	(433)	15,313
Holmes, Clifford W., Jr. Endowment	21,992	(2,777)	(620)	18,595
Holmes, Dale S. Endowment	23,234	(3,262)	(232)	19,740
Hunt, Glenn Endowment	4,835	4,617	(597)	8,855
John W. and Dina Stallings FOF Endowment	13,018	(1,825)	(130)	11,063
Johnson, Tom Memorial Endowed Scholarship	14,025	(1,494)	(888)	11,643
Kaiser Allied Health Endowment	-	24,467	-	24,467
Kaiser Permanente Nursing Endowment	92,839	(12,856)	(2,928)	77,055
Kane, Charles A. Endowment	28,886	(3,985)	(789)	24,112
Kinnear, Ellen Ed.D Endowment	-	10,995	(500)	10,495
Kipper, Daniel J. Memorial Civil Engineering Endowment	32,669	(3,746)	(827)	28,096
Kiwanis Club of Riverside Endowment	36,383	(5,135)	(789)	30,459
Knopf, Arthur C. Memorial Endowment	47,258	(6,331)	(1,472)	39,455
Knopf, Dorothy Memorial Endowment	29,359	(3,891)	(844)	24,624
L.P.E.C. Club Endowed Scholarship	13,735	(1,511)	(137)	12,087
Lamar, Margaret Farr Endowment	14,791	(2,027)	(498)	12,266
Leila Vahdani FOF Endowment	20,615	(2,908)	(412)	17,295
Leonard, John L. Memorial Endowment	24,193	(3,368)	(442)	20,383
Lionel Rentschler FOF Endowment	11,075	(1,555)	(111)	9,409
Locke Family Endowed	-	10,661	-	10,661
Louise Griffiths FOF Endowment	10,086	(1,409)	(14)	8,663
MacDonald Family Endowed Scholarship	9,838	1,066	(197)	10,707
Management Association Endowment	16,509	(2,293)	(340)	13,876
Marsh, Jack and Jean Endowment	20,590	(2,835)	(606)	17,149

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF PERMANENTLY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Transfers and Losses	Balance June 30, 2009
McCoy, Ferne Future Teachers	\$ 17,568	\$ (2,496)	\$ (626)	\$ 14,446
McCroskey, Alyssa Rayne "Aly" Memorial Endowment	-	12,182	(26)	12,156
Moeller, Karen/Harold Memorial Endowment	153,257	(21,334)	(5,033)	126,890
Moors/Goodwill Memorial Endowment	12,696	(1,747)	(377)	10,572
Kathleen Gonzales Puente Program Book Fund	16,485	(1,558)	(530)	14,397
Moreno Valley Community Partners Endowment	11,488	385	(9,580)	2,293
Moreno Valley Community Health Fnd Endowment	-	3,810	-	3,810
Moreno Valley Community Health Fnd Endowment - OSHER	-	45,000	-	45,000
Nursing Faculty Endowed Scholarship	15,428	2,129	(723)	16,834
Patterson, Lewis/Jessie Memorial Endowment	15,259	(1,977)	(353)	12,929
Performance Riverside	-	5,329	-	5,329
Playday for Women Endowment	23,679	(3,308)	(687)	19,684
Poison Garden Endowment	12,180	(1,718)	(243)	10,219
Ramirez Family Endowment	11,387	(1,564)	(364)	9,459
Riemer, Judith Endowment	-	9,310	(375)	8,935
RCC Associates Endowment	54,749	(5,923)	(1,798)	47,028
Riverside Public Utilities Energy Tech Endowment	44,552	(4,437)	(1,646)	38,469
Riverside Sunrise Rotary Endowment	18,040	(2,507)	(880)	14,653
Roberts, Dell Endowed Scholarship	24,011	(2,848)	(440)	20,723
Rotary Club of Riverside Endowment	15,384	(2,160)	(154)	13,070
Schlein, David and Sadie Memorial Endowment	11,095	(828)	(1,111)	9,156
Singletary Family Endowment	19,103	(2,633)	(541)	15,929
Soroptimist Intl Corona/Norco Endowment	16,834	(2,351)	(493)	13,990
Stover Fellowship Endowment	50,995	(7,159)	(510)	43,326
Swoffer, Betty J. and Gordon N. Endowment	9,758	(1,349)	(247)	8,162
Taber Family Endowment	19,731	(2,700)	(697)	16,334
Thompson and Colegate Endowment	15,546	(2,168)	(555)	12,823
Thonis Family Endowment Scholarship	10,402	15	(608)	9,809
Toro Company Endowment	16,051	(2,197)	(561)	13,293
Tworek, Dr. Richard K. Health Services Endowment	-	1,211	(20)	1,191
Virginia Blumenthal FOF Endowment	10,446	(1,474)	(209)	8,763
Wadding, Richard Nursing Endowment	12,582	(1,455)	(360)	10,767
Waite, Martha/Ernest K. Endowment	26,742	(3,736)	(767)	22,239
Weckslar, Becky Endowment	13,341	910	(2,633)	11,618
Western Community Bank Endowment	16,379	(2,368)	(263)	13,748
Williams, Clarence R. Memorial Endowment	5,874	(828)	(211)	4,835

See accompanying notes to supplementary information.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**SCHEDULE OF PERMANENTLY RESTRICTED NET ASSETS, CONTINUED**  
**FOR THE YEAR ENDED JUNE 30, 2009**

	Balance July 1, 2008	Additions/ Transfers	Transfers and Losses	Balance June 30, 2009
Willmon, David C., Jr. Endowment	\$ 16,098	\$ (2,245)	\$ (561)	\$ 13,292
Wilson, Dorcas B. Nursing Endowment	26,585	(2,851)	(1,307)	22,427
Woodruff, Timilie Endowment	10,166	204	(203)	10,167
Ybarra, Cecil and Mildred Endowment	12,917	(1,772)	(429)	10,716
Young, Arthur Edward Memorial Endowment	3,274	5,970	(65)	9,179
Yount, Gwen Endowment	13,612	(1,911)	(136)	11,565
Zonta Club of Riverside Endowment	11,405	(609)	(1,478)	9,318
Total Permanently Restricted	<u>\$ 2,933,471</u>	<u>\$ (121,395)</u>	<u>\$ (108,962)</u>	<u>\$ 2,703,114</u>

See accompanying notes to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**(A California Nonprofit Corporation)**

**NOTE TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2009**

***NOTE 1 - SCHEDULES OF UNRESTRICTED, TEMPORARILY RESTRICTED, AND PERMANENTLY RESTRICTED NET ASSETS***

These schedules are presented as optional schedules at the request of management. The schedules show the changes under the various funds within the larger classifications. These schedules are prepared on the same basis as the financial statements.



To the Board of Directors and Management of  
Riverside Community College District Foundation  
Riverside, California

We have audited the financial statements of Riverside Community College District Foundation (the Foundation) for the year ended June 30, 2009, and have issued our report thereon dated November 11, 2009. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 1 to the financial statements. During the 2008-2009 fiscal year, two new accounting standards were adopted: Financial Accounting Standards Board (FASB) Statement No. 157, *Fair Value Measurements*, and Statement on Financial Accounting Standards (SFAS) Statement No. 117-1, *Endowments for Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds and Enhanced Disclosures for all Endowment Funds*. FASB Statement No. 157 defines fair value measurements, establishes a framework for measuring fair value, and expands the disclosures about fair value measurements. The effect of this new statement can be reviewed in Note 5 on pages 12 and 13 of the annual report. SFAS No. 117-1 provides guidance on endowment funds - whether permanently or temporarily restricted and the accounting for spending policies and investment returns. We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the unrealized gains and losses is based on current market information as of June 30, 2009. We evaluated the key factors and assumptions used to develop the reported unrealized losses as of June 30, 2009, in determining that it is reasonable in relation to the financial statements taken as a whole.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We provided to management identified adjustments for financial statement presentation and management has agreed with our conclusion that the adjustments were necessary to present fairly, in all material respects, the financial activity of the Foundation as of June 30, 2009.

To the Board of Directors and Management of  
Riverside Community College District Foundation  
Page 2

*Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 11, 2009. Management has reviewed this letter, signed it, and returned the letter to our office.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

We have presented to management certain comments and recommendations for follow up and review to enhance the internal controls and the ongoing sustainability of the Foundation operations into the future.

This information is intended solely for the use of the Board of Directors of the Foundation, management, and certain members of the Riverside Community College District Board of Trustees and management, and is not intended to be and should not be used by anyone other than these specified parties.

*Vaurinek, Irine, Day & Co. LLP*

Rancho Cucamonga, California  
November 11, 2009



To the Board of Directors and Management of  
Riverside Community College District Foundation  
Riverside, California

In planning and performing our audit of the financial statements of Riverside Community College District Foundation (the Foundation) for the year ended June 30, 2009, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatement on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements, that is more than inconsequential, will not be prevented or detected by the organization's internal control.

A *material weakness* is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

However, during our audit, we noted matters that are opportunities for strengthening internal controls and operating efficiency. We consider the following deficiencies to be significant deficiencies in internal control:

#### ***Deficit Net Assets***

##### **Comment**

In 2005, the Foundation entered into an agreement with Riverside Community College District (the District) to undertake a Major Gift Campaign to support targeted initiatives of the District and campuses. Under this agreement, the District would advance funds of up to \$1.3 million to the Foundation to cover costs associated with the Campaign. Funds drawn under this agreement to cover campaign costs, coupled with negative returns on investments, has resulted in the unrestricted fund of the Foundation incurring operating deficits in each of the past four years that have created a net deficit ending balance. Management has taken action to raise additional unrestricted income and to reduce operating expenses, but a deficit remains. Repayment of advances was set to begin July 1, 2009; however, the Foundation currently has no unrestricted funds to pay the obligation to the District. All cash and cash equivalents are restricted to temporarily restricted funds.

In analyzing all of the accounts and the effect of the negative unrestricted net assets, it became evident that the Foundation currently has no available unrestricted funds to pay obligations as they come due. Temporarily unrestricted funds cannot be used for operational purposes, so management must implement other options and strategies.

### **Recommendation**

The Foundation management needs to work closely with the Board and the District to address the repayment of the borrowed funds. Additionally, a plan to provide for unrestricted contributions needs to be implemented which will restore the ongoing operations of the Foundation to a positive position.

### **Management Response**

Foundation and District management is taking several steps to address the issue of deficit net assets. District staff has approved the extension of the fundraising component of the Campaign, knowing that unrestricted dollars are normally secured at the end of a campaign. A recommendation will be brought to the Board of Trustees to adjust the repayment schedule accordingly.

Two additional measures have been undertaken that will increase unrestricted income. At its September 15, 2009, meeting, the Foundation Board of Directors voted to institute a five percent fee on all gifts to the Foundation. This fee will be transferred to the Foundation's unrestricted income and used to repay funds borrowed from the District. In addition, in fiscal year 2009-2010, the Foundation will establish a new gift club, membership in which is available to all donors who contribute unrestricted dollars at specific gift levels. Management believes these two actions will provide a new and dependable income stream, along with future investment returns, to be used in part to repay borrowed funds, as well as to support other priorities as determined on an annual basis by the Foundation Board.

### *Audit Adjustments*

### **Comment**

As a result of the audit procedures applied to the financial statements of the Foundation, we proposed an adjustment related to the Foundation's pledges receivable as it was determined after year end that a pledge was not collectable. The criteria for recognizing the revenue of a pledge is that the contribution is an unconditional promise to give, and there is a reasonable expectation that the pledge will be fulfilled. Additionally we proposed an adjustment to the financial statements to recognize the in-kind contributions and expenses related to assets that were donated to the Foundation for specific programs of the Riverside College. Each of these adjustments were reviewed and accepted by management.

### **Recommendation**

The Foundation should review the requirements of revenue recognition associated with pledged contributions and ensure that only those contributions that meet the criteria for revenue recognition are included within the financial activity of the Foundation. If pledges received in prior years become uncollectable, management should write off the balance owing. Assets that are received for use by programs and departments of the District should be included within both the revenues and expenses of the Foundation accounts.

### **Management Response**

The Foundation does review pledge receivables prior to year end for those that are known to be uncollectible or collection is in question. Once a pledge is determined to be uncollectible, a journal entry is made writing off the pledge.

Board of Directors and Management of  
Riverside College Community College Foundation  
Page 3

After reviewing the procedures on in-kind donations, the Accounting Services Manager will prepare entries into the Foundation's financials using the Foundation Board action as documentation. At the same time, the Accounting Services Manager will distribute the same documentation to the District's Capital Asset Control Technician to ensure that the donated assets are recorded.

This letter does not affect our report dated November 11, 2009, on the financial statements of the Foundation.

We appreciate the time and assistance the staff of the District and the Foundation Offices have provided during our audit. We will follow up on each of the areas noted above during the early stage of our fieldwork for the 2010 fiscal year.

This report is intended solely for the information and use of the Board of Directors, audit committee, management, and others within the Foundation and is not intended to be, and should not be, used by anyone other than these specified parties.

*Vaurinek, Fine, Day & Co. LLP*

Rancho Cucamonga, California  
November 11, 2009

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-6

Date: December 15, 2009

Subject: 2008-2009 Independent Audit Report for the Riverside Community College District

Background: In accordance with Education Code Section 84040(b), an independent audit of the District's 2008-2009 financial statements was performed by Vavrinek, Trine, Day & Co., LLP Certified Public Accountants (VTD). A representative of the firm will be available to present the report. Results of the audit are summarized below.

Current Year Audit Findings

There were three current year audit findings as shown on pages 75 through 81 of the accompanying audit report.

Prior Year Audit Findings

The recommendation for the prior year audit finding related to ineligible CalWORKs recipients Were Provided Services has been implemented as discussed on pages 82 through 83.

Adjustments to the Financial Statements

VTD recommended one audit adjustment to the Foundation's financial statement as follows:

- To increase the estimated claims liabilities for self-insured liability and worker's compensation (\$1,578,805).

Auditor's Required Communication – Audit Completion

In accordance with Statement on Auditing Standards No. 114, at the conclusion of the audit engagement VTD is required to communicate information to the Board of Trustees regarding their responsibility under United States Generally Accepted Auditing Standards and OMB Circular A-133, significant accounting policies, accounting estimates, significant audit adjustments and uncorrected misstatements, disagreements with management, consultation with other independent accountants, issues discussed prior to retention of independent auditors and difficulties encountered in performing the audit. Attached for your information is the required communication issued by VTD.



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOURCES COMMITTEE

Report No.: VI-B-6

Date: December 15, 2009

Subject: 2008-2009 Independent Audit Report for the Riverside Community College  
District (continued)

Management Recommendations

There were two reported management recommendations for fiscal year 2008-2009 as shown in the attached letter.

Recommended Action: It is recommended that the Board of Trustees receive the Riverside Community College District's independent audit report for the year ended June 30, 2009 for the permanent file of the District.

Gregory W. Gray  
Chancellor

Prepared by: James L. Buysse  
Vice Chancellor, Administration and Finance

Bill J. Bogle, Jr.  
Controller



RIVERSIDE COMMUNITY  
COLLEGE DISTRICT

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ANNUAL FINANCIAL REPORT

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**JUNE 30, 2009**

# RIVERSIDE COMMUNITY COLLEGE DISTRICT

## TABLE OF CONTENTS JUNE 30, 2009

---

### ***FINANCIAL SECTION***

Independent Auditors' Report	2
Management's Discussion and Analysis	4
Basic Financial Statements	
Statements of Net Assets	13
Statements of Revenues, Expenses, and Changes in Net Assets	14
Statements of Cash Flows	15
Discretely Presented Component Unit - Riverside Community College District Foundation	
Statements of Financial Position	18
Statements of Activities	19
Statements of Cash Flows	20
Notes to Financial Statements	22

### ***REQUIRED SUPPLEMENTARY INFORMATION***

Schedule of Other Postemployment Benefits (OPEB) Funding Progress	52
---	----

### ***SUPPLEMENTARY INFORMATION***

District Organization	54
Schedule of Expenditures of Federal Awards	55
Schedule of Expenditures of State Awards	58
Schedule of Workload Measures for State General Apportionment - Annual (Actual)	
Attendance	61
Reconciliation of Annual Financial and Budget Report (CCFS-311) with Fund Financial Statements	62
Reconciliation of Governmental Fund Balance Sheets to the Statement of Net Assets	63
Note to Supplementary Information	64

### ***INDEPENDENT AUDITORS' REPORTS***

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	67
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	69
Report on State Compliance	71

### ***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

Summary of Auditors' Results	74
Financial Statement Findings and Recommendations	75
Federal Awards Findings and Questioned Costs	77
State Awards Findings and Questioned Costs	78
Summary Schedule of Prior Audit Findings	82

# RIVERSIDE COMMUNITY COLLEGE DISTRICT

## TABLE OF CONTENTS JUNE 30, 2009

---

### ***ADDITIONAL SUPPLEMENTARY INFORMATION***

Governmental Funds	
Balance Sheets	85
Statements of Revenues, Expenditures, and Changes in Fund Balance	86
Proprietary Funds	
Balance Sheets	87
Statements of Revenues, Expenses, and Changes in Retained Earnings	88
Statements of Cash Flows	89
Fiduciary Funds	
Balance Sheets	90
Statements of Revenues, Expenditures, and Changes in Fund Balance	91
Note to Additional Supplementary Information	92

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***FINANCIAL SECTION***

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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Riverside Community College District  
Riverside, California

We have audited the accompanying basic financial statements of the business-type activities of Riverside Community College District (the District) as of and for the years ended June 30, 2009 and 2008, and its discretely presented component unit, Riverside Community College District Foundation (the Foundation), as listed in the Table of Contents. These basic financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Riverside Community College District and its discretely presented component unit as of June 30, 2009 and 2008, and the respective changes in financial position and cash flows, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 10 to the Financial Statements, the accompanying financial statements reflect certain changes required as a result of the implementation of Governmental Accounting Standards Board (GASB) Statement No. 45 for the year ended June 30, 2009.

As discussed in Note 13 to the financial statements, the State of California continues to suffer the effects of a recessionary economy, which directly impacts the funding allocations of Riverside Community College District.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2009, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and is important for assessing the results of our audit.

The Management's Discussion and Analysis, as listed in the Table of Contents, is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the District's management. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information listed in the table of contents, including the Schedule of Expenditures of Federal Awards, which is required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Additional Supplementary Information on pages 85 through 92 has been presented at the request of District management for purposes of additional analysis. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Vavrinek, Sine, Day & Co LLP*

Rancho Cucamonga, California  
November 20, 2009

# RIVERSIDE COMMUNITY COLLEGE DISTRICT

Moreno Valley Campus • Norco Campus • Riverside City College

## **USING THIS ANNUAL REPORT**

The purpose of this annual report is to provide readers with information about the activities, programs, and financial condition of the Riverside Community College District (the District) as of June 30, 2009. The report consists of three basic financial statements: the Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; and Statement of Cash Flows and provides information about the District as a whole. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2009. Please read it in conjunction with the District's financial statements, which immediately follow this section. Responsibility for the completeness and accuracy of this information rests with District management.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

The Riverside Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board Statements (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and No. 35, *Basic Financial Statements - and Management Discussion and Analysis - for Public College and Universities*. These statements allow for the presentation of financial activity and results of operations which focuses on the District as a whole. The entity-wide financial statements present the overall results of operations whereby all of the District's activities are consolidated into one total versus the traditional presentation by fund type. The focus of the Statement of Net Assets is designed to be similar to the bottom line results of the District. This statement combines and consolidates current financial resources with capital assets and long-term obligations. The Statement of Revenues, Expenses, and Changes in Net Assets focuses on the costs of the District's operational activities with revenues and expenses categorized as operating and nonoperating, and expenses are reported by natural classification. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

The California Community Colleges System's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial statement reporting purposes.

## **FINANCIAL HIGHLIGHTS**

- The District's primary funding source is from apportionment received from the State of California. The primary basis of this apportionment is the calculation of Full Time Equivalent Students (FTES). During the 2008-2009 fiscal year, total reported resident FTES were 30,969 as compared to 27,011 in the 2007-2008 fiscal year. The District's credit FTES was fully funded except for 3,650 credit FTES for fiscal year 2008-2009 and was fully funded except for 141 credit FTES for fiscal year 2007-2008.
- Several construction and modernization projects at the District's three campuses resulted in completed buildings, building improvements, and improvements to sites of \$56,018,917 in the 2008-2009 fiscal year. The projects, listed below, are funded both through State construction revenues and through the District's voter approved general obligation bond, Measure C.

Quad Remodel – Riverside  
Modular Redistribution Project – Riverside  
Industrial Technology Building – Norco  
Food Service Remodel – Riverside  
ECS Secondary Effects Project – Moreno Valley  
Hot Water Loop – Moreno Valley

Utility Retrofit – Riverside  
Utility Retrofit – Moreno Valley  
Utility Retrofit – Norco  
Paper Removal and Painting Project – Moreno Valley  
Soccer Field – Norco



Moreno Valley Campus • 16130 Lasselle Street, Moreno Valley, California 92551-2045 • (951) 571-6100 • FAX (951) 571-6188  
Norco Campus • 2001 Third Street, Norco, California 92860-2600 • (951) 372-7000 • FAX (951) 372-7050  
Riverside City College • 4800 Magnolia Avenue, Riverside, California 92506-1299 • (951) 222-8000 • FAX (951) 222-8036



## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

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- Costs for employee salaries increased by 4.28 percent or \$4.7 million from the 2007-2008 fiscal year, and costs associated with employee benefits increased by 16.91 percent or \$4.1 million. The increase in salaries is primarily due to a 1.0 percent contractual increase, a one year 0.68 percent unfunded COLA increase, scheduled salary step increases, employee reclassifications, and an increased number of categorically funded positions. The increase in the benefit costs is due to rising costs of health and welfare benefits paid on behalf of both current employees and retirees.
- During the 2008-2009 fiscal year, the District provided almost \$35.3 million in financial aid to students attending classes at the three campuses. This aid was provided in the form of grants, scholarships, loans, and tuition reductions funded through the Federal government, State System's Office, and local funding as shown below.

Federal Pell Grants (PELL)	\$ 21,737,716
Federal Supplement Education Opportunity Grant (FSEOG)	673,337
Federal Family Education Loans (FFEL)	3,901,647
Federal Work Study Program (FWS)	736,399
Federal Academic Competitiveness Grant (ACG)	41,075
State of California Cal Grant B (CALG-B)	1,565,391
State of California Cal Grant C (CALG-C)	83,286
California Community College Board of Governor's Fee Wavier	6,568,018
Total Financial Aid Provided to Students	<u>\$ 35,306,869</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2009**

***THE DISTRICT AS A WHOLE***

**Net Assets**

**Table 1**

(Amounts in thousands)

	<u>2009</u>	<u>2008</u>	<u>Change</u>	<u>2007</u>	<u>Change</u>
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and investments	\$ 116,332	\$ 150,191	\$ (33,859)	\$ 162,395	\$ (46,063)
Accounts receivable (net)	36,375	23,186	13,189	21,120	15,255
Other current assets	222	148	74	162	60
Total Current Assets	<u>152,929</u>	<u>173,525</u>	<u>(20,596)</u>	<u>183,677</u>	<u>(30,748)</u>
Other noncurrent assets	881	949	(68)	1,017	(136)
Capital assets (net)	215,168	190,938	24,230	172,156	43,012
Total Assets	<u>368,978</u>	<u>365,412</u>	<u>3,566</u>	<u>356,850</u>	<u>12,128</u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable and accrued liabilities	29,181	25,699	3,482	22,225	6,956
Amounts held in trust for others	1,914	2,166	(252)	2,043	(129)
Current portion of long-term obligations	7,836	8,372	(536)	9,183	(1,347)
Total Current Liabilities	<u>38,931</u>	<u>36,237</u>	<u>2,694</u>	<u>33,451</u>	<u>5,480</u>
Long-Term Obligations	<u>143,500</u>	<u>148,619</u>	<u>-</u>	<u>153,936</u>	<u>(10,436)</u>
Total Liabilities	<u>182,431</u>	<u>184,856</u>	<u>2,694</u>	<u>187,387</u>	<u>(4,956)</u>
<b>NET ASSETS</b>					
Invested in capital assets	149,616	127,166	22,450	106,844	42,772
Restricted	26,209	34,874	(8,665)	43,892	(17,683)
Unrestricted	10,722	18,516	(7,794)	18,727	(8,005)
Total Net Assets	<u>\$ 186,547</u>	<u>\$ 180,556</u>	<u>\$ 5,991</u>	<u>\$ 169,463</u>	<u>\$ 17,084</u>

Cash and investments consist primarily of funds held in the Riverside County Treasury. The changes in our cash position are explained in the Statement of Cash Flows on pages 15 and 16.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009**

**Operating Results for the Year**

The results of this year's operations for the District as a whole are reported in the Statement of Revenues, Expenses, and Changes in Net Assets on page 14.

**Table 2**

(Amounts in thousands)

	2009	2008	Change	2007	Change
Operating Revenues					
Tuition and fees (net)	\$ 13,776	\$ 12,494	\$ 1,282	\$ 12,923	\$ 853
Other operating revenues	22	98	(76)	2	20
Total Operating Revenues	<u>13,798</u>	<u>12,592</u>	<u>1,206</u>	<u>12,925</u>	<u>873</u>
Operating Expenses					
Salaries and benefits	144,101	135,211	8,890	124,868	19,233
Supplies and maintenance	43,770	53,690	(9,920)	47,700	(3,930)
Student financial aid	24,837	-	-	-	-
Depreciation	8,242	5,918	2,324	5,166	3,076
Total Operating Expenses	<u>220,950</u>	<u>194,819</u>	<u>1,294</u>	<u>177,734</u>	<u>18,379</u>
Loss on Operations	<u>(207,152)</u>	<u>(182,227)</u>	<u>(88)</u>	<u>(164,809)</u>	<u>(17,506)</u>
Nonoperating Revenues					
State apportionments	92,108	89,611	2,497	88,437	3,671
Property taxes	43,095	43,895	(800)	43,101	(6)
State revenues	4,072	4,288	(216)	4,529	(457)
Federal and State grants and contracts	52,038	36,934	15,104	31,814	20,224
Net investment income	3,899	8,125	(4,226)	4,170	(271)
Net interest expense	(7,499)	(7,840)	341	(3,516)	(3,983)
Other nonoperating revenues	12,282	11,399	883	12,190	92
Loss on disposal of assets	-	(390)	390	-	-
Total Nonoperating Revenue	<u>199,995</u>	<u>186,022</u>	<u>13,973</u>	<u>180,725</u>	<u>19,270</u>
Other Revenues					
State and local capital income	13,148	7,298	5,850	9,620	3,528
Net Increase in Net Assets	<u>\$ 5,991</u>	<u>\$ 11,093</u>	<u>\$ 19,735</u>	<u>\$ 25,536</u>	<u>\$ 5,292</u>

The District's primary revenue is from the State apportionment calculation which is comprised of three sources: local property taxes, student enrollment fees, and State apportionment. Property taxes levied and received from property within the County decreased slightly. State apportionments increased due to increased funded base FTES and growth funding decreased.

Grant and contract revenues relate primarily to student financial aid, as well as to specific Federal and State grants received for programs serving the students and programs of the District. These grant and program revenues are restricted as to the allowable expenses related to the programs.

# RIVERSIDE COMMUNITY COLLEGE DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2009

Interest income of \$3.9 million was off set by interest expense of \$7.5 million. The interest income is primarily the result of cash held in the Riverside County Treasury. Interest income has decreased approximately \$4.2 million over the 2007-2008 fiscal year. Interest income and expense have decreased over fiscal year 2007-2008 due to significantly lower interest rates, the State's apportionment deferral strategy passed along to community colleges, and a lower balance of the Series C General Obligation Bond in the Riverside County Treasury during fiscal year 2008-2009. Reduced General Obligation Bond principal resulting from debt service payments have resulted in lower interest expense.

In accordance with requirements set forth by the California Community Colleges System's Office, the District reports operating expenses by object code. Operating expenses by functional classification are as follows:

**Table 3**

Year ended June 30, 2009:

(Amounts in thousands)

	Salaries and Employee Benefits	Supplies, Material, and Other Expenses and Services	Equipment, Maintenance, and Repairs	Depreciation	Total
Instructional activities	\$ 70,311	\$ 4,069	\$ 2,887	\$ -	\$ 77,267
Academic support	38,222	24,193	1,193	-	63,608
Student services	15,529	1,913	42	-	17,484
Plant operations and maintenance	6,457	4,214	356	-	11,027
Instructional support services	4,715	421	31	-	5,167
Community services and economic development	1,663	831	1	-	2,495
Ancillary services and auxiliary operations	7,128	2,990	38	-	10,156
Student aid	-	24,837	-	-	24,837
Physical property and related acquisitions	76	417	174	-	667
Unallocated depreciation	-	-	-	8,242	8,242
<b>Total</b>	<b>\$ 144,101</b>	<b>\$ 63,885</b>	<b>\$ 4,722</b>	<b>\$ 8,242</b>	<b>\$ 220,950</b>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2009**

Year ended June 30, 2008:

(Amounts in thousands)

	Salaries and Employee Benefits	Supplies, Material, and Other Expenses and Services	Equipment, Maintenance, and Repairs	Depreciation	Total
Instructional activities	\$ 65,765	\$ 3,866	\$ 2,814	\$ -	\$ 72,445
Academic support	35,401	15,259	905	-	51,565
Student services	14,946	1,649	323	-	16,918
Plant operations and maintenance	6,174	3,908	475	-	10,557
Instructional support services	4,472	375	370	-	5,217
Community services and economic development	1,672	924	77	-	2,673
Ancillary services and auxiliary operations	6,708	2,817	143	-	9,668
Student aid	-	18,458	-	-	18,458
Physical property and related acquisitions	73	1,182	145	-	1,400
Unallocated depreciation	-	-	-	5,918	5,918
Total	<u>\$ 135,211</u>	<u>\$ 48,438</u>	<u>\$ 5,252</u>	<u>\$ 5,918</u>	<u>\$ 194,819</u>

**Changes in Cash Position**

**Table 4**

(Amounts in thousands)

	2009	2008	Change	2007	Change
Cash Provided by (Used in)					
Operating activities	\$ (196,247)	\$ (172,488)	\$ (23,759)	\$ (125,332)	\$ (70,915)
Noncapital financing activities	178,331	171,475	6,856	130,134	48,197
Capital financing activities	(20,268)	(18,167)	(2,101)	73,275	(93,543)
Investing activities	4,325	6,976	(2,651)	3,998	327
Net Increase (Decrease) in Cash	(33,859)	(12,204)	(21,655)	82,075	(115,934)
Cash, Beginning of Year	150,191	162,395	(12,204)	80,320	69,871
Cash, End of Year	<u>\$ 116,332</u>	<u>\$ 150,191</u>	<u>\$ (33,859)</u>	<u>\$ 162,395</u>	<u>\$ (46,063)</u>

The Statement of Cash Flows on pages 15 and 16 provides information about our cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and its need for external financing. The District's primary operating receipts are student tuition and fees and Federal, State, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to faculty, administrators, and classified staff.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2009**

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While State apportionment revenues and property taxes are the primary source of noncapital related revenue, the GASB accounting standards require that this source of revenue is shown as nonoperating revenue as it comes from the general resources of the State and not from the primary users of the college's programs and services, the students. The District depends upon this funding to continue the current level of operations.

***CAPITAL ASSET AND DEBT ADMINISTRATION***

**Capital Assets**

At June 30, 2009, the District had \$215.1 million in a broad range of capital assets, including land, buildings, and furniture and equipment. At June 30, 2008, the District's net capital assets were \$190.9 million. Major capital improvement projects are ongoing throughout the college campuses. These projects are primarily funded through State Construction Revenues and District General Obligation Bonds. Projects are accounted for within our Construction in Progress account until the project is completed at which time the cost of the buildings and/or improvements will be recorded to the depreciable Buildings and Improvement category.

**Table 5**

(Amounts in thousands)

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Land and construction in progress	\$ 74,049	\$ 28,582	\$ (56,551)	\$ 46,080
Buildings and land improvements	143,207	56,949	-	200,156
Equipment and vehicles	22,440	3,492	(96)	25,836
Subtotal	239,696	89,023	(56,647)	272,072
Accumulated depreciation	(48,758)	(8,242)	96	(56,904)
	<u>\$ 190,938</u>	<u>\$ 80,781</u>	<u>\$ (56,551)</u>	<u>\$ 215,168</u>

**Obligations**

At the end of the 2008-2009 fiscal year, the District had \$145.2 million in General Obligation Bonds outstanding. These bonds are repaid annually in accordance with the obligation requirements through property tax assessments on property within the Riverside Community College District boundaries.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2009**

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In addition to the above obligations, the District is obligated to employees of the District for vacation and load banking benefits and lease purchase agreements for equipment.

**Table 6**

(Amounts in thousands)

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
General obligation bonds	\$ 151,354	\$ 667	\$ (6,724)	\$ 145,297
Other liabilities	5,637	2,070	(1,668)	6,039
Total Long-Term Obligations	<u>\$ 156,991</u>	<u>\$ 2,737</u>	<u>\$ (8,392)</u>	<u>\$ 151,336</u>
 Amount due within one year				 <u>\$ 7,836</u>

***GENERAL FUND BUDGETARY HIGHLIGHTS***

Over the course of the year, the District revises its budget to provide for unanticipated changes in revenues and expenditures. The Board of Trustees adopted the final amendment to the budget for the 2008-2009 fiscal year on June 16, 2009.

The District's final revised budget for the unrestricted General Fund anticipated that expenditures would exceed revenue by \$7.0 million. The actual results for the year showed expenditures exceeded revenues by \$5.5 million.

***ECONOMIC FACTORS AFFECTING THE FUTURE OF THE RIVERSIDE COMMUNITY COLLEGE DISTRICT***

The economic position of the District is closely tied to the State of California as State apportionments, and property taxes represent approximately 87.11 percent of the total sources of revenue received within the unrestricted General Fund. The District increased reported FTES during fiscal year 2008-2009. Due to significant declines in apportionment funding from the State in fiscal years 2008-2009 and 2009-2010, the District plans to offer 1,000 fewer sections to reduce costs and the number of unfunded FTES. The District's fiscal year 2009-2010 adopted budget also contains other targeted expenditures reductions to be budgeted totaling approximately \$9.0 million to align spending with available funds. The District continues to monitor enrollment and operating costs of the District to ensure ongoing financial stability and retain the reserve levels required by Board Policy and the State System's Office.

***CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT***

This financial report is designed to provide the District's citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Riverside Community College District at 4800 Magnolia Avenue, Riverside, California 92506.

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***BASIC FINANCIAL STATEMENTS***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF NET ASSETS  
 JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,411,961	\$ 2,711,773
Investments - Unrestricted	16,635,941	36,942,057
Investments - Restricted	97,283,646	110,536,702
Accounts receivable	35,615,880	22,538,827
Student accounts receivable, net	759,386	648,152
Prepaid expenses	125,040	60,348
Deferred cost on issuance	67,802	67,802
Inventories	29,051	19,353
<b>Total Current Assets</b>	<u>152,928,707</u>	<u>173,525,014</u>
<b>Noncurrent Assets</b>		
Deferred cost on issuance - noncurrent portion	881,425	949,227
Nondepreciable capital assets	46,079,762	74,048,749
Depreciable capital assets, net of depreciation	169,088,049	116,889,388
<b>Total Noncurrent Assets</b>	<u>216,049,236</u>	<u>191,887,364</u>
<b>TOTAL ASSETS</b>	<u>368,977,943</u>	<u>365,412,378</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts payable	15,338,730	14,567,402
Accrued interest payable	2,694,959	2,806,625
Deferred revenue	5,782,440	5,023,107
Claims liability	5,364,973	3,302,565
Amounts held in custody on behalf of others	1,913,653	2,165,652
Compensated absences payable - current portion	713,698	1,046,309
Bonds payable - current portion	6,655,000	6,385,000
Lease obligations - current portion	14,674	14,674
Other long-term obligations - current portion	452,376	926,172
<b>Total Current Liabilities</b>	<u>38,930,503</u>	<u>36,237,506</u>
<b>Noncurrent Liabilities</b>		
Compensated absences payable - noncurrent portion	2,141,095	1,562,349
Bonds payable - noncurrent portion	131,634,077	137,622,557
Net debt premium	7,007,782	7,346,681
Lease obligations - noncurrent portion	26,902	41,576
Other long-term obligations - noncurrent portion	2,690,212	2,045,692
<b>Total Noncurrent Liabilities</b>	<u>143,500,068</u>	<u>148,618,855</u>
<b>TOTAL LIABILITIES</b>	<u>182,430,571</u>	<u>184,856,361</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	149,616,408	124,524,678
Restricted for:		
Debt service	14,288,845	15,362,003
Capital projects	2,375,787	15,157,376
Educational programs	9,543,831	6,995,880
Unrestricted	10,722,501	18,516,080
<b>TOTAL NET ASSETS</b>	<u>\$ 186,547,372</u>	<u>\$ 180,556,017</u>

The accompanying notes are an integral part of these financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF REVENUES, EXPENSES,  
AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<b>2009</b>	<b>2008</b>
<b>OPERATING REVENUES</b>		
Student Tuition and Fees	\$ 20,344,186	\$ 17,220,116
Less: Scholarship discount and allowance	(6,568,018)	(4,726,243)
Net tuition and fees	<u>13,776,168</u>	<u>12,493,873</u>
Other Operating Revenues	21,531	98,054
<b>TOTAL OPERATING REVENUES</b>	<u>13,797,699</u>	<u>12,591,927</u>
<b>OPERATING EXPENSES</b>		
Salaries	115,416,313	110,676,431
Employee benefits	28,685,083	24,535,244
Supplies, materials, and other operating expenses and services	39,047,761	29,979,694
Student financial aid	24,837,204	18,458,245
Equipment, maintenance, and repairs	4,721,534	5,252,176
Depreciation	8,242,147	5,917,666
<b>TOTAL OPERATING EXPENSES</b>	<u>220,950,042</u>	<u>194,819,456</u>
<b>OPERATING LOSS</b>	<u>(207,152,343)</u>	<u>(182,227,529)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State apportionments, noncapital	92,108,018	89,611,058
Federal grants	32,754,061	25,132,430
State grants	19,284,379	11,801,545
Local property taxes levied for general purposes	31,955,768	32,330,029
Local property taxes levied for capital debt	11,139,248	11,565,586
State taxes and other revenues	4,072,155	4,287,522
Investment income	3,529,205	7,445,762
Interest expense on capital related debt	(7,499,410)	(7,839,793)
Investment income on capital asset-related debt, net	369,969	679,403
Deletion of capital assets	-	(389,862)
Other nonoperating revenue	12,281,649	11,398,245
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>199,995,042</u>	<u>186,021,925</u>
<b>INCOME (LOSS) BEFORE OTHER REVENUES AND EXPENSES</b>	<u>(7,157,301)</u>	<u>3,794,396</u>
State revenues, capital	13,148,656	7,298,445
<b>TOTAL INCOME BEFORE OTHER REVENUES AND EXPENSES</b>	<u>13,148,656</u>	<u>7,298,445</u>
<b>CHANGE IN NET ASSETS</b>	<u>5,991,355</u>	<u>11,092,841</u>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>180,556,017</u>	<u>169,463,176</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 186,547,372</u>	<u>\$ 180,556,017</u>

The accompanying notes are an integral part of these financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF CASH FLOWS  
 FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Tuition and fees	\$ 13,822,365	\$ 12,208,973
Payments to vendors for supplies and services	(42,088,460)	(33,048,438)
Payments to or on behalf of employees	(142,913,546)	(133,412,121)
Payments to students for Federal direct student aid	(23,188,527)	(16,847,386)
Payments to students for State direct student aid	(1,648,677)	(1,610,859)
Other operating receipts	(230,468)	220,836
<b>Net Cash Flows From Operating Activities</b>	<u>(196,247,313)</u>	<u>(172,488,995)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
State apportionments	81,847,295	89,646,982
Federal grants and contracts	32,488,626	25,141,266
State grants and contracts	19,841,622	11,801,545
Property taxes - nondebt related	34,956,551	32,391,969
State taxes and other apportionments	(319,866)	3,288,415
Other nonoperating	9,517,096	9,204,648
<b>Net Cash Flows From Noncapital Financing Activities</b>	<u>178,331,324</u>	<u>171,474,825</u>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES</b>		
Purchase of capital assets	(31,422,634)	(23,818,870)
State revenue, capital projects	13,148,657	7,298,445
Property taxes - related to capital debt	11,139,248	11,565,586
Principal paid on capital debt	(6,738,573)	(8,396,092)
Interest paid on capital debt	(7,499,410)	(6,156,127)
Interest received on capital asset-related debt	369,969	679,403
Accreted interest on general obligation bonds	666,520	593,201
Deferred cost on issuance	67,802	67,802
<b>Net Cash Flows From Capital Financing Activities</b>	<u>(20,268,421)</u>	<u>(18,166,652)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received from investments	4,325,426	6,975,840
<b>Net Cash Flows From Investing Activities</b>	<u>4,325,426</u>	<u>6,975,840</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(33,858,984)	(12,204,982)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	150,190,532	162,395,514
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$116,331,548</u>	<u>\$150,190,532</u>

The accompanying notes are an integral part of these financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**STATEMENTS OF CASH FLOWS, Continued  
 FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating Loss	\$ (207,152,343)	\$ (182,227,529)
Adjustments to Reconcile Operating Loss to Net Cash Flows from Operating Activities:		
Depreciation and amortization expense	8,242,147	5,917,666
Changes in Operating Assets and Liabilities:		
Receivables, net	(111,234)	(162,285)
Inventories	(9,698)	1,957
Prepaid expenses	(64,692)	12,789
Accounts payable and other accrued liabilities	2,481,557	1,941,559
Deferred revenue	202,090	228,820
Funds held for others	(251,999)	122,782
Compensated absences	416,859	1,675,246
Total Adjustments	<u>10,905,030</u>	<u>9,738,534</u>
<b>Net Cash Flows From Operating Activities</b>	<u>\$ (196,247,313)</u>	<u>\$ (172,488,995)</u>
 <b>CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:</b>		
Cash in banks	\$ 2,411,961	\$ 2,711,773
Unrestricted cash in county treasury	16,635,941	36,942,057
Restricted cash in county treasury	97,283,646	110,536,702
<b>Total Cash and Cash Equivalents</b>	<u>\$ 116,331,548</u>	<u>\$ 150,190,532</u>
 <b>NON CASH TRANSACTIONS</b>		
On behalf payments for benefits	\$ 3,029,760	\$ 2,824,786
Deletion of capital assets	-	389,862
	<u>\$ 3,029,760</u>	<u>\$ 3,214,648</u>

The accompanying notes are an integral part of these financial statements.

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***DISCRETELY PRESENTED COMPONENT UNIT  
RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**DISCRETELY PRESENTED COMPONENT UNIT  
 RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION  
 STATEMENTS OF FINANCIAL POSITION  
 JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents		
Unrestricted	\$ -	\$ 61,852
Restricted	2,451,552	1,972,479
Accounts receivable	2,545	267
Unconditional promises to give	122,940	72,607
Total Current Assets	<u>2,577,037</u>	<u>2,107,205</u>
Noncurrent Assets		
Investments - restricted	2,815,387	2,739,990
Long-term unconditional promises to give, net of allowance	362,729	276,585
Total Noncurrent Assets	<u>3,178,116</u>	<u>3,016,575</u>
Total Assets	<u>\$ 5,755,153</u>	<u>\$ 5,123,780</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities		
Accounts payable	\$ 197,525	\$ 181,470
Borrowing from restricted funds	13,841	-
Refundable advances	-	77,148
Obligation to Riverside Community College District	346,478	-
Total Current Liabilities	<u>557,844</u>	<u>258,618</u>
Long-Term Obligations		
Long-term obligation to Riverside Community College District	357,550	610,870
Total Long-Term Obligations	<u>357,550</u>	<u>610,870</u>
Total Liabilities	<u>915,394</u>	<u>869,488</u>
 <b>NET ASSETS</b>		
Unrestricted		
Undesignated	(887,243)	(712,741)
Board designated	12,289	14,768
Total Unrestricted	<u>(874,954)</u>	<u>(697,973)</u>
Temporarily restricted	3,011,599	2,018,794
Permanently restricted	2,703,114	2,933,471
Total Net Assets	<u>4,839,759</u>	<u>4,254,292</u>
Total Liabilities and Net Assets	<u>\$ 5,755,153</u>	<u>\$ 5,123,780</u>

The accompanying notes are an integral part of these financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**DISCRETELY PRESENTED COMPONENT UNIT  
 RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION  
 STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<b>2009</b>			<b>Total</b>
	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	
<b>REVENUES</b>				
Donations	\$ 6,266	\$1,728,202	\$ 276,666	\$ 2,011,134
In-kind donations				
Donated assets	73,727	-	-	73,727
Donated material	45,310	-	-	45,310
Donated services	433,102	-	-	433,102
Assets released from restrictions	899,717	(685,482)	(214,235)	-
<b>Total Revenues</b>	<b>1,458,122</b>	<b>1,042,720</b>	<b>62,431</b>	<b>2,563,273</b>
<b>EXPENSES</b>				
Operating expenses	213,757	-	-	213,757
Program expenses	1,223,890	-	-	1,223,890
Fundraising expenses	127,734	-	-	127,734
<b>Total Expenses</b>	<b>1,565,381</b>	<b>-</b>	<b>-</b>	<b>1,565,381</b>
<b>OTHER INCOME (EXPENSE)</b>				
Realized gain (loss) on sale of investments	(8,429)	(7,933)	(33,219)	(49,581)
Unrealized loss	(59,371)	(55,879)	(233,993)	(349,243)
Interest and dividends income	345	325	1,362	2,032
Interest expense	(15,633)	-	-	(15,633)
Transfers	13,366	13,572	(26,938)	-
<b>Total Other Income (Expense)</b>	<b>(69,722)</b>	<b>(49,915)</b>	<b>(292,788)</b>	<b>(412,425)</b>
CHANGE IN NET ASSETS	(176,981)	992,805	(230,357)	585,467
NET ASSETS, BEGINNING OF YEAR	(697,973)	2,018,794	2,933,471	4,254,292
NET ASSETS, END OF YEAR	<b>\$ (874,954)</b>	<b>\$3,011,599</b>	<b>\$ 2,703,114</b>	<b>\$ 4,839,759</b>

The accompanying notes are an integral part of these financial statements.

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<b>2008</b>			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 38,274	\$ 629,173	\$ 197,254	\$ 864,701
21,044	-	-	21,044
50,146	-	-	50,146
406,859	-	-	406,859
702,196	(628,425)	(73,771)	-
<u>1,218,519</u>	<u>748</u>	<u>123,483</u>	<u>1,342,750</u>
694,564	-	-	694,564
714,132	-	-	714,132
133,856	-	-	133,856
<u>1,542,552</u>	<u>-</u>	<u>-</u>	<u>1,542,552</u>
138	70	1,583	1,791
(8,122)	(2,018)	(92,867)	(103,007)
5,887	62,676	67,306	135,869
(22,341)	-	-	(22,341)
31,054	(20,223)	(10,831)	-
<u>6,616</u>	<u>40,505</u>	<u>(34,809)</u>	<u>12,312</u>
(317,417)	41,253	88,674	(187,490)
(380,556)	1,977,541	2,844,797	4,441,782
<u>\$ (697,973)</u>	<u>\$ 2,018,794</u>	<u>\$ 2,933,471</u>	<u>\$ 4,254,292</u>



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**DISCRETELY PRESENTED COMPONENT UNIT  
RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2009 AND 2008**

	<u>2009</u>	<u>2008</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 585,467	\$ (187,490)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows From Operating Activities		
Unrealized loss	349,243	103,007
Contributions of long-term investments	(2,004,868)	(632,068)
Changes in Assets and Liabilities		
(Increase) decrease in accounts receivable	(2,278)	6,862
(Increase) decrease in unconditional promises to give	71,501	(29,053)
Increase in accounts payable	16,055	67,570
Decrease in refundable advances	(77,148)	(72,852)
Net Cash Flows From Operating Activities	<u>(1,062,028)</u>	<u>(744,024)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(481,824)	(332,740)
Proceeds from sale of investments	629,867	380,568
Net Cash Flows From Investing Activities	<u>148,043</u>	<u>47,828</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of debt	93,158	189,502
Increase in long-term unconditional promises to give	(207,978)	(276,585)
Proceeds from restricted fund borrowing	13,841	-
Collections of contributions restricted for long-term purposes	953,112	632,068
Net Cash Flows From Financing Activities	<u>852,133</u>	<u>544,985</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(61,852)	(151,211)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	61,852	213,063
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 61,852</u>

The accompanying notes are an integral part of these financial statements.

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***NOTES TO FINANCIAL STATEMENTS***

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## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **NOTE 1 - ORGANIZATION**

The Riverside Community College District (the District) was established in 1916 as a political subdivision of the State of California and provides educational services to residents of the surrounding area. The District operates under a locally elected five-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, capital project funds, and proprietary funds, but these budgets are managed at the department level. Currently, the District operates three campuses located within western Riverside County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 39.

#### **Financial Reporting Entity**

The District has adopted GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The three components used to determine the presentation are: providing a "direct benefit", the "environment and ability to access/influence reporting", and the "significance" criterion. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component units:

- **Riverside Community College District Foundation**

The Riverside Community College District Foundation (the Foundation) is a legally separate, tax-exempt organization. The Foundation acts primarily as a fundraising organization to provide grants and scholarships to students and support to employees, programs, and departments of the District. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the District, the Foundation is considered a component unit of the District. The Foundation is reported in separate financial statements because of the difference in its reporting model, as further described below.

The Foundation is a not-for-profit organization under Internal Revenue Code (IRS) Section 501(c)(3) that reports its financial results under Financial Accounting Standards Board (FASB) Statements. Most significant to the Foundation's operations and reporting model are FASB Statement No. 116, *Accounting for Contributions Received and Contributions Made*, and FASB Statement No. 117, *Financial Reporting for Not-For-Profit Organizations*. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information in the District's financial reporting entity for these differences.

Audited financial statements for the Foundation can be obtained from the Foundation's Business Office at 4800 Magnolia Avenue, Riverside, California 92506.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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- **Riverside Community College District Development Corporation**

The Riverside Community College District Development Corporation (the Corporation) is a legally separate organization component unit of the District. The Corporation was formed to provide financing and acquire assets for the District. A majority of the Corporation's Board of Directors either serves by reason of their position in the District or is appointed by the District's Board of Trustees. The financial activity has been "blended" or consolidated within the financial statements as the District as if the activity was the District's. Within the other supplementary information section of the report, the activity is included as the Riverside Community College District Development Corporation Fund as a Special Revenue Fund of the District. Individually prepared financial statements are not prepared for the Corporation.

#### ***NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

##### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37, No. 38, and No. 39. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain grants, entitlements, and donations, and are classified as nonoperating revenue. Federal and State grants received to provide direct grants to students are classified as nonoperating revenues because the District does not generally receive any direct benefit from the grants and are recognized in the fiscal year in which all eligibility requirements are satisfied. Eligibility requirements may include time and/or purpose requirements. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges System's Office and is based on reporting of full-time equivalent student (FTES) attendance. This apportionment revenue is recognized in the period the FTES are generated.

Operating expenses are incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred; when goods are received or services are rendered.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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The accounting policies of the District conform to accounting principles generally accepted in the United States of America (US GAAP) as applicable to colleges and universities, as well as those prescribed by the California Community Colleges System's Office. The District reports are based on all applicable GASB pronouncements, as well as applicable FASB pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The District has not elected to apply FASB pronouncements after that date. When applicable, certain prior year amounts have been reclassified to conform to current year presentation. The budgetary and financial accounts of the District are maintained in accordance with the State System's Office *Budget and Accounting Manual*.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, as amended by GASB Statements No. 37 and No. 38. The business-type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
  - Statement of Net Assets
  - Statement of Revenues, Expenses, and Changes in Net Assets
  - Statement of Cash Flows
- Notes to the Financial Statements

#### **Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the statement of cash flows. Restricted cash and cash equivalents represented balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

#### **Investments**

Investments held at June 30, 2009 and 2008, with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

#### **Accounts Receivable**

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at \$325,451 and \$277,779 for the years ended June 30, 2009 and 2008, respectively.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008**

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#### **Prepaid Expenses**

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

#### **Inventories**

Inventories consist primarily of cafeteria food and supplies held for resale to the students and faculty of the college. Inventories are stated at cost, utilizing the weighted average method. The cost is recorded as an expense as the inventory is consumed.

#### **Capital Assets and Depreciation**

Capital assets are long-lived assets of the District as a whole and include land, construction-in-progress, buildings, leasehold improvements, and equipment. The District maintains an initial unit cost capitalization threshold of \$5,000. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure. Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Major outlays for capital improvements are capitalized as construction-in-progress as the projects are constructed.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 15 to 50 years; improvements, 10 years; equipment, 3 to 8 years; vehicles, 5 to 10 years.

#### **Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

#### **Deferred Issuance Costs, Premiums, and Discounts**

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method.

#### **Compensated Absences**

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the entity-wide financial statements. The amounts have been recorded in the fund from which the employees, who have accumulated the leave, are paid. The District also participates in "load-banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Credit for unused sick leave is available to all full-time employees based on CalPERS and CalSTRS criteria.

#### **Deferred Revenue**

Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Deferred revenues include (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met are recorded as deferred revenue.

#### **Net Assets**

GASB Statements No. 34 and No. 35 report equity as "Net Assets." Net assets are classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

**Invested in Capital Assets, Net of Related Debt:** Capital Assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

**Restricted - Expendable:** Net assets whose use by the District is subject to externally imposed constraints that can be fulfilled by actions of the District pursuant to those constraints or by the passage of time. Net assets may be restricted for capital projects, debt repayment, and/or educational programs.

None of the District's restricted net assets have resulted from enabling legislation adopted by the District.

**Unrestricted:** Net assets that are not subject to externally imposed constraints. Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net assets are designated for special purposes.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed. The entity-wide financial statements report \$26,208,463 of restricted net assets.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008**

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#### **State Apportionments**

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these recalculations and corrections are accrued in the year in which the FTES are generated.

#### **On-Behalf Payments**

GASB Statement No. 24 requires direct on-behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees for another legally separate entity be recognized as revenues and expenditures by the employer entity. The State of California makes direct on-behalf payments to the California State Teachers' Retirement System (CalSTRS) and the California Public Employees Retirement Systems (CalPERS) on behalf of all community colleges in California.

#### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### **Property Taxes**

Secured property taxes attach as an enforceable lien on property as of January 1. The County Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Riverside bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when the County notifies the District of the availability of the revenues.

The voters of the District passed a General Obligation Bond in 2004 for the acquisition, construction, and remodeling of District capital assets. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are billed and collected as noted above and remitted to the District when collected. The property tax revenue received for the repayment of the bonds for the years ended June 30, 2009 and 2008, were \$11,139,248 and \$11,565,586, respectively.

#### **Scholarship Discounts and Allowances**

Student tuition and fee revenue is reported net of scholarship discounts and allowances in the Statement of Revenues, Expenditures, and Changes in Net Assets. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf. To the extent that fee waivers and discounts have been used to satisfy tuition and fee charges, the District has recorded a scholarship discount and allowance.



## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **Federal Financial Assistance Programs**

The District participates in federally funded Pell Grants, FSEOG Grants, Federal Work-Study, Academic Competitiveness Grants, and Federal Family Education Loan programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. These programs are audited in accordance with the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's revised Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the related *Compliance Supplement*. During the year ended June 30, 2009 and 2008, the District distributed \$3,901,647 and \$1,976,657, respectively, in direct lending through the U.S. Department of Education. These amounts have not been included as revenues or expenses within the accompanying financial statements as the amounts were passed directly to qualifying students; however, the amounts are included on the Schedule of Expenditures of Federal Awards.

#### **Interfund Activity**

Interfund transfers and interfund receivables and payables are eliminated during the consolidation process in the entity-wide financial statements.

#### **Foundation Presentation**

The Riverside Community College District Foundation presents its financial statements in accordance with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As permitted by the statement, the Foundation does not use fund accounting.

**Permanently Restricted Net Assets** - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on related investments for general or specific purposes.

**Temporarily Restricted Net Assets** - Net assets subject to donor-imposed stipulations that will be met by actions of the Foundation and/or the passage of time.

**Unrestricted Net Assets** - Net assets not subject to donor-imposed restrictions.

Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting. Revenues are reported as increases in the unrestricted net assets classification unless use of the related assets is limited by donor-imposed restrictions. Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized as revenue until the conditions on which they depend are substantially met. Contributions for in-kind gifts from outside sources are recorded at their fair market value on the date of the donation.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### Changes in Accounting Principles

In July 2004, GASB issued Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. This Statement requires local governmental employers who provide other postemployment benefits (OPEB) as part of the total compensation offered to employees to recognize the expense and related liabilities (assets) in the entity-wide financial statements of net assets and activities. This Statement established standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of State and local government employers.

This Statement provided for prospective implementation – that is that employers set the beginning OPEB obligation at zero as of the beginning of the initial year. The District has implemented the provision of the Statement for the fiscal year ended June 30, 2009. The District had an annual required contribution of \$1,474,187 for the year June 30, 2009, and made a contribution of \$517,462 resulting in a net OPEB obligation of \$956,725.

#### New Accounting Pronouncements

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Classifications*. The objectives of this Statements is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this Statement are effective for the financial statements for periods beginning after June 15, 2010. The District does not anticipate a significant impact in reporting as a result of this Statement as fund financial information is not reported.

In April 2009, the GASB issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for State and local governments into the GASB authoritative literature. The "GAAP hierarchy" consists of the sources of accounting principles used in the preparation of financial statements for State and local governmental entities that are presented in conformity with GAAP and the framework for selecting those principles. GASB Statement No. 55 is effective immediately.

In April 2009, the GASB issued Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statement on Auditing Standards*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance presented in the AICPA's Statements on Auditing Standards. This Statement addresses three issues not included in the authoritative literature that establishes accounting principles: related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than auditing literature. GASB Statement No. 56 is effective immediately.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **Comparative Financial Information**

Comparative financial information for the prior year has been presented for additional analysis; certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

#### ***NOTE 3 - DEPOSITS AND INVESTMENTS***

##### **Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

**Investment in County Treasury** - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis. The County Treasurer also holds investments in a separate investment agreement account other than the County Pooled Investment noted above on behalf of the District. Funds in this investment agreement are strictly related to the District's general obligation bonds.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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**General Authorizations**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**Summary of Deposits and Investments**

Deposits and investments as of June 30, 2009, consist of the following:

Cash on hand and in banks	\$ 2,361,961
Cash in revolving	50,000
Investments	113,919,587
Total Deposits and Investments	<u>\$ 116,331,548</u>

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool and County Pooled Investment Fund.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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**Specific Identification**

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Maturity Date</u>
County Pooled Investment	<u>\$ 114,424,867</u>	1.06*

\*Weighted average of maturity in years.

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool are rated Aaa by Fitch Ratings Ltd. as of June 30, 2009.

<u>Investment Type</u>	<u>Minimum Legal Rating</u>	<u>Rating June 30, 2009</u>	<u>Fair Market Value</u>
County Pooled Investment	Not Required	Aaa	<u>\$ 114,424,867</u>

**Custodial Credit Risk - Deposits**

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. As of June 30, 2009, the District's bank balance of \$1,469,304 was exposed to custodial credit risk because it was uninsured and collateralized at 110 percent of balance over \$100,000 with securities held by the pledging financial institution's trust department or agent, but not in the name of the District. Of the \$1,469,304 exposed to custodial credit risk, \$1,262,319 relates to funds of the associated students.

**Custodial Credit Risk - Investments**

This is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The cash held in the County Treasury is uncategorized and the fair value approximates carrying value are shown above in the credit risk schedule. Deposits with the County Treasury are not categories because they do not represent securities which exist in physical or book entry form. The deposits with the County Treasury are valued using the amortized cost method (which approximates fair value). The fair values are provided by the County Treasurer. As of June 30, 2009, \$113,919,587 is invested in the Riverside County Treasurer's Pooled Investment Fund. The Pooled Investment Fund is currently rated Aaa by Fitch Ratings Ltd.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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**NOTE 4 - ACCOUNTS RECEIVABLE**

Receivables for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources.

The accounts receivable are as follows:

	<u>2009</u>	<u>2008</u>
Federal Government		
Categorical aid	\$ 2,323,228	\$ 2,057,793
State Government		
Apportionment	15,024,738	5,572,690
Categorical aid	865,091	473,300
Lottery	1,806,440	1,978,201
Other State sources	8,937,772	4,853,760
Local Sources		
Interest	412,953	1,209,174
Property taxes	2,063,400	3,619,567
Riverside Community College District Foundation	704,028	390,556
Riverside County Redevelopment Agency	898,653	1,145,600
Other local sources	2,579,577	1,238,186
Total	<u>\$ 35,615,880</u>	<u>\$ 22,538,827</u>
Student receivables	\$ 1,084,837	\$ 925,931
Less allowance for bad debt	<u>(325,451)</u>	<u>(277,779)</u>
Student receivables, net	<u>\$ 759,386</u>	<u>\$ 648,152</u>
Total receivables, net	<u>\$ 36,375,266</u>	<u>\$ 23,186,979</u>

**Discretely Presented Component Unit**

The Foundation's accounts receivables consist primarily of donations and unconditional promises to give. The Foundation routinely analyzes the collectability of the outstanding balance and has provided for the determined valuation.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

**NOTE 5 - CAPITAL ASSETS**

Capital asset activity for the District for the fiscal year ended June 30, 2009, was as follows:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Capital Assets Not Being Depreciated				
Land	\$ 32,502,697	\$ -	\$ -	\$ 32,502,697
Construction in progress	41,546,052	28,582,347	56,551,334	13,577,065
Total Capital Assets Not Being Depreciated	<u>74,048,749</u>	<u>28,582,347</u>	<u>56,551,334</u>	<u>46,079,762</u>
Capital Assets Being Depreciated				
Land improvements	5,719,137	3,578,719	-	9,297,856
Buildings and improvements	137,488,061	53,370,336	-	190,858,397
Furniture and equipment	22,440,352	3,491,753	95,530	25,836,575
Total Capital Assets Being Depreciated	<u>165,647,550</u>	<u>60,440,808</u>	<u>95,530</u>	<u>225,992,828</u>
Total Capital Assets	<u>239,696,299</u>	<u>89,023,155</u>	<u>56,646,864</u>	<u>272,072,590</u>
Less Accumulated Depreciation				
Land improvements	4,604,364	329,276	-	4,933,640
Buildings and improvements	29,010,366	4,640,170	-	33,650,536
Furniture and equipment	15,143,432	3,272,701	95,530	18,320,603
Total Accumulated Depreciation	<u>48,758,162</u>	<u>8,242,147</u>	<u>95,530</u>	<u>56,904,779</u>
Net Capital Assets	<u>\$ 190,938,137</u>	<u>\$ 80,781,008</u>	<u>\$ 56,551,334</u>	<u>\$ 215,167,811</u>

Depreciation expense for the year was \$8,242,147.

The District was the beneficiary of an extensive bequest of Mine Okubo's estate, a Japanese-American artist, inclusive of paintings, works of art, reference materials, photographs, books, writings, letters, and printed material. The District took possession of the materials bequeathed from the estate of Ms. Okubo as of June 30, 2009. The District has included the collection and materials as priceless in the District's capital assets (non-depreciable assets). During the course of the next few years and as the District learns the collection's long-term historical value, the values will be added to the District's capital assets. As of June 30, 2009, the District has not recorded a value of the collection in the financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

Capital asset activity for the District for the fiscal year ended June 30, 2008, was as follows:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Capital Assets Not Being Depreciated				
Land	\$ 32,502,697	\$ -	\$ -	\$ 32,502,697
Construction in progress	52,489,178	21,432,362	32,375,488	41,546,052
Total Capital Assets Not Being Depreciated	<u>84,991,875</u>	<u>21,432,362</u>	<u>32,375,488</u>	<u>74,048,749</u>
Capital Assets Being Depreciated				
Land improvements	5,135,661	583,476	-	5,719,137
Buildings and improvements	105,529,914	32,386,566	428,419	137,488,061
Furniture and equipment	19,669,005	3,063,215	291,868	22,440,352
Total Capital Assets Being Depreciated	<u>130,334,580</u>	<u>36,033,257</u>	<u>720,287</u>	<u>165,647,550</u>
Total Capital Assets	<u>215,326,455</u>	<u>57,465,619</u>	<u>33,095,775</u>	<u>239,696,299</u>
Less Accumulated Depreciation				
Land improvements	4,454,024	150,340	-	4,604,364
Buildings and improvements	25,635,147	3,413,776	38,557	29,010,366
Furniture and equipment	13,081,750	2,353,550	291,868	15,143,432
Total Accumulated Depreciation	<u>43,170,921</u>	<u>5,917,666</u>	<u>330,425</u>	<u>48,758,162</u>
Net Capital Assets	<u>\$ 172,155,534</u>	<u>\$ 51,547,953</u>	<u>\$ 32,765,350</u>	<u>\$ 190,938,137</u>

Depreciation expense for the year was \$5,917,666.

**NOTE 6 - ACCOUNTS PAYABLE**

Accounts payable for the District consisted of the following:

	2009	2008
Accrued payroll and benefits	\$ 1,757,188	\$ 986,197
Apportionment	3,185,605	3,994,280
State categorical programs	160,112	217,153
Construction payables	7,195,994	6,146,806
Vendor payables	2,913,071	2,994,940
Other	126,760	228,026
Total	<u>\$ 15,338,730</u>	<u>\$ 14,567,402</u>

**Discretely Presented Component Unit**

The accounts payable of the Foundation consist primarily of amounts owed to vendors for supplies and services.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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**NOTE 7 - DEFERRED REVENUE**

Deferred revenue at consisted of the following:

	<u>2009</u>	<u>2008</u>
Federal financial assistance	\$ -	\$ 20,427
State categorical aid	2,851,954	2,294,711
Enrollment fees	898,508	752,650
Theater subscriptions	314,986	300,275
Health and liability self-insurance	1,156,712	1,088,938
Summer community education fees	119,862	123,000
Other local	440,418	443,106
Total	<u>\$ 5,782,440</u>	<u>\$ 5,023,107</u>

**NOTE 8 - INTERFUND TRANSACTIONS**

**Interfund Receivables and Payables (Due To/Due From)**

Balances owing between funds at year-end were for cost allocation. The balances result from the time lag between the date that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances at June 30, 2009 and 2008, have been eliminated in the consolidation process for financial statement presentation.

**Interfund Operating Transfers**

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers between funds of the District have been eliminated in the consolidation process.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

**NOTE 9 - LONG-TERM OBLIGATIONS**

**Long-Term Obligations Summary**

The changes in the District's long-term obligations during the 2009 fiscal year consisted of the following:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year	Due in One Year
<b>Bonds Payable</b>					
General obligation bonds, Series A and B	\$ 3,475,000	\$ -	\$ -	\$ 3,475,000	\$ -
General obligation bonds, Refunding Bond 2005	56,552,557	666,520	1,260,000	55,959,077	1,495,000
Net unamortized debt premium	4,705,774	-	162,838	4,542,936	-
General obligation bonds, Series 2007 C	83,980,000	-	5,125,000	78,855,000	5,160,000
Net unamortized debt premium	2,640,907	-	176,061	2,464,846	-
<b>Total Bonds Payable</b>	<b>151,354,238</b>	<b>666,520</b>	<b>6,723,899</b>	<b>145,296,859</b>	<b>6,655,000</b>
<b>Other Liabilities</b>					
Compensated absences	2,608,658	246,135	-	2,854,793	713,698
Capital leases	56,250	-	14,674	41,576	14,674
Golden handshake	2,273,357	-	916,229	1,357,128	452,376
Load banking	698,507	350,174	219,946	828,735	-
Other post employment benefits (OPEB)	-	1,474,187	517,462	956,725	-
<b>Total Other Liabilities</b>	<b>5,636,772</b>	<b>2,070,496</b>	<b>1,668,311</b>	<b>6,038,957</b>	<b>1,180,748</b>
<b>Total Long-Term Obligations</b>	<b>\$156,991,010</b>	<b>\$2,737,016</b>	<b>\$ 8,392,210</b>	<b>\$151,335,816</b>	<b>\$7,835,748</b>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

The changes in the District's long-term obligations during the 2008 fiscal year consisted of the following:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year	Due in One Year
<b>Bonds Payable</b>					
General obligation bonds, Series A and B	\$ 5,020,000	\$ -	\$ 1,545,000	\$ 3,475,000	\$ -
General obligation bonds, Refunding Bond 2	56,434,356	593,201	475,000	56,552,557	1,260,000
Net unamortized debt premium	4,868,611	-	162,837	4,705,774	-
General obligation bonds, Series 2007 C	90,000,000	-	6,020,000	83,980,000	5,125,000
Net unamortized debt premium	2,816,967	-	176,060	2,640,907	-
<b>Total Bonds Payable</b>	<b>159,139,934</b>	<b>593,201</b>	<b>8,378,897</b>	<b>151,354,238</b>	<b>6,385,000</b>
<b>Other Liabilities</b>					
Compensated absences	2,328,743	279,915	-	2,608,658	1,046,309
Capital leases	73,445	-	17,195	56,250	14,674
Golden handshake	927,706	2,261,880	916,229	2,273,357	916,229
Load banking	648,827	242,945	193,265	698,507	9,943
<b>Total Other Liabilities</b>	<b>3,978,721</b>	<b>2,784,740</b>	<b>1,126,689</b>	<b>5,636,772</b>	<b>1,987,155</b>
<b>Total Long-Term Obligations</b>	<b>\$163,118,655</b>	<b>\$3,377,941</b>	<b>\$ 9,505,586</b>	<b>\$156,991,010</b>	<b>\$8,372,155</b>

**Description of Debt**

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local property tax collections. The capital lease payments are made by the other special revenue fund. The compensated absences are made by the fund for which the employees' salaries are paid from. The District's General Fund makes payments for the Golden Handshake and load banking obligations.

**Bonded Debt**

**2004 General Obligation Bonds**

During March 2004, voters of the District authorized the issuance and sale of general obligation bonds in the amount of \$350,000,000. As a result of the authorization, General Obligation Bonds Series 2004A "Series A Bonds" and Series 2004B (federally taxable) "Series B Bonds" were issued in August 2004. At June 30, 2009, the principal outstanding was \$3,475,000.

Series A Bonds were issued in the aggregate principal amount of \$55,205,000 with interest rates ranging from 4.00 to 5.25 percent. Series A Bonds were used to finance the acquisition, construction, and modernization of property and school facilities, to refund outstanding certificates of participation (COPs), and to pay certain costs of the bond issue. The refunded COPs are considered defeased. This current refunding was undertaken to decrease total debt service payments by \$2,762,260. The Series A Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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Series B Bonds were issued to advance refund the District's outstanding certificates of participation. The refunded COPs are considered defeased. This advance refunding was undertaken to reduce total debt service payments by \$2,298,036 and to obtain an economic gain of \$237,565. The Series B Bonds are not subject redemption prior to maturity.

The bonds are general obligations of the District. The Riverside County Board of Supervisors is obligated to levy ad valorem taxes upon all property within the District subject to taxation by the District for the payment of interest and principal on the bonds when due.

**2005 General Obligation Refunding Bonds**

During May 2005, the District issued 2005 General Obligation Refunding Bonds with interest rates ranging from 3.00 to 5.00 percent. The bonds were issued as current interest bonds and capital appreciation bonds, with the value of the capital appreciation bonds accreting \$5,755,644, and an aggregate principal debt service balance of \$56,434,356. The bonds mature through August 1, 2024. Principal and interest on the refunded debt will be paid until such time as they can be redeemed on August 1, 2014. At June 30, 2009, the principal outstanding was \$55,959,077, and net unamortized debt premium was \$4,542,936.

The bonds are being used to advance refund all or a portion of the outstanding principal amount of the District's General Obligation Bonds, Election of 2004, Series 2004A (the Refunding Bonds). The refunded bonds were the Series A general obligation bonds including the cost of issuance of the bonds except for \$3,745,000 of the debt. The refunded bonds are considered defeased. The bonds were issued as current interest bonds and capital appreciation bonds. Interest with respect to the current interest bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year.

Net debt premium consists of the following:

	June 30, 2009
Deferred loss on refunding	\$ (3,050,917)
Debt issue costs	(726,523)
Debt premium	8,320,376
Net unamortized debt premium	<u>\$ 4,542,936</u>

**2007 General Obligation Bonds**

During June 2007, the District issued the 2007 General Obligation Bonds in the amount of \$90,000,000. The bonds mature beginning on August 1, 2007 through August 1, 2032, with interest yields ranging from 3.62 to 4.47 percent. At June 30, 2009, the principal outstanding was \$78,855,000 and unamortized premium and issuance costs of \$2,464,846 and \$949,227, respectively. Premium and issuance costs are amortized over the life of the bonds as a component of interest expense on the bonds.

The bonds are being used for the purposes of financing the repair, acquisition, construction, and equipping of certain District facilities, and to pay all legal, financial, and contingent costs in connection with the issuance of the bonds. The bonds are general obligations of the District payable solely from the proceeds of ad valorem property taxes. Interest with respect of the bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2007.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds	Issued	Accreted	Redeemed	Bonds
				Outstanding July 1, 2008		Interest Addition		Outstanding June 30, 2009
2004	2030	4.00%-5.25%	\$ 55,205,000	\$ 3,475,000	\$ -	\$ -	\$ -	\$ 3,475,000
2005	2025	3.00%-5.00%	68,181,109	56,552,557	-	666,520	1,260,000	55,959,077
2007	2033	4.00%-5.00%	90,000,000	83,980,000	-	-	5,125,000	78,855,000
				<u>\$ 144,007,557</u>	<u>\$ -</u>	<u>\$ 666,520</u>	<u>\$ 6,385,000</u>	<u>\$ 138,289,077</u>

The General Obligation Bonds, Series A and B mature through 2030 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
	2010	\$ -	\$ 146,075
2011	-	146,075	146,075
2012	500,000	136,075	636,075
2013	620,000	113,675	733,675
2014	795,000	85,375	880,375
2015-2019	1,070,000	161,269	1,231,269
2020-2024	155,000	112,694	267,694
2025-2029	265,000	58,175	323,175
2030	70,000	1,925	71,925
Total	<u>\$ 3,475,000</u>	<u>\$ 961,338</u>	<u>\$ 4,436,338</u>

The General Obligation Bonds, 2005 Refunding Bonds mature through 2025 as follows:

Fiscal Year	Principal	Accreted	Current	Total
		Interest	Interest to Maturity	
2010	\$ 1,495,000	\$ -	\$ 2,440,762	\$ 3,935,762
2011	1,740,000	-	2,366,250	4,106,250
2012	1,544,393	92,886	2,310,500	3,947,779
2013	1,340,075	147,417	2,298,250	3,785,742
2014	1,281,442	140,963	2,298,250	3,720,655
2015-2019	13,333,167	285,254	10,727,750	24,346,171
2020-2024	27,820,000	-	5,611,000	33,431,000
2025	7,405,000	-	185,125	7,590,125
Total	<u>\$ 55,959,077</u>	<u>\$ 666,520</u>	<u>\$ 28,237,887</u>	<u>\$ 84,863,484</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

The General Obligation Bonds, Series 2007 C mature through 2033 as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2010	\$ 5,160,000	\$ 3,746,850	\$ 8,906,850
2011	5,185,000	3,534,575	8,719,575
2012	-	3,425,500	3,425,500
2013	-	3,425,500	3,425,500
2014	-	3,425,500	3,425,500
2015-2019	-	17,127,500	17,127,500
2020-2024	-	17,127,500	17,127,500
2025-2029	33,600,000	13,950,250	47,550,250
2030-2033	34,910,000	2,813,250	37,723,250
Total	<u>\$ 78,855,000</u>	<u>\$ 68,576,425</u>	<u>\$ 147,431,425</u>

**Capital Leases**

The District has utilized capital leases purchase agreements to primarily purchase land, buildings, and equipment. The current lease purchase agreement in the amount of \$41,576 will be paid through 2012.

The District has entered into various capital lease arrangements for equipment:

Equipment	\$ 138,445
Less: Accumulated depreciation	(33,706)
Total	<u>\$ 104,739</u>

Amortization of the leased equipment under capital lease is included with depreciation expense.

The District's principal obligations on lease agreements with options to purchase are summarized below:

<u>Year Ending June 30,</u>	<u>Lease Payment</u>
2010	\$ 17,195
2011	17,195
2012	12,228
Total	46,618
Less: Amount Representing Interest	5,042
Present Value of Minimum Lease Payments	<u>\$ 41,576</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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***NOTE 10 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATION***

The District provides postemployment health care benefits for retired employees in accordance with approved Board policy.

**Plan Description**

The Riverside Community College District Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the District. The Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Membership of the Plan consists of 65 retirees and beneficiaries currently receiving benefits and 802 active plan members.

**Funding Policy**

The contribution requirements of plan members and the District are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as determined annually through agreements between the District and the bargaining units. For fiscal year 2008-2009, the District contributed \$517,462 to the Plan, all of which was used for current premiums.

**Annual OPEB Cost and Net OPEB Obligation**

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the payments of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding costs) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation to the Plan:

Annual required contribution	\$ 1,474,187
Annual OPEB cost (expense)	<u>517,462</u>
Increase in net OPEB obligation	956,725
Net OPEB obligation, July 1, 2008	<u>-</u>
Net OPEB obligation, June 30, 2009	<u><u>\$ 956,725</u></u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2009 was as follows:

<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
\$ 1,474,187	35.1%	\$ 956,725

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **Funding Status and Funding Progress**

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information, follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of implementation, only the current year information is presented.

#### **Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial values of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2007, actuarial valuation, the unit credit cost method was used. The actuarial assumptions include healthcare cost trend rates ranged from an initial ten percent to an ultimate rate of five percent. The UAAL is being amortized at a level dollar method. The remaining amortization period at July 1, 2007, was 30 years. The actuarial value of assets was not determined in this actuarial valuation. As of June 30, 2009, the District finances its OPEB contributions using a pay-as-you-go method. The District has not established a plan or equivalent arrangement that contains an irrevocable trust.

#### ***NOTE 11 - RISK MANAGEMENT***

##### **Insurance Coverages**

The District is exposed to various risks of loss related to torts and liability; theft of, damage to and destruction of assets; errors and omissions and injuries to employees. The District obtains coverage for these risks as a member of various joint powers authorities or through the purchase of coverage from a risk retention group. The District has coverage up to \$20,000,000 for liability and tort risks. This coverage is subject to a \$100,000 self-insured retention. The District carries replacement coverage on its buildings and furniture and equipment with limits of \$295,277,000 and a \$100,000 deductible. Employee health benefits are covered by the employees enrolling in either one of two health maintenance organizations or in the District's self-insured health plan. The District's self-insured limit for the self-insured plan is \$100,000, and it purchases insurance coverage for the excess claims. The District purchases coverage for the dental benefits from a joint powers authority.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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**Joint Powers Authority Risk Pools**

During fiscal year ending June 30, 2009, the District contracted with the Alliance of Schools for Cooperative Insurance Program Joint Powers Authority for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

**Workers' Compensation**

For fiscal year 2008-2009, the District participated in the Schools Excess Liability Fund Joint Powers Authority (JPA), an insurance purchasing pool. The District is self insured for the first \$350,000 of each workers' compensation claim. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

<u>Insurance Program / JPA Name</u>	<u>Type of Coverage</u>	<u>Limits</u>
Schools Excess Liability Fund (SELF)	Workers' Compensation	\$ 2,000,000
Schools Excess Liability Fund (SELF)	Excess Liability	\$ 20,000,000
Alliance of Schools for Cooperative Insurance Program (ASCIP)	Property and Liability	\$ 1,000,000

**Employee Medical Benefits**

The District has contracted with Kaiser Permanente, Health Net, and the RCCD Plan to provide employee medical benefits. The District provides health and welfare benefits to all full-time and permanent part-time employees (20 hours or more) and their dependents. Those employees working less than full-time will receive a pro-rata share of the benefit package. Employees in positions less than 20 hours per week do not receive any fringe benefits.

If the employee elects not to enroll for health insurance coverage from one of the carriers provided by the District, such employee must provide evidence of other health insurance coverage.

- Medical - The employee has a choice of Kaiser Permanente, Health Net, or the RCCD Plan. The employee may elect to change carriers once per year during open enrollment. Normally, such election shall be effective October 1 of each year.
- Dental - Delta insurance coverage for employees and dependents shall be provided by the District. All employees shall participate in the program.
- Life Insurance - The District provides a \$50,000 life insurance policy by a carrier designated by the District. All employees shall participate in this life insurance program.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

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Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. Claims are paid for all participants regardless of the claim's flow. The Board of Directors has the right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool.

The District records an estimated liability for indemnity torts and other claims against the District. Claims liabilities are based on estimates of the ultimate costs of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience. The estimated liabilities are calculated using historical experience and internal actuarial analysis.

**Claims Liabilities**

The District establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represent the changes in approximate aggregate liabilities for the District from July 1, 2007 to June 30, 2009:

	Self- Insurance
Liability Balance, July 1, 2007	\$ 2,831,205
Claims and changes in estimates	6,664,980
Claims payments	<u>(6,193,620)</u>
Liability Balance, June 30, 2008	3,302,565
Claims and changes in estimates	9,430,110
Claims payments	<u>(7,367,702)</u>
Liability Balance, June 30, 2009	<u>\$ 5,364,973</u>
Assets available to pay claims at June 30, 2009	<u>\$ 8,722,572</u>

The District records an estimated liability for indemnity health care, workers' compensation, torts, and other claims against the District. Claims liabilities are based on estimates of the ultimate cost of the reported claims including future claim adjustment expenses and an estimate for claims incurred, but not reported based on historical experience. The estimated liabilities are calculated using historical experience and internal actuarial analysis.

**NOTE 12 - EMPLOYEE RETIREMENT SYSTEMS**

Qualified employees are covered under multiple-employer retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### CalSTRS

##### Plan Description

The District contributes to CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

##### Funding Policy

Active members of the DB Plan are required to contribute eight percent of their salary while the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2008-2009 was 8.25 percent of annual payroll. The contribution requirements of the plan members are established by State statute. The District's total contributions to CalSTRS for the fiscal years ended June 30, 2009, 2008, and 2007, were \$5,560,357, \$5,207,094, and \$5,000,706, respectively, and equal 100 percent of the required contributions for each year.

##### Other Information

Under CalSTRS law, certain early retirement incentives require the employer to pay the present value of the additional benefit which may be paid on either a current or deferred basis. The District has obligations to CalSTRS totaling \$696,377 for early retirement incentives granted to terminated employees.

#### CalPERS

##### Plan Description

The District contributes to the School Employer Pool under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **Funding Policy**

Active plan members are required to contribute seven percent of their salary (seven percent of monthly salary over \$133.33 if the member participates in Social Security), and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The District's contribution rate to CalPERS for fiscal year 2008-2009 was 9.428 percent of covered payroll. The District's contributions to CalPERS for fiscal years ending June 30, 2009, 2008, and 2007, were \$3,263,162, \$3,003,354, and \$2,702,097, respectively, and equaled 100 percent of the required contributions for each year.

#### **On-Behalf Payments**

The State of California makes contributions to CalSTRS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS which amounted to \$3,029,760, \$2,824,786, and \$2,720,297 (4.517 percent) of salaries subject to CalSTRS for the years ending June 30, 2009, 2008, and 2007, respectively. These amounts have been reflected in the basic financial statements as a component of nonoperating revenue and employee benefit expense.

#### **Deferred Compensation**

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and Section 457. The plans, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the Financial Agent, until paid or made available to the employee or other beneficiary.

The San Diego County Office of Education Fringe Benefit Consortium is the Financial Agent for the District.

#### **Public Agency Retirement System (PARS)**

The Omnibus Budget Reconciliation Act of 1990 [Internal Revenue Code Section 3121 (b) (7) (F)] requires State and local public agencies to provide a retirement plan for all employees not covered under existing employer pension plans and/or Social Security.

The District is a member of the Public Agency Retirement System (PARS), a multiple-employer retirement trust established in 1990 by a coalition of public employers. The plan covers the District's part-time, temporary, and other employees not covered under CalPERS or CalSTRS, but whose salaries would otherwise be subject to Social Security tax. Benefit provisions and other requirements are established by District management based on agreements with various bargaining units. PARS is a defined contribution qualified retirement plan under Section 401 (a) of the Internal Revenue Code.

The minimum total contribution is 7.5 percent of employees' salaries, of which the employee contributes the total 7.5 percent. District employees are covered under PARS Number 763 as of June 30, 2009. Total contributions to the plan amounted to \$761,526.

# RIVERSIDE COMMUNITY COLLEGE DISTRICT

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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### *NOTE 13 - COMMITMENTS AND CONTINGENCIES*

#### **Grants**

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2009.

#### **Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2009.

#### **Operating Leases**

The District has entered into various operating leases for buildings and equipment with lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date. Future minimum lease payments under these agreements are as follows:

Year Ending June 30,	Lease Payment
2010	\$ 216,339
2011	53,226
Total	<u>\$ 269,565</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2009 AND 2008**

**Construction Commitments**

As of June 30, 2009, the District had the following budgetary commitments with respect to the unfinished capital projects:

CAPITAL PROJECT	Spent to Date	Budgeted Construction Commitment	Expected Fiscal Year Completion
Aquatic Project	\$ 1,176,122	\$ 12,855,003	11-12
Cosmo, Ceramic Bldg. Bridge, and Music Room Project	147,409	135,681	09-10
District ADA Transition Plan	457,691	5,902,309	11-12
Humanities Upgrade	50,181	91,290	09-10
MLK Stem Center	30,650	113,350	09-10
Moreno Valley - Network Operations Center	82,667	2,930,690	09-10
Moreno Valley Phase III	645,284	18,964,998	11-12
Moreno Valley - Allied Health Redistribution	1,133,967	3,663,624	11-12
Moreno Valley - ECS Upgrade and Retrofit Project	248,179	4,117	09-10
Moreno Valley - Health Science Center	94,271	27,375,729	11-12
Moreno Valley - Food Service Remodel	295,756	3,100,147	10-11
Moreno Valley - Parking Structure	110,310	29,889,690	10-11
Norco - Campus Beautification Project	89,978	41,563	09-10
Norco - Center for Health Wellness and Kinesiology	83,000	30,917,000	11-12
Norco - ECS Upgrade and Retrofit Project	117,827	255,204	09-10
Norco - Network Operations Center	13,147	1,586,853	09-10
Norco Student Support Center	2,573,756	17,420,744	11-12
Nursing/Science Project	5,379,832	79,778,701	11-12
P.E. Phase II	730,841	17,870,910	10-11
Quad Basement Remodel	12,960	454,540	09-10
Riverside - Black Box Theatre	25,846	735,904	09-10
Riverside School of the Arts	197,749	2,202,251	12-13
Stoko ECS Upgrade	46,325	543,127	09-10
Technology Building A Remodel	11,375	923,625	09-10
	<u>\$ 13,755,123</u>	<u>\$ 257,757,050</u>	

The projects are funded through a combination of general obligation bonds and capital project apportionments from the State System's Office.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2009 AND 2008

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#### **Deferral of State Apportionments**

Due to the inability of the California State legislature to enact a budget by June 30, 2009, certain apportionments owed to the Community College District System and the Riverside Community College District for funding of FTES, categorical programs, and construction reimbursements which are attributable to the 2008-2009 fiscal year have been deferred to the 2009-2010 fiscal year. The total amount of funding deferred into the 2009-2010 fiscal year was \$15.024 million. As of July 14, 2009, \$0 remains outstanding. These deferrals of apportionment are considered permanent with future funding also being subject to deferral into future years.

#### ***NOTE 14 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES***

The District is a member of the School Excess Liability Fund (SELF), the Riverside Community College - County Superintendent Self-Insurance Program for Employees (RCCCSSIPE), the Riverside Employers/Employees Plan (REEP), and the Alliance of Schools for Cooperative Insurance Programs (ASCIP) Joint Powers Authorities (JPAs). The District pays annual premiums for its property liability, health, and workers' compensation coverage. The relationship between the District and the JPAs is such that they are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities.

The District's share of year-end assets, liabilities, or fund equity has not been calculated.

During the year ended June 30, 2009, the District made payments of \$340,535, \$4,518, \$1,384,318, and \$434,161 to SELF, RCCCSSIPE, REEP, and ASCIP, respectively.

#### ***NOTE 15 - SUBSEQUENT EVENT***

The District issued \$10,725,000 of tax and revenue anticipation notes dated July 1, 2009. The notes mature on June 30, 2010, with an interest rate of 2.5 percent, and yield ranging from 0.53 to 0.60 percent interest. The notes were sold to supplement cash flow.

Repayment requirements are that a percentage of principal and interest be deposited with the fiscal agent each month beginning February 2010 until 100 percent of principal and interest due is on account in June 2010.

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING  
 PROGRESS  
 FOR THE YEAR ENDED JUNE 30, 2009**

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) - Unit Credit Cost Method (b)</b>	<b>Unfunded AAL (UAAL) (b - a)</b>	<b>Funded Ratio (a / b)</b>	<b>Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll [(b - a) / c]</b>
July 1, 2007	\$ -	\$ 9,766,024	\$ 9,766,024	\$ -	\$ 101,478,679	9.62%

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***SUPPLEMENTARY INFORMATION***

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## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### DISTRICT ORGANIZATION JUNE 30, 2009

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The Riverside Community College District was founded in 1916 and is comprised of an area of approximately 440 square miles located in the western portion of Riverside County. There were no changes in the boundaries of the District during the current year. The District is accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges, which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

#### BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Virginia Blumenthal	President	December 2010
Janet Green	Vice President	December 2010
Jose Medina	Secretary	December 2010
Mary Figueroa	Member	December 2012
Mark A. Takano	Member	December 2012

#### ADMINISTRATION

Dr. Irving Hendrick <sup>(1)</sup>	Interim Chancellor
Dr. James L. Buysse	Vice Chancellor, Administration and Finance
Dr. Ray Maghroori	Vice Chancellor, Academic Affairs
Ms. Melissa Kane	Vice Chancellor, Diversity and Human Resources
Dr. Linda Lacy	Vice Chancellor, Student Services/Operations

<sup>(1)</sup> Dr. Gregory Gray, Chancellor as of July 1, 2009

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
Water Quality Research	10.223	\$ 81,547
GS-5 Certified: Increasing Soil Science Education	10.223	25,986
Pass through California Department of Education (CDE)		
Child and Adult Care Food Program	10.558	22,412
Total U.S. Department of Agriculture		<u>129,945</u>
<b>U.S. DEPARTMENT OF DEFENSE</b>		
Procurement Assistance Center (PAC)	12.002	251,871
<b>U.S. DEPARTMENT OF LABOR</b>		
<b>WORKFORCE INVESTMENT ACT</b>		
Pass through from the County of Riverside (EDA)		
WIA Cluster		
Title I Community College Education Assistance Center	17.258	184,397
ARRA - Summer Youth Employment Program	17.259	11,303
Subtotal WIA Cluster		<u>195,700</u>
Pass through from California Community College System's Office		
California Transportation and Logistics Institute (CaTLI)	17.269	87,340
Total U.S. Department of Labor		<u>283,040</u>
<b>NATIONAL ENDOWMENT FOR THE ARTS</b>		
NEA Challenge America	45.024	10,000
<b>NATIONAL SCIENCE FOUNDATION</b>		
Advanced Technological Education (ATE)	47.076	78,240
Logistics Technicians: Goods to Go	47.076	115,638
National Center of Logistic and Supply Chain Tech Planning	47.076	40,887
Total National Science Foundation		<u>234,765</u>
<b>SMALL BUSINESS ADMINISTRATION</b>		
Pass through from California State University, Fullerton		
Auxiliary Services Corporation		
Small Business Development Center	59.037	325,477
Tri-Tech Small Business Development Center	59.037	14,281
Total Small Business Administration		<u>339,758</u>
<b>U.S. DEPARTMENT OF VETERANS AFFAIRS</b>		
Veteran Outreach Program - Administration	64.000	5,103
<b>U.S. DEPARTMENT OF EDUCATION</b>		
<b>TRIO Cluster</b>		
Student Support Services Program	84.042	239,709
Upward Bound Program	84.047	808,609
Subtotal TRIO Cluster		<u>1,048,318</u>

(Continued)

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION, Continued		
Student Financial Assistance Cluster		
Federal Supplement Education Opportunity Grant (FSEOG)	84.007	\$ 673,337
FSEOG Administrative	84.007	37,216
Federal Family Education Loans (FFEL)	84.032	3,901,647
Federal Work Study Program (FWS)	84.033	736,399
Federal Work Study Administrative	84.033	43,892
Federal Pell Grants (PELL)	84.063	21,737,716
Federal Pell Administrative	84.063	45,151
Academic Competitiveness Grant (ACG)	84.375	41,075
Subtotal Student Financial Assistance Cluster		<u>27,216,433</u>
HIGHER EDUCATIONAL ACT		
Strengthening Institutions - Student Learning Cooperative	84.031	922,143
Strengthening Institutions - Hispanic Serving Institutions	84.031	568,826
Pass through from Chaffey Community College District		
Title V - Cooperative	84.031	252,784
CCRAA - Access to Success	84.031	200,027
CCRAA - Project Success Program	84.031	321,212
CCRAA - Step up to Success Cooperative	84.031	421,771
Subtotal Higher Education - Institutional Aid		<u>2,686,763</u>
Fund for Improvement of Post-Secondary Education (FIPSE)	84.116B	90,839
Child Care Access Means Parents in School (CCAMPIS)	84.335A	192,126
Pass through from University of California, Riverside		
Teacher Quality Enhancement Grants	84.336	108,900
Aurora	84.336	2,995
Copernicus Alliance Science through Literacy (CASTL)	84.336B	11,608
CAREER AND TECHNICAL EDUCATION ACT		
Passed through from California Community College System's Office		
Career and Technical Education, Title I-B Regional Consortia Desert	84.048	164,880
Career and Technical Education, Title I-C	84.048	971,918
Technical Preparation Regional Coordination	84.243	180,194
Title II, Technical Preparation	84.243	243,901
Success by Design - A Demonstration Model for		
Institutional Partnerships Serving Out-of-School Youth	84.353A	139,434
REHABILITATION ACT		
Pass through from California Department of Rehabilitation		
Rehabilitation Services -		
Vocational Rehabilitation Grants to States	84.126	202,200
ELEMENTARY AND SECONDARY EDUCATION ACT		
FIE Earmark Grant Awards	84.215K	84,682
Total U.S. Department of Education		<u>33,345,191</u>

(Continued)

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Federal Expenditures
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
Nurse Education, Practice, and Retention	93.359	\$ 381,537
Career Ladder, Nursing Education	93.359	7,544
Pass through from California Community College System's Office		
Temporary Assistance to Needy Families (TANF)	93.558	91,155
Foster Care Education Program	93.658	60,574
Pass through from Yosemite Community College District		
Early Childhood Study - Consortium Grant	93.575	17,466
Pass through from Foundation for California Community College (FCCC)		
Temporary Assistance to Needy Families (TANF) - CDC Program	93.575	141,372
Pass through from Riverside County Department of Public Social Services		
Foster Care Education Program	93.658	48,399
Independent Living Skills - Emancipation	93.674	1,084,742
Pass through from Riverside County Office of Education (RCOE)		
Independent Living Program	93.674	94,584
Pass through from California Department of Health Services		
Medical Assistance Program (MAA)	93.778	79,663
Total U.S. Department of Health and Human Services		<u>2,007,036</u>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>		
Pass through from Foundation for California Community College (FCCC)		
Americorps	94.006	48,999
Total Federal Expenditures		<u>\$ 36,655,708</u>

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
<b>GENERAL FUND</b>			
Board Financial Assistance Program (BFAP)	\$ 94,691	\$ -	\$ 94,691
Basic Skills Reappropriation	-	74,813	74,813
Basic Skills and Immigrant Education	-	406,281	406,281
Basic Skills/ESL 2008-2009	650,988	522,542	1,173,530
Part Time Faculty Insurance	28,217	-	28,217
Part Time Faculty Office Hours	138,672	-	138,672
Part Time Faculty Compensation	1,160,915	-	1,160,915
Homeowner Property Tax Relief	432,426	-	432,426
Timber Tax Yield	42	-	42
State Tax Subventions	2,101	-	2,101
State Lottery	3,147,254	-	3,147,254
Career Exploration and Develop 7th and 8th Grade	-	123,732	123,732
CTE Fiscal Agent	6,916,000	-	6,916,000
CTE Strengthening Career Tech Ed SB 70	-	170,256	170,256
CTE Community Collaborative Project UNITE	469,700	-	469,700
CTE Community Collaborative Project 2008-2009	400,000	-	400,000
CTE Community Collaborative Project Supplement	100,000	-	100,000
CTE Teacher Preparation Pipeline	-	140,623	140,623
CTE Entrepreneurship Career Pathways	50,000	-	50,000
CTE Enrollment Growth and Retention AND-RN	736,738	-	736,738
CAHSEE Prep Program 2008-2009	65,000	-	65,000
Associate Degree Nursing Enroll Growth	-	-	-
California Articulation Number (CAN)	4,000	-	4,000
Song Brown Nursing 2007-2009	-	99,973	99,973
Song Brown Nursing 2008-2010	200,000	-	200,000
Song Brown RN Special Programs	66,448	-	66,448
Physician's Assistant Base	108,864	-	108,864
Nursing Capacity Building - Program Expansion	-	387,672	387,672
Nursing Capacity Building - Renovation FP3	-	143,334	143,334
Extended Opportunity Program and Service - (EOPS)	798,623	-	798,623
Extended Opportunity Program and Service - (EOPS/CARE)	135,643	-	135,643
Board Financial Assistance Program (BFAP)	893,456	-	893,456
Telecommunication Technology Infrastructure Program - TCO	-	10,291	10,291
Instructional Equipment and Library Materials	285,790	88,073	373,863
TTIP Plan E - Library Automation	36,036	-	36,036
Matriculation Grant	1,791,762	-	1,791,762
Matriculation Grant - Noncredit	-	-	-

See accompanying note to supplementary information.

Program Revenues					
Cash Received	Accounts Receivable	Accounts Payable	Deferred Revenue	Total Revenue	Program Expenditures
\$ 94,691	\$ -	\$ -	\$ -	\$ 94,691	\$ 94,691
74,812	-	601	-	74,211	74,211
406,281	-	6,707	-	399,574	399,574
1,173,530	-	-	868,053	305,477	305,477
25,571	-	-	-	25,571	25,571
114,259	-	-	-	114,259	114,259
1,160,915	-	-	-	1,160,915	1,160,915
457,573	-	-	-	457,573	457,573
42	-	-	-	42	42
1,266	835	-	-	2,101	2,101
1,688,360	1,458,894	-	-	3,147,254	3,147,254
123,732	-	2,901	-	120,831	120,831
6,570,200	345,800	-	344,249	6,571,751	6,571,751
170,255	-	40,086	-	130,169	130,169
469,700	-	-	184,847	284,853	284,853
400,000	-	-	400,000	-	-
100,000	-	-	100,000	-	-
114,082	-	-	-	114,082	114,082
50,000	-	-	9,224	40,776	40,776
714,620	-	-	461,117	253,503	253,503
26,000	-	-	741	25,259	25,259
18	-	18	-	-	-
4,000	-	-	4,000	-	-
74,953	25,013	-	-	99,966	99,966
74,980	25,405	-	-	100,385	100,385
52,970	3,847	-	-	56,817	56,817
49,516	56,584	-	-	106,100	106,100
387,672	-	425	-	387,247	387,247
143,334	-	93	-	143,241	143,241
790,407	-	-	23,494	766,913	766,913
135,643	-	-	-	135,643	135,643
893,456	-	-	52,906	840,550	840,550
10,291	-	-	250	10,041	10,041
373,863	-	-	66,011	307,852	307,852
36,036	-	-	7	36,029	36,029
1,791,762	-	-	21,915	1,769,847	1,769,847
355	-	355	-	-	-

(Continued)



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
Staff Development	\$ -	\$ 63,785	\$ 63,785
Foster Care Education Program	59,929	-	59,929
Middle College High School	121,846	11,575	133,421
Responsive Training Funds	-	66,291	66,291
Economic Development - Center for International Trade Development	205,000	-	205,000
Economic Development - Center for Applied Competitive Technology	205,000	-	205,000
EWD Regional Consortia Demonstration Project	90,890	-	90,890
Game Art - Mini Grant	9,000	-	9,000
IDRC Logistics/Mt. SAC	-	9,541	9,541
Teeth Are Us	128,655	-	128,655
Staff Diversity	25,236	73,917	99,153
Economic Development - Center for Applied Competitive Technology - HUB FP1	-	-	-
Economic Development - Center for International Trade Development - HUB FP1	-	-	-
Economic Development - Center for Applied Competitive Technology - HUB FP2	-	57,117	57,117
Economic Development - Center for International Trade Development - HUB FP2	-	21,740	21,740
Economic Development - Center for Applied Competitive Technology - HUB FP3	121,000	-	121,000
Economic Development - Center for International Trade Development - HUB FP3	121,000	-	121,000
Economic Development - Center for International Trade Development - C/O	-	31,445	31,445
CA Civil Liberties Public Ed Program	5,000	-	5,000
Disabled Student Program and Services - DSPTS	1,989,652	-	1,989,652
Nursing Faculty Recruitment and Retention	-	207,442	207,442
CalWORKS	441,433	-	441,433
CalWORKS Community College Set-Aside	150,000	-	150,000
RCOE Zenith Mentoring Foster Youth/ILP	61,500	-	61,500
Equipment for Nursing and Allied Health Programs	-	35,641	35,641
Economic Development - CITD State Leadership	172,500	-	172,500
CA High School Exit Exam Prep	-	367,010	367,010
SFAA Augment C/O	-	48,654	48,654
Small Business Development Center State CCCCCO	50,000	-	50,000
State Lottery	512,151	-	512,151

See accompanying note to supplementary information.

Program Revenues						Program
Cash	Accounts	Accounts	Deferred	Total		Expenditures
Received	Receivable	Payable	Revenue	Revenue		
\$ 63,785	\$ -	\$ -	\$ 15,830	\$ 47,955	\$	47,955
47,127	14,975	-	-	62,102		62,102
24,309	108,526	-	-	132,835		132,835
51,596	-	-	-	51,596		51,596
172,200	32,800	-	-	205,000		205,000
180,678	-	-	20,315	160,363		160,363
76,348	-	-	40,949	35,399		35,399
-	7,810	-	-	7,810		7,810
8,441	-	-	-	8,441		8,441
-	77,927	-	-	77,927		77,927
99,153	-	-	61,720	37,433		37,433
4,406	-	4,406	-	-		-
15,434	-	15,434	-	-		-
37,936	15,309	-	-	53,245		53,245
2,380	19,360	-	-	21,740		21,740
101,640	12,641	-	-	114,281		114,281
101,640	17,743	-	-	119,383		119,383
31,444	-	32	-	31,412		31,412
3,750	1,250	-	-	5,000		5,000
1,988,009	1,643	-	-	1,989,652		1,989,652
207,440	-	-	172,984	34,456		34,456
441,433	-	2,487	-	438,946		438,946
125,018	-	-	-	125,018		125,018
360	60,255	-	-	60,615		60,615
35,641	-	-	3,342	32,299		32,299
145,900	26,600	-	-	172,500		172,500
190,936	-	-	-	190,936		190,936
48,654	-	-	-	48,654		48,654
42,000	7,994	-	-	49,994		49,994
11,485	347,546	-	-	359,031		359,031

(Continued)

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF EXPENDITURES OF STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2009**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
<b>CHILD DEVELOPMENT FUND</b>			
Campus Child Care Tax Bailout	\$ 143,552	\$ -	\$ 143,552
Child Nutrition Program	-	-	-
<b>STUDENT FINANCIAL AID FUND</b>			
Cal Grant B and C	1,732,874	-	1,732,874
Total State Programs			

See accompanying note to supplementary information.

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Program Revenues					
<u>Cash</u> <u>Received</u>	<u>Accounts</u> <u>Receivable</u>	<u>Accounts</u> <u>Payable</u>	<u>Deferred</u> <u>Revenue</u>	<u>Total</u> <u>Revenue</u>	<u>Program</u> <u>Expenditures</u>
\$ 143,552	\$ -	\$ -	\$ -	\$ 143,552	\$ 143,552
943	404	-	-	1,347	1,347
<u>1,732,874</u>	<u>2,370</u>	<u>86,567</u>	<u>-</u>	<u>1,648,677</u>	<u>1,648,677</u>
<u>\$ 24,891,657</u>	<u>\$ 2,671,531</u>	<u>\$ 160,112</u>	<u>\$ 2,851,954</u>	<u>\$ 24,551,122</u>	<u>\$ 24,551,122</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SCHEDULE OF WORKLOAD MEASURES FOR STATE  
 GENERAL APPORTIONMENT - ANNUAL (ACTUAL) ATTENDANCE  
 AS OF JUNE 30, 2009**

	<u>Revised* Reported Data</u>	<u>Audit Adjustments</u>	<u>Revised Audited Data</u>
<b>CATEGORIES</b>			
<b>Credit Full-Time Equivalent Student (FTES)</b>			
A. Summer Intersession (Summer 2008 only)			
1. Credit	2,645	-	2,645
B. Summer Intersession (Summer 2009 - Prior to July 1, 2009)			
1. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure			
(a) - Weekly Census Contact Hours	19,651	-	19,651
(b) - Daily Census Contact Hours	3,287	-	3,287
2. Actual Hours of Attendance			
(a) - Credit	1,880	-	1,880
3. Independent Study/Work Experience			
(a) - Weekly Census Procedure Courses	1,833	-	1,833
(b) - Daily Census Procedure Courses	1,375	-	1,375
Subtotal	<u>30,671</u>	<u>-</u>	<u>30,671</u>
<b>Noncredit FTES</b>			
A. Summer Intersession (Summer 2008 only)			
1. Noncredit	49	-	49
B. Summer Intersession (Summer 2009 - Prior to July 1, 2009)			
1. Noncredit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Actual Hours of Attendance			
(a) - Noncredit	249	-	249
2. Independent Study/Work Experience			
(a) - Noncredit Independent Study	-	-	-
Subtotal	<u>298</u>	<u>-</u>	<u>298</u>
Total FTES	<u>30,969</u>	<u>-</u>	<u>30,969</u>
<b>Supplemental Information (subset of above information)</b>			
In-Service Training Courses (FTES)			944
<b>Basic Skills Courses</b>			
1. Noncredit			-
2. Credit			<u>2,556</u>
Total Basic Skills FTES			<u>2,556</u>
<b>Comprehensive Center FTES</b>			
1. Noncredit			14,115
2. Credit			<u>63</u>
Total Comprehensive Center FTES			<u>14,178</u>

\*Annual report revised as of October 1, 2009.

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)  
 WITH FUND FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2009**

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Summarized below are the fund balance reconciliations between the Annual Financial and Budget Report (CCFS-311) and the fund financial statements.

	<u>General Fund</u>	<u>Internal Service Fund</u>
June 30, 2009, Annual Financial and Budget Report (CCFS-311)		
Reported Fund Balance	<u>\$ 13,253,849</u>	<u>\$ 4,022,520</u>
Adjustments to Decrease Fund Balance		
Accounts payable	80,868	-
Claims liability	<u>-</u>	<u>1,578,805</u>
Net Adjustments	<u>80,868</u>	<u>1,578,805</u>
Audited Fund Balance	<u><u>\$ 13,172,981</u></u>	<u><u>\$ 2,443,715</u></u>

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE SHEETS TO THE  
 STATEMENT OF NET ASSETS  
 JUNE 30, 2009**

**Amounts Reported for Governmental Activities in the Statement  
 of Net Assets are Different Because:**

**Total Fund Balance and Due to Student Groups:**

General Funds	\$ 22,716,812
Special Revenue Funds	276,285
Capital Outlay Projects	81,230,787
Debt Service Funds	16,983,804
Proprietary Fund	2,443,715
Fiduciary Funds	<u>1,913,653</u>

**Total Fund Balance and Due to Student Groups**

**- All District Funds** **\$ 125,565,056**

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

The cost of capital assets is	272,072,591	
Accumulated depreciation is	<u>(56,904,780)</u>	215,167,811

Amounts held in trust on behalf of others (Trust and Agency Funds)

(1,913,653)

In governmental funds, unmatured interest on long-term obligations is recognized in the period when it is due. On the government-wide statements, unmatured interest on long-term obligations is recognized when it is incurred.

(2,694,959)

Governmental funds report cost of issuance associated with the issuance of debt when first issued, whereas the amounts are deferred and amortized in the statements of activities.

Cost of issuance at year end amounted to: 949,227

Long-term obligations at year end consist of:

Bonds payable	145,296,859	
Capital leases payable	41,576	
Compensated absences	2,854,793	
Load banking	828,735	
Early retirement (Golden Handshake)	1,357,128	
Other postemployment benefits (OPEB)	956,725	
Less compensated absences already recorded in funds	<u>(809,706)</u>	<u>(150,526,110)</u>

**Total Net Assets**

**\$ 186,547,372**

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**NOTE TO SUPPLEMENTARY INFORMATION  
 JUNE 30, 2009**

**NOTE 1 - PURPOSE OF SCHEDULES**

**District Organization**

This schedule provides information about the District's governing board members and administration members.

**Schedule of Expenditures of Federal Awards**

The accompanying schedule of expenditures of Federal awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The following schedule provides reconciliation between revenues reported on the statement of revenues, expenses, and changes in net assets and the related expenditures reported on the schedule of expenditures of Federal awards. The reconciling amounts represent Federal funds that have been recorded as revenues or expenses within the accompanying financial statements as the amounts were passed directly to qualifying students.

Description	CFDA Number	Amount
Total Federal Revenues per Statement of Revenues, Expenses, and Changes in Net Assets:		\$ 32,754,061
Federal Family Education Loans (FFEL)	84.032	3,901,647
Total Expenditures of Federal Awards		<u>\$ 36,655,708</u>

**Subrecipients**

Of the Federal expenditures presented in the schedule, the District provided Federal awards to subrecipients as follows:

Federal Grantor/Pass-Through Grantor/Program	CFDA Number	Amount Provided to Subrecipients
Water Quality Research	10.223	\$ 56,027
GS-5 Certified: Increasing Soil Science Education	10.223	17,124
Logistics Technicians: Goods to Go	47.076	36,839
National Center of Logistic and Supply Chain Tech Planning	47.076	21,347
Strengthening Institutions - Student Learning Cooperative	84.031S	162,290
CCRAA - Step Up to Success Cooperative	84.031C	89,192
Technical Preparation Regional Coordination	84.243	132,537
Title II, Technical Preparation	84.243	75,714
Independent Living Skills - Emancipation	93.674	67,134
Total Pass-Through		<u>\$ 658,204</u>



## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2009**

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#### **Schedule of Expenditures of State Awards**

The accompanying schedule of expenditures of State awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State System's Office.

#### **Schedule of Workload Measures for State General Apportionment - Annual (Actual) Attendance**

Full-Time Equivalent Students (FTES) is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of State funds, including restricted categorical funding, are made to community college districts. This schedule provides information regarding the annual attendance measurements of students throughout the District.

#### **Reconciliation of Annual Financial and Budget Report (CCFS-311) with Fund Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Form CCFS-311 to the District's internal fund financial statements.

#### **Reconciliation of the Governmental Fund Balance Sheets to the Statement of Net Assets**

This schedule provides a reconciliation of the adjustments necessary to bring the District's internal fund financial statements, prepared on a modified accrual basis, to the entity-wide full accrual basis financial statements required under GASB Statements No. 34 and No. 35 business-type activities reporting model.

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***INDEPENDENT AUDITORS' REPORTS***

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Trustees  
Riverside Community College District  
Riverside, California

We have audited the financial statements of the business-type activities of Riverside Community College District (the District) for the years ended June 30, 2009 and 2008, and have issued our report thereon dated November 20, 2009. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audits, we considered Riverside Community College District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Riverside Community College District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Riverside Community College District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting as referenced at 2009-1.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Riverside Community College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Riverside Community College District in a separate letter dated November 20, 2009.

Riverside Community College District's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Riverside Community College District's response and, accordingly, express no opinion.

This report is intended solely for the information and use of the Board of Trustees, District Management, the California Community Colleges System's Office, and the District's Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Vaurinek, Irine, Day & Co. LLP*

Rancho Cucamonga, California  
November 20, 2009



**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Trustees  
Riverside Community College District  
Riverside, California

**Compliance**

We have audited the compliance of Riverside Community College District (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major Federal programs for the year ended June 30, 2009. Riverside Community College District's major Federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major Federal programs is the responsibility of Riverside Community College District's management. Our responsibility is to express an opinion on Riverside Community College District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about Riverside Community College District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Riverside Community College District's compliance with those requirements.

**Internal Control Over Compliance**

The management of Riverside Community College District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to Federal programs. In planning and performing our audit, we considered Riverside Community College District's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Riverside Community College District's internal control over compliance.

A *control deficiency* in a district's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a Federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a Federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material noncompliance with a type of compliance requirement of a Federal program will not be prevented or detected by the District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Trustees, District Management, the California Community Colleges System's Office, and the District's Federal and State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Vaurinek, Irine, Day & Co. LLP

Rancho Cucamonga, California  
November 20, 2009



## REPORT ON STATE COMPLIANCE

Board of Trustees  
Riverside Community College District  
Riverside, California

We have audited the compliance of Riverside Community College District (the District) with the types of compliance requirements described in Section 400 of the California State System's Office's *California Community College District Audit Manual (CDAM)* that are applicable to community colleges in the State of California. The specific requirements are described below.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards for financial and compliance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements with State laws and regulations have occurred. An audit includes examining, on a test basis, evidence about Riverside Community College District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Riverside Community College District's compliance with those requirements.

### General Directive

Section 424: MIS Implementation - State General Apportionment Funding System

### Administration

Section 435: Open Enrollment

Section 437: Student Fees - Instructional Materials and Health Fees

### Apportionments

Section 423: Apportionment of Instructional Service Agreements/Contracts

Section 425: Residency Determination for Credit Courses

Section 427: Concurrent Enrollment of K-12 Students in Community College Credit Courses

Section 432: Enrollment Fee

Section 426: Students Actively Enrolled



## **Fiscal Operations**

Section 421: Salaries of Classroom Instructors (50% Law)

Section 431: Gann Limit Calculation

## **Student Services**

Section 428: Use of Matriculation Funds

Section 433: CalWORKs - Use of State and Federal TANF Funding

## **Facilities**

Section 434: Scheduled Maintenance Program

In our opinion, Riverside Community College District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2009. However, the results of our auditing procedures disclosed other instances of noncompliance with those requirements, which are required to be reported and are described in the accompanying schedule of findings and questioned costs as items 2009-2 and 2009-3.

Riverside Community College District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Riverside Community College District's responses and, accordingly, we express no opinion.

This report is intended solely for the information of the Board of Trustees, District Management, the California Community Colleges System's Office, the California Department of Finance, and the California Department of Education, and is not intended to be and should not be used by anyone other than these specified parties.

*Vaurinek, Irine Day & Co. LLP*

Rancho Cucamonga, California  
November 20, 2009



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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**SUMMARY OF AUDITORS' RESULTS  
 FOR THE YEAR ENDED JUNE 30, 2009**

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**FINANCIAL STATEMENTS**

Type of auditors' report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>Yes</u>
Noncompliance material to financial statements noted?	<u>No</u>

**FEDERAL AWARDS**

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None reported</u>
Type of auditors' report issued on compliance for major programs:	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)	<u>No</u>
Identification of major programs:	

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.007, 84.032, 84.033, 84.063, and 84.375	Student Financial Assistance Cluster
<u>17.258 and 17.259</u>	<u>WIA Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 1,099,671</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**STATE AWARDS**

Internal control over State programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>Yes</u>
Type of auditors' report issued on compliance for State programs:	<u>Unqualified</u>

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS FOR THE YEAR ENDED JUNE 30, 2009

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The following findings represent significant deficiencies and/or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

#### **2009-1 Finding - Audit Adjustments of Estimated Claims Liability**

##### **Criteria or Specific Requirement**

Governmental Accounting Standards Board (GASB) Statement No. 10 requires the District to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE).

##### **Condition**

The assumptions used by the District to calculate the claims liability are determined based on estimates by District personnel. Loss development techniques are used to establish the claims liability. Understanding and assessing the variability of these estimates, and the reliability of historical experience as an indicator of future loss payments, requires a careful analysis of the historical loss data and the use of projection methods that are sensitive to the particular circumstances. While these indicators are in place, mathematical errors in the calculation resulted in an understatement of the overall claims liability.

##### **Isolated Instance or Systemic**

Isolated Instance - Mathematical errors were noted on loss development calculations that were used for the variability of claims liability estimates which resulted in an understatement of claims liability.

##### **Questioned Costs**

Audit adjustment totaling \$1,578,805 for estimated claims liability.

##### **Effect**

The financial statements could be materially misstated if an understanding and assessing the variability of claims liability estimates is not obtained which industry standards would indicate are best provided by an actuary.

##### **Recommendation**

The District should strengthen internal controls in the calculation of claims liability to include a review of formulas to ensure amounts recorded on the general ledger are accurate. The District claims liability calculation noted mathematical errors that resulted in an audit adjustment to the overall liability. The District should consider the use of a specialist which industry standards would indicate are best provided by an actuary. An updated actuarial study of the claims costs should be performed at least every three years.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS FOR THE YEAR ENDED JUNE 30, 2009**

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#### **District Response and Planned Corrective Actions**

The District has employed a well tested methodology for determining its estimated claims liability each year. Said methodology has been considered satisfactory internally and by audit firms over the ten years since it was first implemented. However, we concur that there were mathematical errors in the most recent calculation, and hence, that internal controls should be strengthened. In this regard, in the future, the District will periodically engage the services of an actuary to test the currency and validity of its methodology and assumptions. This process will begin with the fiscal 2010 audit and be repeated every five years thereafter.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2009**

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None reported.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

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The following findings represent instances of noncompliance and/or questioned costs relating to State program laws and regulations.

#### **2009-2 Finding - Concurrent Enrollment**

##### **Criteria or Specific Requirement**

- *Education Code* Sections 48800(a), 48800.5, 76300, 76001(d)
- Legal Opinions M 98-17 and M02-20 issued by the Chancellor's Office, California Community Colleges
- Legal Advisory 05-01, "Questions and Answers Re. Concurrent Enrollment" - issued January 5, 2005 by the Chancellor's Office, California Community Colleges

##### **Condition**

Enrollment fees are not being assessed to K-12 students for all units once 11 units has been exceeded and the student becomes a special full-time student. The District's Datatel System exempts all special part-time and full-time K-12 students from any enrollment fees.

##### **Isolated Instance or Systemic**

Systemic - *Education Code* Section 73600 provides that a district may not exempt special full-time students as a group from paying the \$20 per unit enrollment fee. However, it was noted that the District exempts all K-12 students from any enrollment fees.

##### **Questioned Costs**

\$10,050 - approximately

##### **Effect**

Without procedures that require special full-time K-12 students to be assessed enrollment fees, this could materially impact the District's State apportionment revenues. If enrollment fees are materially understated, then State apportionment revenues could be materially overstated since enrollment fee revenue is used to determine State apportionment revenues the District will receive.

##### **Recommendation**

Districts admitting special K-12 students should have procedures in place to ensure enrollment fees are assessed for all units once 11 units is exceeded and the student becomes a special full-time student.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

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#### District Response and Planned Corrective Actions

Concurrently Enrolled Students (Special Enrolled Students K12) are billed within Datatel (Student System) at \$0.00 per unit plus the Student Services Fee and Health Services fees. Students are blocked from enrolling in greater than 11 units, unless that restriction is over written by appropriate College/Campus personnel. The District's Information Services and Accounting Services departments researched this problem and found that 40 student records were impacted during fiscal year 2008-2009. This resulted in the loss of tuition revenue in the amount of approximately \$10,500. The majority of the instances occurred at the Moreno Valley campus with students from their Middle College High School and Nuview programs. Information Services department has corrected the billing system to ensure all Special Enrolled Students are billed for all units taken if a student is enrolled in greater than 11 units in a semester.

For future terms starting in fiscal year 2009-2010, the following procedures will be in place:

- The campus administration will communicate to the program directors on the limitations in terms of units and the implication on the tuition fees.
- The campus administration will also keep the students/parents and other entities informed due to the impact by this regulation at all times.
- No concurrently enrolled students should be allowed to register in more than 11 units.
- If for any administrative reason the students are allowed to enroll in more than 11 units, the campus will ensure that procedures are in place for billing.

#### 2009-3 Finding - Ineligible CalWORKs recipients were provided services

##### Program

CalWORKs - Use of State and Federal TANF Funding

##### Award Year

2008-2009

##### Criteria or Specific Requirement

- *Education Code* Sections 79200-79203 and 84759
- 2007-08 *Final Budget Summary*, Page 630, Item 6870-101-0001, Provision 15; and Page 646, Item 6870-111-0001, Provision 2  
[http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/fbudsum\\_07.pdf](http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/fbudsum_07.pdf)
- Chancellor's Office CalWORKs Program Handbook Guidelines\_2007-08
- *Clarification on CalWORKs Supplantation Prohibition*, Chancellor's Office Letter, March 13, 2006 (See Appendix M)  
OMB A-133 Compliance Supplement

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009

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#### **Condition**

In our sample of 25 CalWORKs recipients, we noted three CalWORKs recipients who did not have the proper eligibility documented through the County Welfare Department for each academic term the recipient was served.

#### **Isolated Instance or Systemic**

Isolated Instance - Once the initial eligibility determination is made by the County Welfare Department, ongoing communication with the County is essential to ensure that a student remains in good standing. Eligibility determinations must be conducted at the beginning of each term to ensure students are eligible for services prior to receiving them.

#### **Questioned Costs**

None noted.

#### **Effect**

Without the proper controls in place, unauthorized program costs and services provided to ineligible recipients could be reimbursed by the State program.

#### **Recommendation**

We recommend that the District develop an independent internal tracking of student eligibility. Services provided through other college departments, like the Child Care Center, must be coordinated with the CalWORKs program office to also verify a student's ongoing eligibility for services, academic progress, and to monitor programs expenses that are directly attributable to support for the identified CalWORKs eligible students.

#### **District Response and Planned Corrective Actions**

To comply with CalWORKs and Education Code requirements in the future, we have implemented the following practices:

1. Eligibility documentation must be provided by all new referrals at or before the CalWORKs student's first appointment with a counselor. Acceptable documentation includes a Notice of Action (NOA), a Department of Public Social Services generated referral, or a Department of Public Social Services Welfare-to-Work Plan.
2. Each term (summer, fall, winter, and spring), Riverside Community College District creates a list of all CalWORKs students enrolled at the Riverside, Moreno Valley, or Norco campuses. This list is submitted electronically to Riverside County Department of Public Social Services (DPSS) for verification of eligibility. DPSS returns the list to the District identifying those students who are receiving cash assistance. This meets eligibility requirements for these students, and they are eligible for services.
3. Prior to the end of each term, every CalWORKs student's file will be internally audited to verify that appropriate and timely eligibility documentation is physically in the file.



## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **STATE AWARDS FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2009**

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4. All files for CalWORKs participants who are identified as "post-employment" will be internally audited to verify appropriate employment and wage information is physically in the file.
5. Any student who is not verified by the above process will be required to provide eligibility documentation prior to receiving any services.
6. No student will be input to MIS data (submitted to California Community College Chancellor's Office) until eligibility has been verified.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2009

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Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's schedule of audit findings and questioned costs.

#### STATE AWARD FINDINGS

##### 2008-1 Finding

###### **Ineligible CalWORKs recipients were provided services.**

**Program:** CalWORKs – Use of State and Federal TANF Funding

**Award Year:** 2007-2008

**Questioned Costs:** None could be determined.

###### **Program Affected**

###### **CalWORKs**

###### **Criteria**

- *Education Code* Sections 79200-79203 and 84759
- 2007-08 *Final Budget Summary*, Page 630, Item 6870-101-0001, Provision 15; and Page 646, Item 6870-111-0001, Provision 2  
[http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/fbudsum\\_07.pdf](http://www.documents.dgs.ca.gov/osp/GovernorsBudget/pdf/fbudsum_07.pdf)
- Chancellor's Office CalWORKs Program Handbook Guidelines\_2007-08
- *Clarification on CalWORKs Supplantation Prohibition*, Chancellor's Office Letter, March 13, 2006 (See Appendix M)

###### **Condition**

In our sample of 25 recipients for eligibility requirements, we noted eight CalWORKs recipients who did not have the proper eligibility documented through the County Welfare Department for each academic term the recipient was served.

###### **Questioned Costs**

None could be determined.

###### **Isolated Instance or Systemic**

Systemic - Once the initial eligibility determination is made by the County Welfare Department, on-going communication with the County is essential to ensure that a student remains in good standing. Eligibility determinations must be conducted at the beginning of each term to ensure students are eligible for services prior to receiving them.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2009

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#### **Effect**

Without the proper controls in place, unauthorized program costs and services provided to ineligible recipients could be reimbursed by the State program.

#### **Recommendation**

We recommend that the District develop an independent, internal tracking process for student eligibility. Services provided through other College departments, like the Child Care Center, must be coordinated with the CalWORKs program office to also verify a student's ongoing eligibility for services, academic progress, and to monitor programs expenses that are directly attributable to support for the identified CalWORKs eligible students.

#### **Current Status**

Implemented.

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***ADDITIONAL SUPPLEMENTARY INFORMATION***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**GOVERNMENTAL FUNDS  
 BALANCE SHEETS  
 JUNE 30, 2009**

	<u>General Unrestricted</u>	<u>General Restricted</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 227,296	\$ 75,328
Investments	1,717,324	7,744,455
Accounts receivable	20,800,230	5,960,868
Due from other funds	48,544	656,637
Prepaid expenses	104,068	20,972
Inventories	-	-
<b>Total Assets</b>	<u><u>\$22,897,462</u></u>	<u><u>\$14,458,260</u></u>
 <b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ 7,021,517	\$ 1,611,705
Due to other funds	1,359,772	20,188
Deferred revenue	1,343,192	3,282,536
<b>Total Liabilities</b>	<u><u>9,724,481</u></u>	<u><u>4,914,429</u></u>
 <b>FUND EQUITY</b>		
Fund Balances		
Reserved	104,068	9,543,831
Unreserved		
Designated	900,000	-
Undesignated	12,168,913	-
<b>Total Fund Equity</b>	<u><u>13,172,981</u></u>	<u><u>9,543,831</u></u>
<b>Total Liabilities and Fund Equity</b>	<u><u>\$22,897,462</u></u>	<u><u>\$14,458,260</u></u>

See accompanying note to additional supplementary information.

<u>Special Revenue</u>			<u>Capital Project</u>	<u>Debt Service</u>	<u>Total Governmental Fund (Memorandum Only)</u>
<u>Food Service</u>	<u>Child Development</u>	<u>R.C.C.D. Development Corporation</u>	<u>Capital Outlay Projects</u>	<u>Bond Interest and Redemption</u>	
\$ 14,110	\$ 15,437	\$ 16,238	\$ -	\$ -	\$ 348,409
149,052	136,736	-	78,486,069	16,983,804	105,217,440
8,306	42,100	-	9,243,341	-	36,054,845
20,676	5,719	-	618,283	-	1,349,859
-	-	-	-	-	125,040
29,051	-	-	-	-	29,051
<u>\$ 221,195</u>	<u>\$ 199,992</u>	<u>\$ 16,238</u>	<u>\$ 88,347,693</u>	<u>\$ 16,983,804</u>	<u>\$ 143,124,644</u>
\$ 75,882	\$ 82,927	\$ -	\$ 7,116,906	\$ -	\$ 15,908,937
404	1,927	-	-	-	1,382,291
-	-	-	-	-	4,625,728
<u>76,286</u>	<u>84,854</u>	<u>-</u>	<u>7,116,906</u>	<u>-</u>	<u>21,916,956</u>
29,051	-	-	-	-	9,676,950
-	-	-	-	16,983,804	17,883,804
<u>115,858</u>	<u>115,138</u>	<u>16,238</u>	<u>81,230,787</u>	<u>-</u>	<u>93,646,934</u>
<u>144,909</u>	<u>115,138</u>	<u>16,238</u>	<u>81,230,787</u>	<u>16,983,804</u>	<u>121,207,688</u>
<u>\$ 221,195</u>	<u>\$ 199,992</u>	<u>\$ 16,238</u>	<u>\$ 88,347,693</u>	<u>\$ 16,983,804</u>	<u>\$ 143,124,644</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**GOVERNMENTAL FUNDS  
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2009**

	<u>General Unrestricted</u>	<u>General Restricted</u>
<b>REVENUES</b>		
Federal revenues	\$ 142,432	\$ 9,321,027
State revenues	95,809,679	17,755,143
Local revenues	46,476,891	6,485,856
<b>Total Revenues</b>	<u>142,429,002</u>	<u>33,562,026</u>
<b>EXPENDITURES</b>		
Current Expenditures		
Academic salaries	69,645,020	4,024,414
Classified salaries	31,013,643	9,204,615
Employee benefits	26,232,389	3,611,535
Books and supplies	2,509,640	1,865,779
Services and operating expenditures	14,221,226	10,725,872
Capital outlay	2,314,496	2,037,115
Debt service - principal	14,674	-
Debt service - interest and other	-	-
<b>Total Expenditures</b>	<u>145,951,088</u>	<u>31,469,330</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(3,522,086)</u>	<u>2,092,696</u>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers in	(820,241)	820,241
Operating transfers out	(1,291,930)	-
Other sources	6,220	-
Other uses	-	(364,986)
<b>Total Other Financing Sources (Uses)</b>	<u>(2,105,951)</u>	<u>455,255</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<u>(5,628,037)</u>	<u>2,547,951</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>18,801,018</u>	<u>6,995,880</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 13,172,981</u>	<u>\$ 9,543,831</u>

See accompanying note to additional supplementary information.

<b>Special Revenue</b>			<b>Capital Project</b>	<b>Debt Service</b>	<b>Total Governmental Fund (Memorandum Only)</b>
<b>Food Service</b>	<b>Child Development</b>	<b>R.C.C.D Development Corporation</b>	<b>Capital Outlay Projects</b>	<b>Bond Interest and Redemption</b>	
\$ -	\$ 102,075	\$ -	\$ -	\$ -	\$ 9,565,534
-	144,899	-	13,148,656	106,154	126,964,531
1,367,091	1,130,974	6	2,123,891	11,697,572	69,282,281
<u>1,367,091</u>	<u>1,377,948</u>	<u>6</u>	<u>15,272,547</u>	<u>11,803,726</u>	<u>205,812,346</u>
-	996,132	-	-	-	74,665,566
687,645	331,172	-	53,624	-	41,290,699
286,990	220,824	-	24,124	-	30,375,862
736,518	64,924	-	2,619	-	5,179,480
286,560	61,576	20	371,536	-	25,666,790
60,693	15,527	-	32,727,233	-	37,155,064
-	-	-	-	6,385,000	6,399,674
-	-	-	-	6,603,550	6,603,550
<u>2,058,406</u>	<u>1,690,155</u>	<u>20</u>	<u>33,179,136</u>	<u>12,988,550</u>	<u>227,336,685</u>
(691,315)	(312,207)	(14)	(17,906,589)	(1,184,824)	(21,524,339)
676,930	365,000	-	-	-	1,041,930
-	-	-	-	-	(1,291,930)
-	-	-	-	-	6,220
-	-	-	-	-	(364,986)
<u>676,930</u>	<u>365,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(608,766)</u>
(14,385)	52,793	(14)	(17,906,589)	(1,184,824)	(22,133,105)
159,294	62,345	16,252	99,137,376	18,168,628	143,340,793
<u>\$ 144,909</u>	<u>\$ 115,138</u>	<u>\$ 16,238</u>	<u>\$ 81,230,787</u>	<u>\$ 16,983,804</u>	<u>\$ 121,207,688</u>



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**PROPRIETARY FUNDS  
 BALANCE SHEETS  
 JUNE 30, 2009**

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	<u>Internal Service Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 20,425
Investments	8,702,147
Accounts receivable	282,427
Due from other funds	970
<b>Total Assets</b>	<u><u>\$ 9,005,969</u></u>
<b>LIABILITIES AND FUND EQUITY</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 40,569
Deferred revenue	1,156,712
Claim liabilities	5,364,973
<b>Total Liabilities</b>	<u><u>6,562,254</u></u>
<b>FUND EQUITY</b>	
Retained earnings	<u>2,443,715</u>
<b>Total Liabilities and Fund Equity</b>	<u><u>\$ 9,005,969</u></u>

See accompanying note to additional supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**PROPRIETARY FUNDS  
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN  
 RETAINED EARNINGS  
 FOR THE YEAR ENDED JUNE 30, 2009**

	<u><b>Internal Service Fund</b></u>
<b>OPERATING REVENUES</b>	
District premiums	<u>\$ 6,243,720</u>
<b>OPERATING EXPENSES</b>	
Classified salaries	246,049
Employee benefits	83,718
Books and supplies	2,519
Services and other operating expenditures	7,893,810
Capital outlay	38,291
<b>Total Operating Expenses</b>	<u>8,264,387</u>
<b>Operating Loss</b>	<u>(2,020,667)</u>
<b>NONOPERATING REVENUES</b>	
Interest income	181,467
Miscellaneous revenues	21,531
Operating transfers in	250,000
<b>Total Nonoperating Revenues</b>	<u>452,998</u>
<b>NET LOSS</b>	(1,567,669)
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<u>4,011,384</u>
<b>RETAINED EARNINGS, END OF YEAR</b>	<u>\$ 2,443,715</u>

See accompanying note to additional supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**PROPRIETARY FUNDS  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Internal Service Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Operating loss	\$ (2,020,667)
Adjustments to Reconcile Change in Net Assets to Net Cash Flow Operating Activities	
Increase in accounts receivable	(197,863)
Decrease in due from other funds	3,301
Increase in accounts payable	1,908
Increase in claims liabilities	2,062,408
Increase in deferred revenue	67,774
Net Cash Flows from Operating Activities	<u>(83,139)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest on investments	181,467
Other nonoperating income	21,531
Transfers in	250,000
Net Cash Flows from Investing Activities	<u>452,998</u>
Net increase in cash and cash equivalents	369,859
Cash and cash equivalents - Beginning	8,352,713
Cash and cash equivalents - Ending	<u><u>\$ 8,722,572</u></u>
<b>CASH AND CASH EQUIVALENTS CONSISTS OF:</b>	
Cash in banks	\$ 20,425
Cash in county pooled investment	8,702,147
	<u><u>\$ 8,722,572</u></u>

See accompanying note to additional supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**FIDUCIARY FUNDS  
 BALANCE SHEETS  
 JUNE 30, 2009**

	<b>Associated Students Trust</b>	<b>Student Financial Aid</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,880,585	\$ 162,542	\$ 2,043,127
Accounts receivable	7,563	30,431	37,994
Due from other funds	74,130	46,853	120,983
<b>Total Assets</b>	<b>\$ 1,962,278</b>	<b>\$ 239,826</b>	<b>\$ 2,202,104</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 20,708	\$ 178,222	\$ 198,930
Due to other funds	27,917	61,604	89,521
Due to student groups	1,015,519	-	1,015,519
<b>Total Liabilities</b>	<b>1,064,144</b>	<b>239,826</b>	<b>1,303,970</b>
<b>FUND EQUITY</b>			
Fund Balances			
Unreserved			
Undesignated	898,134	-	898,134
<b>Total Fund Equity</b>	<b>898,134</b>	<b>-</b>	<b>898,134</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 1,962,278</b>	<b>\$ 239,826</b>	<b>\$ 2,202,104</b>

See accompanying note to additional supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**FIDUCIARY FUNDS  
 STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE  
 FOR THE YEAR ENDED JUNE 30, 2009**

	<b>Associated Students Trust</b>	<b>Student Financial Aid</b>	<b>Total</b>
<b>REVENUES</b>			
Federal revenues	\$ -	\$ 23,188,527	\$ 23,188,527
State revenues	-	1,648,677	1,648,677
Local revenues	699,588	-	699,588
<b>Total Revenues</b>	<u>699,588</u>	<u>24,837,204</u>	<u>25,536,792</u>
<b>EXPENDITURES</b>			
Current Expenditures			
Services and operating expenditures	276,505	-	276,505
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(297,836)</u>	<u>24,837,204</u>	<u>24,539,368</u>
<b>OTHER FINANCING USES</b>			
Other uses	-	(24,837,204)	(24,837,204)
<b>EXCESS OF REVENUES UNDER EXPENDITURES AND OTHER USES</b>	(304,025)	-	(304,025)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>1,202,159</u>	<u>-</u>	<u>1,202,159</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ 898,134</u>	<u>\$ -</u>	<u>\$ 898,134</u>

See accompanying note to additional supplementary information.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

### NOTE TO ADDITIONAL SUPPLEMENTARY INFORMATION JUNE 30, 2009

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#### *NOTE 1 - PURPOSE OF SCHEDULES*

##### **Fund Financial Statements**

The accompanying financial statements report the governmental, proprietary, and fiduciary fund activities of Riverside Community College District and are presented on the modified accrual basis of accounting. Therefore, some amounts presented in these financial statements may differ from amounts presented in, or used in, the preparation of the basic financial statements. The information is not a required component of the financial statements in accordance with GASB Statements No. 34 and No. 35 and is presented at the request of the District management.



To the Board of Trustees  
Riverside Community College District  
Riverside, California

We have audited the basic financial statements of the business-type activities of Riverside Community College District (the District) for the year ended June 30, 2009, and have issued our report thereon dated November 20, 2009. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated March 3, 2009, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered Riverside Community College District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major Federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether Riverside Community College District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with OMB Circular A-133, we examined, on a test basis, evidence about Riverside Community College District's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" applicable to each of its major Federal programs for the purpose of expressing an opinion on Riverside Community College District's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on Riverside Community College District's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters.

To the Board of Trustees  
Riverside Community College District  
Page 2

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Riverside Community College District are described in Note 2 to the financial statements. During the 2008-2009 year, the District was required to implement provisions of Governmental Accounting Standards Board (GASB) Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB). The effect of the implementation required the District to recognize a current net obligation in the amount of \$956,725 in the financial statements, and disclose the Actuarial Accrued Liability in the Required Supplementary Information section of the audit report in the amount of \$9,766,204. This liability will be amortized over a 30 year period within the financial statements of the District.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the cost of capital assets net of accumulated depreciation. Depreciation is the recognition of the use of the capital assets over time. Conditions may exist that result in assets having a longer or shorter useful life than is reflected within these statements. We evaluated the key factors and assumptions used to develop depreciation in determining that it is reasonable in relation to the financial statements taken as a whole.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The following material misstatements detected as a result of audit procedures were corrected by management: Mathematical errors were noted on loss development calculations that were used for the variability of claims liability that resulted in an adjustment of \$1,578,805 in the Internal Service Fund for claims liability.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.



To the Board of Trustees  
Riverside Community College District  
Page 3

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 20, 2009.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Trustees and management of Riverside Community College District and is not intended to be and should not be used by anyone other than these specified parties.

*Vaurinek, Irine, Day & Co. LLP*

Rancho Cucamonga, California  
November 20, 2009



To the Board of Trustees and  
Dr. Gregory Gray, Chancellor  
Riverside Community College District  
Riverside, California

In planning and performing our audit of the financial statements of Riverside Community College District (the District) for the year ended June 30, 2009, we considered the District's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the organization's financial statements, that is more than inconsequential, will not be prevented or detected by the organization's internal control. We consider the following deficiencies to be control deficiencies in internal control. However, during our audit, we noted matters that are opportunities for strengthening internal controls and operating efficiency. We consider the following deficiencies to be control deficiencies in internal controls.

#### ***CURRENT YEAR MANAGEMENT COMMENTS***

##### ***Proper Job Title Descriptions and Budget Codes***

During our testing of employee coding within the object code classifications of the general ledger, one classified instructional aide selected during testing was charged to an instructional object code (2230). However, the job description in the employee file did not provide for instructional duties. This information is necessary to support whether the classification is in accordance with the *Budget and Accounting Manual* and the *Education Code*.

##### ***Recommendation***

The District should review and, if necessary, revise job titles to match the actual duties assigned and documented within the personnel files. Instructional duties should be provided for instructional aides charged to object code 2230. Employees that are given multiple budgets of instructional and non-instructional duties should utilize timecards to document actual time spent within each portion of the assignment.

##### ***Management Response***

The instance noted above was for a non-classified short-term employee who performed instructional duties yet was paid at the higher hourly rate of an Office Assistant rather than the rate for an Instructional Aide. This issue was discussed with the Math/Math Learning Department on the Riverside campus who indicated that the employee performs instructional duties for the department and has for years.

To the Board of Trustees and  
Dr. Gregory Gray, Chancellor  
Riverside Community College District  
Page 2

A list of job duties for short-term employees performing instructional duties will be prepared. A memo will be issued to each campus reminding them to use the appropriate job title of instructional aide on the Non-Classified Short-Term and Substitute Employee Assignment Authorization Form when hiring short-term employees to perform these duties.

### ***Riverside Community College District Foundation's Debt Obligation***

We identified that Riverside Community College District Foundation (the Foundation) entered into an agreement with the District to undertake a major gift campaign to support targeted initiatives of the District. The agreement called for the District to advance up to \$1.3 million to the Foundation to cover costs associated with the campaign. Campaign costs, coupled with negative investment returns, have resulted in an operational deficit in the unrestricted fund of the Foundation. The Foundation has taken action to raise additional unrestricted income and to reduce operating expenses, but a deficit remains. Repayment of advances was set to begin July 1, 2009; however, the Foundation currently has no unrestricted funds to pay the obligation to the District. All cash and cash equivalents are restricted to temporarily and permanently restricted funds.

### ***Recommendation***

The District management should work closely with the Board and the Foundation to address the repayment of the borrowed funds. Additionally, a plan should be developed to provide for unrestricted contributions that will enable the Foundation to repay the District and restore the unrestricted fund to a positive position.

### ***Management Response***

District and Foundation management are taking several steps to address the unrestricted fund deficit. District staff has approved the extension of the fundraising component of the campaign, knowing that unrestricted dollars are typically secured at the end of a campaign. The Foundation and District staffs have entered into discussions regarding modification of the Major Gift Campaign agreement as it relates to the repayment schedule.

Two additional measures have been undertaken that will increase unrestricted income. At its September 15, 2009, meeting, the Riverside Community College District Foundation Board of Directors voted to institute a five percent fee on all gifts to the Foundation. This fee will be transferred to the Foundation's unrestricted fund to be used to repay funds borrowed from the District. In addition, in fiscal year 2009-2010, the Foundation will establish a new gift club, membership in which is available to all donors who contribute unrestricted dollars at specific gift levels. Management believes these two actions will provide a new and dependable income stream and, along with future investment returns, will be used in part to repay borrowed funds, as well as to support other priorities as determined on an annual basis by the Foundation Board.

To the Board of Trustees and  
Dr. Gregory Gray, Chancellor  
Riverside Community College District  
Page 3

### ***PRIOR YEAR MANAGEMENT COMMENTS***

#### ***Compensation for Personal Services for Federal Programs***

We identified the following control deficiencies regarding compensation for personal services for federally funded programs, the effect of which was determined to be inconsequential to the financial statements in accordance with guidance from the OMB. However, the controls over the procedures are noted here.

- The Riverside campus TRIO Cluster program did not timely prepare documentation to support payroll data in accordance with OMB A-21, Cost Principles for Educational Institutions. It was noted only one individual was subject to this compliance requirement. The required documentation was not completed until after the request for information was given.
- The Norco campus TRIO Cluster program overstated payroll expenditures by \$1,263.29. It was noted that an allocation adjustment was incorrectly calculated and recorded for one individual, which resulted in the overstatement of payroll expense to the program. Supporting documentation was provided to verify that a second adjustment was made to the program expenses after the audit identified the control deficiency.

#### ***Recommendation***

The District's Grants and Contracts Office should develop specific written procedures based on the OMB A-21, Cost Principles for Education Institutions, that will be provided to all District managers of Federal programs to ensure that salary and benefit costs, which are allocated to programs, are documented appropriately. The program managers should review the certifications and/or personnel activity reports to ensure any payroll allocation adjustments made are supported by adequate documentation.

#### ***Current Status***

The recommendation has been implemented by the District.

We appreciate the time and assistance the staff of the District has provided during our audit. We will follow up on each of the areas noted above during the early stage of our fieldwork for the 2009-2010 fiscal year.

This report is intended solely for the information and use of the Board, management, and others within the District and is not intended to be, and should not be, used by anyone other than these specified parties.

*Vaurinek, Jine Day & Co. LLP*

Rancho Cucamonga, California  
November 20, 2009

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
PLANNING COMMITTEE

Report No.: VI-C-1

Date: December 15, 2009

Subject: Operations Center (Norco Campus) – Tentative Budget Approval and Construction Management Services Agreement

Background: During the development of the Norco Campus Long Range Educational Master Plan and the Long Range Facilities Master Plan, the need for a consolidated operations center project was identified. On May 19, 2009, the Board of Trustees approved planning and design of the project with an allocation of Measure “C” funding in the amount of \$1.6 million and an agreement with Hill Partnership, Inc. to provide design and engineering services for the Operations Center located at the Norco Campus in the amount of \$809,600.

The Operations Center project will include approximately 20,200 gross square feet of office, storage, and meeting space for maintenance and operations functions (custodial, grounds, trades services, and warehouse and receiving operations). It will also house the campus Network Operations Center (NOC), which includes 2,000 gross square feet for instructional media support services, storage and repair facilities and 500 gross square feet of space to house the campus Emergency Command Center (ECC). By combining functions within one building, the campus Strategic Planning Committee determined it would be more efficient and effective. The ECC will contain materials and supplies and provide meeting space for the campus Emergency Response Command Team which will oversee and manage a campus level emergency. The Operations Center is the optimal location for the ECC, since the building will have emergency backup generator to support campus information service functions. The benefits of the consolidated Operations Center include: shared clerical support for three operational units, generator backup support to provide emergency power for information services and the emergency command center, and consolidation of instructional media support services into one service center. The proposed location is approximately two acres, at the northern edge of the Norco Campus.

Staff and the architect now offer a project design presentation for the Board’s consideration and request Board approval of a tentative budget for the Operations Center project in the amount of \$16,834,625, which includes the planning and working drawings, construction, test and inspection services, construction management and identified Group II Furniture, Fixtures and Equipment.

Additionally, staff is recommending the Operations Center project be delivered using Construction Management Multiple Prime (CMMP) contracting and approval to enter into the attached agreement with Tilden Coil Constructors, Inc. to provide said for the Operations Center. Services under this agreement would include management and oversight of bid preparation, cost estimating, construction execution and ensuring compliance with bid drawings and specifications, contract documents, code and labor compliance, and Division of State Architect (DSA) requirements, and assistance with building commissioning.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
PLANNING COMMITTEE

Report No.: VI-C-1

Date: December 15, 2009

Subject: Operations Center (Norco Campus) – Tentative Budget Approval and  
Construction Management Services Agreement (continued)

The total fixed fee for the construction management services is identified as follows:

Basic Compensation Fee - \$736,065

General Conditions Costs - \$813,946

Total Fee - \$1,550,011

Funding source: District Measure “C” Funds (Resource 4160).

Recommended Action: It is recommended the Board of Trustees approve the scope design of the Operations Center at the Norco Campus; approve the tentative budget of \$16,834,625 using District Measure “C” funds; approve the project being delivered using Construction Management Multiple Prime contracting; and approve the agreement with Tilden Coil Constructors, Inc., in the amount of \$1,550,011; and authorize the Vice Chancellor, Administration and Finance, to sign the agreement.

Gregory W. Gray  
Chancellor

Prepared by: Brenda Davis  
President, Norco Campus

Gaither Loewenstein  
Vice President, Educational Services, Norco Campus

Orin L. Williams  
Associate Vice Chancellor, Facilities Planning, Design and Construction



Construction Management – Multiple Prime  
Public Works Agreement

RIVERSIDE COMMUNITY COLLEGE DISTRICT

And

TILDEN-COIL CONSTRUCTORS, INC.

Construction Management Services

Operations Center  
Norco Campus

## CONSTRUCTION MANAGEMENT SERVICES (Operations Center, Norco Campus)

This Construction Management Services Agreement (“Agreement”) is made and entered into this 16<sup>th</sup> day of December, 2009 by and between Riverside Community College District (hereinafter “District”) and Tilden-Coil Constructors, Inc. (hereinafter referred to as “Construction Manager”) for construction management services relating to a multi-prime construction contract for construction of the Norco Operations Center located at the Norco Campus, Norco, California (the “Project”).

### **ARTICLE 1** **CONSTRUCTION MANAGER’S SERVICES AND RESPONSIBILITIES**

Construction Manager represents to District that it has the necessary license for a Construction Manager as provided for in Government Code Section 4525, et seq. that it has expertise and experience in construction supervision; bid evaluation; project scheduling; cost benefit analysis; claims review and negotiation; and general management and administration of construction projects. Construction Manager covenants to provide its best skill and judgment in furthering the interests of District in the management of the construction of the Project. Construction Manager agrees to furnish efficient business administration and management services and to perform in an expeditious and economical manner consistent with the interests of District. The Construction Manager hereby designates the following:

Dayne Brassard, Business Development Director  
Jason Howarth, Preconstruction Manager  
Tracy Ellis, Project Manager  
Mike Heck, Project Superintendent

The designee’s are Construction Manager’s representatives to the Owner. Any substitution of the Construction Manager’s representatives shall be approved in writing by the Owner. Construction Manager shall provide the following services with respect to the Project.

#### **1.1 DESIGN PHASE.**

The services to be provided during the Design Phase for the Project include, but are not limited to, providing responsible reporting, documentation, recommendations and supervision of the following services: pre-construction scheduling, review and recommendations during the design development stages from the schematic phase to the completion of working drawings, preparation of conceptual and periodic estimates, budget assessment and cost containment advice, value engineering studies and recommendations, and Construction Manager reviews.

1.1.1 Construction Management Plan. In consultation with the District’s architect (“Architect”), the Construction Manager shall prepare a Construction Management Plan for the Project which shall establish the scope for the Project and the general basis for the



sequence of contracting for construction of the Project. In preparation for this Construction Management plan, the Construction Manager shall evaluate the local construction market, the District's schedule and budget goals for the Project, develop various alternative approaches, and make recommendations to the District. Upon approval by the District of the Construction Management Plan for the Project, the Construction Manager shall prepare the Construction Management Plan in final form. This document shall indicate the Project's rationale and recommend the strategy for purchasing, construction, the various bid packages for Project, and a Master Project Schedule.

1.1.2 Master Project Schedule. The Construction Manager shall develop a Master Project Schedule for the Project, subject to approval by District, which shall contain key milestones to be accomplished by the participants, including milestone completion dates for the Architect's and any consultant's design activities. The Master Project Schedule shall be consistent with the schedule attached hereto as Exhibit "A" and incorporated herein. The Master Project Schedule shall contain a critical path Master Construction Schedule for the Project and shall provide all major elements.

If necessary, the Construction Manager shall periodically update the Master Project Schedule for the Project and submit each update to the District for the District's approval.

1.1.3 Project Budget. The Construction Manager shall provide a budget based upon the amounts provided by the District pursuant to Paragraph 2.2 ("Project Budget"). This budget shall include: the anticipated total of all of the separate contracts for the Project pursuant to Section 1.1.10 ("Construction Cost"); Construction Manager's compensation; and the General Conditions costs as provided in this Agreement. The Construction Manager shall review any Project requirements of District, the District's schedule goals, and existing budget data.

The Construction Manager shall make a report of the Project Budget to the District indicating: (1) shortfalls or surpluses in the budget, and (2) recommendations for cost reductions, value engineering, or revisions to the District's Project requirements. The Construction Manager shall consult with the Architect and the District to suggest reasonable adjustments in the scope of the Projects, if any, and to suggest alternate Bids in construction documents to adjust the construction costs to conform to the Project Budget.

1.1.4 Cost Management Procedures. The Construction Manager shall implement and maintain cost management procedures throughout the Design Phase for the Project. When design or programmatic changes are made and approved by the District, these changes shall be recorded and the cost effect shall be documented.

1.1.5 Construction Management Coordination and Value Engineering Review. The Construction Manager shall perform constructability reviews, utilizing a checklist type method such as Redicheck or some other form acceptable to District, and shall provide input to the District relative to means and methods of construction, duration of construction, and constructability. This checklist shall be made available to the District and the Architect.

1.1.6 Coordination/Value Engineering Review. With respect to the Project, the Construction Manager shall review the Architect's 50% and 90% contract document submissions and provide written comments on the coordination of the various disciplines, including civil, structural, architectural, mechanical, electrical, HVAC, plumbing, and landscape.

1.1.7 Design Review and Comments. The Construction Manager shall provide coordination between the Architect and the District on the proper flow of information for the Project. The Construction Manager shall develop written procedures for orderly communication to all Project consultants. Construction Manager shall advise on-site use and improvements.

1.1.8 Cost Adjustment Sessions. The Construction Manager shall prepare for the District's approval a more detailed estimate of Construction Cost, as defined in Article 3, developed by using estimating techniques which anticipates the various elements of the Project. The Construction Manager shall update and refine this estimate at 50% and 90% completion of the Construction Documents. The Construction Manager shall advise the District and the Architect if it appears that the Construction Cost may exceed the budgeted amount for Construction Cost as set forth in the Project Budget. The Construction Manager shall make recommendations for corrective action to bring the Construction Costs within the District Budget.

A fixed limit has been established to the project budget under Paragraph 2.2. The Construction Manager shall consult with the Architect and the District to suggest reasonable adjustments in the scope of the Project, and to suggest alternate bids in the Construction Documents to adjust the Construction Cost to the budgeted amount for Construction Cost as set forth in the Project Budget, if necessary.

1.1.9 Assignment of Responsibility. The Construction Manager shall provide recommendations and information to the District regarding the assignment of responsibilities for safety precautions and programs; temporary Project facilities; and equipment, materials and services for common use of contractors. The Construction Manager shall verify that the requirements and assignment of responsibilities are included in the proposed contract documents.

1.1.10 Separate Contracts (Multi-Prime Contracting). The Construction Manager shall advise on the separation of the Project into separate contracts for various categories of work ("Contracts"). The Construction Manager shall advise on the method to be used for selecting contractors and awarding individual bids. The Construction Manager shall prepare and revise contractor pre-qualification documents and identify potential contractors for District approval. The Construction Manager shall inspect, review, revise and assure proper delivery, assembly of the Project manuals and specifications and shall manage and coordinate the development of construction documents with the Architect. The Construction Manager shall review drawings and specifications for the Contracts to provide that (1) the work of the separate contractors is coordinated, (2) all requirements for the Project have been assigned to the appropriate separate Contract, (3) the likelihood of jurisdictional disputes has been minimized, and (4) proper coordination has been provided for phased construction.

1.1.11 Monthly Reports. With the District's assistance, Construction Manager shall provide a detailed cash flow tracking system for the Project. The system must be approved and accepted by the District. The Construction Manager shall update the cash flow spread sheet monthly or as required by the District.

1.1.12 Coordination of Relocation of District Property. If applicable, Construction Manager shall coordinate the moving, relocation, temporary housing and storing of District's property prior to the construction phase for the Project.

1.1.13 State Chancellor and Other Public Agencies. The Construction Manager, in cooperation with the District and Architect, shall assist with the coordination and processing of all necessary paperwork and close-out documents with the State Chancellor, Division of the State Architect and any other applicable public agencies.

1.1.14 Professional Consultants. The Construction Manager shall assist the District, if required, in selecting and retaining the professional services of surveyors, special consultants and testing laboratories, and coordinate their services.

## **1.2 PLAN CHECK AND BIDDING PHASE.**

1.2.1 Bidding Procedures. The Construction Manager shall develop and expedite bidding procedures for bid document issuance, bid tracking and receipt of proposals with regard to each of the Contracts. The Construction Manager shall also take the necessary procedures to administer any prequalification of potential contractors as directed by the District and ensure that all Contracts are competitively bid when required by law.

1.2.2 Public Relations Activities. The Construction Manager shall assist the District in all public relations including, but not limited to, preparation of Project information and attending internal and public meetings as required, including site meetings.

The Construction Manager shall be the point of contact for the entire community during all phases of construction in regards to any complaints, questions, safety issues, noise problems, dust problems, etc.

1.2.3 Generate Bidder Interest. The Construction Manager shall develop bidder's interest in the Project and shall maintain contact with potential bidders for the Contracts on a regular basis throughout the bid period. A telephone campaign shall be conducted by Construction Manager to stimulate and maintain interest in bidding on the Project.

1.2.4 Bid Advertisements. The Construction Manager shall coordinate the preparation and placement of the notices and advertisements to solicit bids for each of the Contracts as required by law in cooperation with the District.

1.2.5 Prepare and Expedite Bid Documents Delivery. The Construction Manager shall coordinate and expedite the preparation, assembly and delivery of bid documents and any addenda for each of the Contracts to the bidders including the following, as applicable:

- (a) Establish bid schedule by trade;
- (b) Prepare summaries of work bid packages;
- (c) Arranging for printing, binding and wrapping;
- (d) Arranging for delivery; and
- (e) Follow-up calls to the bidders.

The Construction Manager shall include the following requirements in all proposed Contract Documents:

- (a) The following bonding requirements:
  - (i) Performance bond at 100% of the contract amount.
  - (ii) Labor and material bond at 100% of the contract amount.
- (b) Insurance in amounts and coverage as directed by the District prior to bid.
- (c) All bonds must be provided by a California admitted surety.

1.2.6 Pre-Bid Conference(s). In conjunction with the Architect and District, the Construction Manager shall conduct the pre-bid conference(s). These conferences shall be a forum for the District, the Construction Manager, and Architect to present the District's Project requirements to the bidders, including prequalification requirements, as appropriate, and shall familiarize bidders with the particular Project, bid documents, management techniques and with any special systems, materials or methods.

1.2.7 Coordination and Inquiries. The Construction Manager shall coordinate communications related to bidder inquiries and seek resolution for the appropriate party and provide timely forwarding of such information to the bidders and District.

1.2.8 Addenda Review. The Construction Manager shall administer the addenda process and shall provide a review of each addendum during the bid phase for time, cost, or constructability impact, and make appropriate comments or recommendations.

1.2.9 Bidding of Work. All construction work for the Project shall be competitively bid when required by law and awarded in no more than two bid phases in accordance with normal requirements for general contractors. If the Project is funded with any State funds, Construction Manager shall comply with all applicable requirements. A bid phase summary shall be submitted with each bid phase package listing only the low bidders, their contract amounts, the Construction Manager's fee and General Conditions costs assigned to each bid phase, summed as a total committed cost. Construction Manager shall assist District and Architect to ensure compliance with any Disabled Veteran Business Enterprise goals.

1.2.10 Bid Evaluation. The Construction Manager in cooperation with Architect shall assist the District in pre-qualification, the bid opening, evaluation of the bids for completeness, full responsiveness and price, including alternate prices and unit prices (if applicable), shall make a formal report to the District with regard to the potential award of a Contract, shall receive bids, prepare bids. The Construction Manager shall include a copy of the proposed Contract for each bidder recommended by the Construction Manager.

If applicable, the summary of bids shall classify all bids according to cost allowance categories. When a bid includes work in more than one cost category, the summary shall assign an appropriate amount to each.

Construction Manager shall certify in writing that the Contracts contained in the submittal for the District represents all the contracts required to perform the work in the plans and specifications for the Project, and that no additional contracts are foreseen to complete the necessary work for such Project. In the event the contracts and the work deferred for the future does not represent 100% of the work, the additional necessary work shall be offset by a reduction in the Construction Manager's fees.

1.2.11 Rebidding. In the event the bids exceed the Project Budget and the District authorizes rebidding of all or portions of the Project, the Construction Manager shall cooperate in revising the scope and the quality of work as required to reduce the construction costs for the Project. The Construction Manager, without additional compensation, shall cooperate with the District and Architect as necessary to bring construction costs within the Project Budget.

1.2.12 Non-interest in Project. The Construction Manager shall not be a bidder, or perform work for any bidder on any individual Contract.

1.2.13 Purchase, Delivery and Storage of Materials and Equipment. If applicable, the Construction Manager shall investigate and recommend a schedule for the District's purchase of materials and equipment which are a part of the Project and require long lead time procurement, and coordinate the schedule with the early preparation of portions of the contract documents. The Construction Manager shall expedite and coordinate delivery of all purchases.

If applicable, the Construction Manager shall arrange for delivery and storage, protection and security for District-purchased materials, systems and equipment which are a part of the Project, until such items are incorporated into the Project. The Construction Manager shall coordinate with or assign these activities to the appropriate contractor who is responsible for the installation of such materials, systems, and equipment.

1.2.14 Analysis of Labor. The Construction Manger shall provide an analysis of the types and quantities of labor required for the Project and review the availability of appropriate categories of labor required for critical phases. The Construction Manager shall make recommendations to minimize adverse effects of labor shortages.

### **1.3 CONSTRUCTION PHASE.**

The Construction Phase for the Project shall commence with the award of the initial Contract and shall continue until sixty-five (65) days after the recording of a notice of completion for the Project or sixty-five (65) days after completion of the Project as defined in Public Contract Code Section 7107 whichever is earlier.

The Construction Phase consists of the coordination of all activities that are included in the construction of a particular Project. The Construction Manager shall be responsible for coordinating the work for the Project pursuant to the Master Project Schedule. The Construction Manager shall maintain communication with the District throughout the Construction Phase and shall provide responsible reporting and documentation prior to the contractors' pre-construction conference and shall be responsible for coordinating the site construction services provisions (general conditions items) including supervision and administration of the Project, conducting construction progress meetings, providing progress reports, processing contractors requests for information (RFI's), reviewing and recommending with the Architect the approval or disapproval of change orders and payments to the contractors, and maintaining record keeping to assist the District in negotiations, mediation or arbitration of claims or disputes.

1.3.1 Pre-Construction Conference(s). The Construction Manager shall conduct, in conjunction with the District and the Architect, pre-construction orientation conference(s) for the benefit of the successful contractors and shall serve to orient the contractors to the various reporting procedures and site rules prior to the commencement of actual construction. The Construction Manager shall obtain the certificates of insurance and bonds from the contractors and forward such documents after approval by the Construction Manager to the District.

1.3.2 Contract Administration. The Construction Manager, in cooperation with the Architect, shall administer the construction Contracts as set forth herein and as provided in the General Conditions of the Contacts for construction. The Construction Manager shall coordinate the preparation of construction staging areas on-site for the Project and shall coordinate the preparation of the site for construction, including, but not limited to, coordinating fencing, barricades or other items reasonably necessary for efficient construction. The Construction Manager shall also coordinate the mobilization of all contractors and shall coordinate construction sequencing.

In addition, the Construction Manager shall provide management and related services as required to coordinate work of the contractors with each other and the activities and responsibilities of the Architect and District in order to complete the Project in accordance with the Contract Documents and this Agreement and within the Project Budget. The Construction Manger shall provide sufficient organization, qualified and experienced personnel and management to carry out the requirements of this Agreement.

The Construction Manager shall maintain a competent full-time staff at the Project site for the purpose of coordinating and providing general direction for the work and progress of the contractors.

1.3.3 Submittal Procedures. The Construction Manager shall establish and implement procedures with the Architect and coordinate and review shop drawing submittals, requests for information, samples, product data, change orders, payment requests, material delivery dates and other procedures; and maintain logs, files and other necessary documentation. Construction Manager shall assist the Architect and the District's inspector with monitoring the certified payroll for the Project. The Construction Manager shall coordinate the dissemination of any information regarding submittals and consult with the Architect and the District if any Contractor requests interpretations of the meaning and intent of the Contract Documents, and assist in the resolution of questions which may arise.

1.3.4 Meetings. The Construction Manager shall coordinate and conduct preconstruction, construction and weekly job-site progress meetings with the Contractors and shall work with the Architect to ensure that the Architect records, transcribes and distributes minutes to all attendees, the District, and all other appropriate parties. The Construction Manager shall assist in the resolution of any technical construction issues.

1.3.5 Coordination of Technical Inspection and Testing. The Construction Manager shall coordinate with the District's certified inspector all testing required by the Architect or other third parties. If requested, the Construction Manager shall assist the District in selecting any special consultants or testing laboratories. All inspection reports shall be provided to the Construction Manager on a regular basis.

1.3.6 Construction Observation. The Construction Manager shall assist the District's inspector in observing that the materials and equipment being incorporated into the work are handled, stored and installed properly and adequately and are in compliance with the contract documents for the Project. The Construction Manager shall report to the District regarding the status of such activity. The Construction Manager shall endeavor to guard against defects and deficiencies and shall advise the District of any deviations, defects or deficiencies the Construction Manager observes in the work. The Construction Manager's observation duties shall include reasonable diligence to discover work that is not in compliance with the contract documents. These observations shall not, however, cause the Construction Manager to be responsible for those duties and responsibilities which belong to the District's inspector.

1.3.7 Non-Conforming Work. The Construction Manger shall, in conjunction with the District's inspector, review contractor's recommendations for corrective action on observed non-conforming work. The Construction Manager shall make recommendations to the District, the Architect and District' inspector in instances where the Construction Manager observes work that, in its opinion, is defective or not in conformance with the contract documents. The Construction Manager shall assist the District's inspector in observing the Contractor's work to verify that all authorized changes are properly incorporated in the Project. The Construction Manager shall report to the District regarding the status of such activity and provide a written record of the same.

1.3.8 Exercise of Contract Prerogatives. The Construction Manager shall advise the District and make recommendations to the District for exercising the District's Contract prerogatives, such as giving the Contractor notice to accelerate the progress when the schedule goals are in jeopardy due to Contractor failings, withholding payment for cause and other prerogatives when required in an effort to achieve Contract compliance.

1.3.9 Implementation of Master Project Schedule. The Construction Manager shall implement the Master Project Schedule and shall regularly update and maintain the Master Project Schedule incorporating the activities of Contractors on the Project, including activity sequences and durations, allocation of labor and materials, processing of shop drawings, product data and samples, and delivery of products requiring long lead time procurement. The Master Project Schedule shall include the District's occupancy requirements showing portions of the Project having occupancy priority. The Construction Manager shall update, reissue and distribute the Master Project Schedule as required to show current conditions and revisions required by the actual experience.

1.3.10. Safety Programs. To the extent required by OSHA or any other public agency, Construction Manager shall obtain each Contractor's safety programs and monitor their implementation along with any necessary safety meetings. Construction Manager shall ensure that such safety programs are submitted to the District.

1.3.11 Endorsements of Insurance, Performance/Payment Bonds. The Construction Manager shall receive and review Endorsements of Insurance, Performance/Payment Bonds from the Contractors and forward them to the District with a copy to the Architect prior to commencement of any work by such contractors. Construction Manager shall inform the District of any noted deficiencies in insurance, or books submitted.

1.3.12 Changes in Construction Cost. The Construction Manager shall revise and refine the approved estimate of Construction Cost, incorporate approved changes as they occur, and develop cash flow reports and forecasts as needed.

The Construction Manager shall provide regular monitoring of the approved estimate of Construction Cost, showing actual costs for activities in progress and estimates for uncompleted tasks. The Construction Manager shall identify variances between actual and budgeted or estimated costs and advise the District and the Architect whenever the Project's costs appear to be exceeding budgets or estimates.

1.3.13 Construction Progress Review. The Construction Manager shall keep a daily log containing a record of weather, the Contractors working on the site, number of workers, work accomplished, problems encountered, and other relevant data or such additional data as the District may require. The Construction Manager shall make the log available to the District upon request. The Construction Manager shall prepare and distribute the construction schedule updates to the Master Project Schedule on a monthly basis to maintain the Master Project Schedule. After an evaluation of the actual progress as observed by the Construction Manager, scheduled activities shall be assigned percentage-complete values. The report shall reflect actual progress as compared to scheduled progress and note any variances. The Construction Manager



shall identify problems encountered in accomplishing the work and recommend appropriate action to the District to resolve these problems with a minimum effect on the timely completion of the Project. If requested by the District, the Construction Manager shall assist the Contractor(s) in preparing a recovery schedule. The recovery schedule shall reflect the corrective action costs (if any) and efforts to be undertaken by the contractor(s) to recapture lost time. This recovery schedule shall be distributed to the Contractor(s), the District, Architect and other appropriate parties.

1.3.14 Maintain On-Site Records. The Construction Manager shall develop and implement a comprehensive document management program. The Construction Manager shall maintain at the Project site, on a current basis: a record copy of all Contracts, drawings, specifications, addenda, change orders and other modifications, in good order and marked to record all changes made during construction; shop drawings; product data; samples; submittals; purchases; materials; equipment; applicable handbooks; Titles 21 and 24 of the California Code of Regulations; the California Uniform Building Code; maintenance and operating manuals and instructions; other related documents and revisions which arise out of the Contracts. The Construction Manager shall maintain records in duplicate, of principal building layout lines, elevations for the bottom of footings, floor levels and key site elevations certified by a qualified surveyor or professional engineer, if necessary. The Construction Manager shall make all records available to the District. At the completion of the Project, the Construction Manager shall deliver all such records to the Architect, so the Architect may complete the record as-built drawings.

1.3.15 Schedule of Values and Processing of Payments. The Construction Manager shall review and approve each Contractor's schedule of values for each of the activities included in that Contractor's schedule of events. The Construction Manager shall develop and maintain a master schedule of values. The Construction Manager shall develop and implement procedures for the review and processing of applications by Contractors for progress and final payments. As part of the evaluation of progress payments, the Construction Manager shall review all "as-built" documents and ensure that the Contractor's "as-built" documents are updated and current. The Construction Manager shall review with the Architect and make recommendations to the District pertaining to payments to the Contractors.

1.3.16 Evaluate Proposal Costs. The Construction Manager shall evaluate Contractors' proposal costs and make a formal recommendation to the District regarding the acceptance of any proposals for a change order.

1.3.17 Negotiations of Change Order Costs and Time Extensions. The Construction Manager shall assist the District and the Architect representative in negotiating any change order costs and time extensions.

1.3.18 Change Order Reports. The Construction Manager shall not issue instructions contrary to the contract between District and a Contractor, or between the District and Architect. The Construction Manager shall ensure that all changes to the Contract between the District and a Contractor shall be by change order executed by the District. Any communication between the Construction Manager and the Contractors shall not in any way be

construed as binding on the District, or releasing the Contractor from fulfillment of any of the terms of the Contract. For the Project, the Construction Manager shall prepare and distribute change order reports on a monthly basis throughout the Construction Phase. This report shall provide information pertaining to proposed and executed change orders and their effect on the Contract price and Master Project Schedule as of the date of the report.

1.3.19 Contractor Claims. The Construction Manager shall be given copies of all notices of claims by Contractors against the District for any alleged cause. The Construction Manager, jointly with Architect, shall perform evaluation of the contents of the claim within twenty-five (25) days, and make recommendations to the District. If requested by the District, the Construction Manager shall prepare estimates based on any alleged cause of claims submitted by the Contractor(s) and shall prepare alternate estimates based on varying scenarios of the claim cause. These estimates shall be transferred to the District and shall be used in claim rulings and negotiations. If requested by the District, the Construction Manager shall analyze the claims for extension of time and prepare an impact evaluation report which reflects the actual impact to the Master Construction Schedule. The report shall also provide a narrative including a recommendation for action to the District. If requested by the District, the Construction Manager shall negotiate claims with the Contractor(s) on behalf of the District. The Construction Manager shall make a written recommendation to the District concerning settlement or other appropriate action. Excepting those claims of which the Construction Manager is responsible, Construction Manager's obligations pursuant to this Paragraph shall cease upon completion of the Project as defined in Paragraph 1.3 of this Agreement.

1.3.20 Project Status Reports. The Construction Manager shall prepare and distribute monthly a Project Status Report. The Construction Manager shall ensure that the Verified Reports required by Title 24 of the California Code of Regulations be completed quarterly by the contractors for the Project.

1.3.21 Equipment Instruction Manuals, Warranties and Releases. The Construction Manager shall obtain all written material such as operations and maintenance manuals, warranties, affidavits, releases, bonds, waivers and guarantees for all equipment installed in the Project. All such materials, including equipment instruction material, keys and documents shall be reviewed and delivered to appropriate District personnel.

1.3.22 Completion of Contracts and Project. When the Construction Manager considers a Contractor's work or a designated portion thereof complete, the Construction Manager shall prepare for the Architect a list of incomplete or unsatisfactory items ("Punch-list") and a schedule for their completion. The Construction Manager shall assist the Architect in conducting inspections.

The Construction Manager shall coordinate the correction and completion of the work. The Construction Manager shall assist the Architect in determining when the Project or a designated portion thereof is complete. The Construction Manager shall prepare a summary of the status of the work of each contractor, listing changes in the previously issued Punch-list and recommending the times within which contractors shall complete the uncompleted items on the Punch-list.

1.3.23 As-Built Documents. The Construction Manager shall perform coordination, supervisory and expediting functions in connection with the contractor's obligation to provide "as-built" documents and make recommendations for adequate withholding of retention in the event that a contractor fails to provide acceptable "as-built" documents.

1.3.24 Training Sessions. The Construction Manager shall coordinate and schedule training sessions, if necessary, for the District's personnel and shall require that the Contractor's obligation in providing this training is fulfilled.

1.3.25 Recommendations to District. The Construction Manager shall endeavor to achieve satisfactory performance from each Contractor. The Construction Manager shall recommend courses of action to the District when requirements of a Contract are not being fulfilled, and the nonperforming party shall not take satisfactory corrective action.

1.3.26 Accounting Records. The Construction Manager shall establish and administer an appropriate Project accounting system in conjunction with the District and shall maintain cost accounting records on authorized work performed under unit costs, additional work performed on the basis of actual costs of labor and materials, or other work requiring accounting records.

1.3.27 Permits. The Construction Manager shall assist the District in obtaining all necessary permits for the Project, including without limitation, building, grading, and occupancy permits. This task may encompass accompanying governmental officials (Fire Marshal, DSA, Health Department, etc.) during inspections, assisting in preparing and submitting proper documentation to the appropriate approving agencies, assisting in final testing and other necessary and reasonable activities.

1.3.28 Initial Start-up and Testing. With the Architect and the District's maintenance personnel, the Construction Manager shall observe the Contractors' proper installation of utilities, operational systems and equipment for readiness and assist in their initial start-up and testing for the Project. The Construction Manager shall coordinate and assist District in the move-in for the Project.

1.3.29 Final Completion and Project Report. The Construction Manager, in conjunction with the Architect and the District's inspector, shall at the conclusion of all corrective action of Punch-list items, make a final comprehensive review of the Project, make a report to the District which indicates whether the Construction Manager and the Architect find the work performed acceptable under the Contract Documents and the relevant Project data, and make recommendations as to final payment and the notice of completion to the Contractor(s) for the Project. At the conclusion the Project, the Construction Manager shall prepare final accounting and close-out reports of all above indicated report systems. These reports shall summarize, for historical purposes, any items which are not self-explanatory.

1.3.30 Warranty. The Construction Manager, shall assist the owner by coordinating and scheduling all warranty work as pertains to Section 1.3.21 (above), throughout the 1 year construction warranty period.

#### **1.4 TIME.**

1.4.1 The Construction Manager shall perform the services set forth in this Agreement as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Projects.

1.4.2 In the event the construction time requirements set forth in Section 1.1.2 of this Agreement are exceeded, and the delay is caused by the Construction Manager, the Construction Manager's fee shall be reduced by an amount of \$1,250.00 per calendar day as liquidated damages, but not as a penalty, starting from the scheduled construction completion date for the Project until construction is substantially complete.

1.4.3 Construction Manager shall be entitled to an extension of time for the time of completion and shall not be subject to a claim for liquidated damages for delays which may arise due to an Act of God as defined in Public Contract Code Section 7105 if the act of God affects the governmental agency from which approvals are necessary for completion of the Project, but Construction Manager shall have no claim for any other compensation for such delay. Should the schedule for the Project be extended due to an act of God as discussed above, the Construction Manager's performance contract shall be extended and the Construction Manager shall be compensated for this extension under the provisions of Section 4.4 of this Agreement.

## **ARTICLE 2** **THE DISTRICT'S RESPONSIBILITIES**

2.1 The District shall provide full information regarding the requirements of the Project including the District's objectives, constraints and criteria.

2.2 Prior to the commencement of the Design Phase for the Project, the District shall provide a financial plan and budget to be utilized by Construction Manager as set forth in Section 1.1.3 of this Agreement.

2.3 The District shall designate a representative ("District Representative") to act on the District's behalf with respect to each Project. The District, or the District Representative, if authorized, shall render decisions promptly to avoid unreasonable delay in the progress of the Construction Manager's services.

2.4 The District shall furnish tests, inspections and reports as required by law or the contract documents.

2.5 The services, information and reports required by Paragraphs 2.1 through 2.4, inclusive, shall be furnished at District's expense.

2.6 If the District observes or otherwise becomes aware of any fault or defect in the Project, or nonconformance with the contract documents, prompt notice thereof shall be given by the District to the Construction Manager.

2.7 The District reserves the right to perform work related to the Project with the District's own forces and/or to award contracts in connection with the Project. The Construction Manager shall notify the District within ten (10) days of actual knowledge of the District's intent to perform work related to the Project with the District's own forces and/or to award contracts in connection with the Project, if any such independent action shall in any way compromise the Construction Manager's ability to meet the Construction Manager's responsibilities under this Agreement.

2.8 The District shall retain an Architect whose services, duties and responsibilities are described in the Agreement between the District and the Architect. The terms and conditions of the District-Architect agreement shall be furnished to the Construction Manager.

### **ARTICLE 3**

#### **CONSTRUCTION COST AND PROJECT BUDGET**

3.1 The Construction Cost of the Project shall be the total of the final contract sums of all of separate contracts of contractors for the Project, and shall not exceed the budgeted amount for the Construction Cost as set forth in the Project Budget.

3.2 Construction Cost shall not include the compensation of Construction Manager, the Architect and other consultants, general conditions, the cost of land, rights-of-way and other costs which are the responsibility of District as provided in Article 2 hereof, inclusive.

3.3 The Project Budget has been established under paragraph 2.2 hereof by the allowance for construction. Construction Manager shall consult with the Architect and District to suggest reasonable adjustments in the scope of the Project, and to suggest alternate bids in the construction documents to adjust the construction Project costs so that it does not exceed the Project Budget.

3.4 If the fixed limit of Construction Cost as set forth in the Project Budget is exceeded by the sum of the lowest figures from bona fide bids, District shall (1) give written approval of an increase in such fixed limit, (2) authorize rebidding of the Project or portions of the Project within a reasonable time, (3) cooperate in revising the scope and the quality of the work as required to reduce the Construction Cost or (4) reject all bids and abandon the Project. In the case of items (2) and (3), Construction Manager, without additional compensation, shall cooperate with District and Architect as necessary, including providing services as set forth in Article I, to bring the Construction Cost within the fixed limit of the Project Budget.

3.5 With the District's assistance, Construction Manager shall provide, on a monthly basis, a detailed cash flow tracking system for the Project. The system must be approved and accepted by the District. The Construction Manager shall update the cash flow spread sheet monthly or as required by the District.

Construction Manager shall provide for the District's review and acceptance, a monthly report for the Project. This report shall show the status for the Project that is under construction pertaining to this contract. With the District's assistance, the Construction Manager shall provide all construction related agenda items. Examples: change orders, notices to proceed, notice of completion, authorization to bid, award of contracts, etc.

3.6 Audit. Construction Manager shall maintain auditable books, records, documents, and other evidence pertaining to costs and expenses in this Agreement. These records shall be maintained for a period of at least three (3) years after final payment has been made, subject to any applicable rules, regulations or statutes.

District's authorized representative(s) shall have access, with reasonable notice, to any books, documents, papers, electronic data, and other records which they determine to be pertinent to this Agreement for performing an audit, evaluation, inspection, review, assessment, or examination. These representative(s) are authorized to obtain excerpts, transcripts, and copies, as they deem necessary.

Should Construction Manager disagree with any audit conducted by District, Construction Manager shall have the right to employ a licensed, Certified Public Accountant (CPA) to prepare and file with District a certified financial and compliance audit that is in compliance with generally-accepted government accounting standards of related services provided during the term of this Agreement. Construction manager shall not be reimbursed by District for such an audit.

In the event Construction manager does not make available its books and financial records at the location where they are normally maintained, Construction manager agrees to pay all necessary and reasonable expenses, including legal fees, incurred by District in conducting any audit.

#### **ARTICLE 4**

#### **BASIS OF COMPENSATION AND PAYMENT**

District shall compensate Construction Manager for the services required hereunder, as follows:

#### **4.1 BASIC COMPENSATION FEE - FIXED.**

4.1.1 Construction Manager's Services, as described in Article 1.1 shall be: \$73,606 (Seventy-Three Thousand Six Hundred Six Dollars)

4.1.2 Construction Manager's Services, as described in Article 1.2 shall be: \$73,606 (Seventy-Three Thousand Six Hundred Six Dollars)

4.1.3 Construction Manager's Services, as described in Article 1.3 shall be: \$588,853 (Five Hundred Eighty-Eight Thousand Eight Hundred Fifty-Three Dollars)

#### **4.1.2 GENERAL CONDITIONS COSTS.**

General Conditions as described in Article 5 shall be reimbursed in accordance with Article 5 with the total not to exceed \$813,946.

### **4.2 PAYMENT**

#### **4.2.1 BASIC COMPENSATION PAYMENT:**

4.2.1.1 Pre-Construction Invoicing. Construction Manager shall invoice 20% of the Basic Services for the services set forth in Articles 1.1 and 1.2 in equal monthly increments, from the time the Construction Manager begins work on the Project to the commencement of the Construction Phase time the contractor is selected by the District.

4.2.1.2 Construction Invoices. Construction Manager shall invoice 70% of the Basic Services Fee in equal monthly increments during the Construction Phase.

4.2.1.3 Project Retention. Construction Manager shall invoice 10% of the Basic Services Fee 35 days after the District files the last Notice of Completion for the Project.

#### **4.2.2 GENERAL CONDITIONS PAYMENT.**

Construction Manager shall invoice General Conditions costs monthly during the duration of the construction work. All General Condition costs must be supported by an invoice, receipt, an employee time sheet, or other acceptable documentation.

#### **4.3.2 PAYMENT OF INVOICES.**

District shall make payments to Construction Manager within thirty (30) days of receipt of the appropriate and approved invoice from Construction Manager.

### **4.4 ADDITIONAL COMPENSATION.**

Construction Manager shall not be entitled to additional compensation unless there are unusual and unanticipated circumstances and only when approved in writing by District, in advance of such services being provided. If the Construction Manager shall claim compensation for any damage sustained by reason of the acts of the District or its agents, Construction Manager shall, within ten (10) days after sustaining of such damage, make to the District a written statement of the damage sustained. On or before the 15th day of the month succeeding that in which such damage shall have been sustained, the Construction Manager shall file with the District an itemized statement of the details and amount of such damage in accordance with

this Article, and unless such statement is submitted, any claims by Construction Manager shall be forfeited and invalidated and Construction Manager shall not be entitled to consideration for payment on account of any such damage. In the event extra compensation is approved, extra compensation shall be computed at cost plus ten percent (10%) of billings to Construction Manager by Construction Manager's consultants and for other costs incurred by the Construction Manager and at the following hourly rates for Construction Manager's employees:

Principal In Charge/Project Executive	\$ 160.00
Project Manager	\$ 140.00
General Superintendent	\$ 130.00
Project Superintendent	\$ 120.00
Estimating/Precon Services Manager	\$ 120.00
BIM/Constructability Manager	\$ 120.00
Scheduling Manager	\$ 85.00
Field Engineer	\$ 85.00
Clerical Assistance	\$ 50.00

## **ARTICLE 5**

### **GENERAL CONDITIONS**

Construction Manager shall provide the General Conditions for the Project. General Conditions of the Project are defined as those generic support activities which must be in place to support all construction aspects of the Project. These support activities are set forth in the Reimbursable Expenses and General Conditions Estimate attached hereto as Exhibit "B".

General Conditions are based upon fourteen (14) months of construction and in no event shall the General Condition costs exceed \$813,946.

All General Condition reimbursables shall be billed at their actual cost, and the Construction Manager shall take all reasonable steps necessary to obtain the most competitive prices available for these items. If Construction Manager desires to be reimbursed for any other General Conditions costs not specifically set forth in this Article, prior to the commencement of the Construction Phase, Construction Manager shall submit a list of these General Condition items to District for District's approval. The cost of any additional items shall not be reimbursable unless advance written authorization is provided by the District to Construction Manager to obtain the item.

## **ARTICLE 6**

### **TERMINATION, ABANDONMENT OR SUSPENSION OF WORK**

#### **6.1 TERMINATION OF CONSTRUCTION MANAGER SERVICES.**

The District may give seven (7) days written notice to Construction Manager of District's intent to suspend or terminate the Construction Manager's services under this Agreement for



failure to satisfactorily perform or provide prompt, efficient or thorough service or Construction Manager's failure to complete its services or otherwise comply with the terms of this Agreement. If after the expiration of such seven (7) days, Construction Manager fails to cure the performance as set forth in the District's notice of intent to suspend or terminate the Construction Manager's services, District may issue a notice of termination or suspension. At that time, Construction Manager's services shall be suspended or terminated as set forth in District's notice.

District shall also have the right in its absolute discretion to terminate this Agreement in the event the District is not satisfied with the working relationship with Construction Manager and without cause following twenty-one (21) days prior written notice from District to Construction Manager.

## **6.2 CONTINUANCE OF WORK.**

In the event of a dispute between the parties as to performance of the work or the interpretation of this Agreement, or payment or nonpayment for work performed or not performed, the parties shall attempt to resolve the dispute. Pending resolution of this dispute, Construction Manager agrees to continue the work diligently to completion. If the dispute is not resolved, Construction Manager agrees it shall neither rescind the Agreement nor stop the progress of the work, but Construction Manager's sole remedy shall be to submit such controversy to determination by a court having competent jurisdiction of the dispute, after the Project has been completed, and not before.

## **6.3 ABANDONMENT OF A PROJECT.**

The District has the absolute discretion to suspend or abandon all or any portion of the work on the Project and may do so upon fourteen (14) day written notice to the Construction Manager. Upon notice of suspension or abandonment, Construction Manager shall immediately discontinue any further action on the Project. If the entire work to be performed on the Project is abandoned, the parties shall each be relieved of the remaining executory obligations of the Agreement, as it relates to the Project, but shall not be relieved of any obligations arising prior to said abandonment.

## **6.4 COMPENSATION IN THE EVENT OF TERMINATION, ABANDONMENT OR SUSPENSION.**

In the event the District terminates, abandons or suspends the work on the Project, there shall be due and payable within thirty (30) days following such termination, abandonment or suspension a sum of money sufficient to increase the total amount paid to Construction Manager to an amount which bears the same proportion to the total fee as the amount of services performed or provided by Construction Manager prior to the time of such termination, suspension or abandonment of this Agreement bears to the entire services Construction Manager is required to perform or provide for the Project.

In the event of termination due to a breach of this Agreement by Construction Manager, the compensation due Construction Manager upon termination shall be reduced by the amount of damages and liquidated damages sustained by District due to such breach.

In the event that District chooses to abandon the Project or terminate the Agreement without cause, Construction Manager shall, in addition to the compensation described above, also be reimbursed for reasonable termination costs through the payment of (1) 3% of the Construction Management Fees incurred to date if less than 50% of the Construction Management Fees have been paid; or (2) 3% of the remaining Construction Management Fees if more than 50% of the Construction Management Fees have been paid. This payment is agreed to compensate Construction Manager for any damages resulting from early termination and is consideration for entry into this termination for convenience clause.

## **6.5 DELIVERY OF DOCUMENTS.**

Upon termination, abandonment or suspension, Construction Manager shall deliver to District all documents and matters related to the Project.

## **ARTICLE 7** **INDEMNIFICATION**

To the fullest extent permitted by law, Construction Manager agrees to indemnify, defend and hold District entirely harmless from all liability arising out of:

(a) Any and all claims under workers' compensation acts and other employee benefit acts with respect to Construction Manager's employees or Construction Manager's subcontractors' employees arising out of Construction Manager's work under this Agreement; and

(b) Liability for damages for (1) death or bodily injury to person; (2) injury to, loss or theft of property; (3) any failure or alleged failure to comply with any provision of law or (4) any other loss, damage or expense arising under either (1), (2), or (3) above, sustained by the Construction Manager or any person, firm or corporation employed by the Construction Manager upon or in connection with the Project, except for liability resulting from the sole or active negligence, or willful misconduct of the District, its officers, employees, agents or independent contractor's who are directly employed by the District;

(c) Any loss, injury to or death or persons or damage to property caused by any act, neglect, default or omission of the Construction Manager, or any person, firm or corporation employed by the Construction Manager, either directly or by independent contract, including all damages due to loss or theft, sustained by any person, firm or corporation including the District, arising out of, or in any way connected with the Project, including injury or damage either on or off District property; but not for any loss, injury, death or damages caused by sole or active negligence, or willful misconduct of the District.

The Construction Manager at Construction Manger's own expense, cost, and risk, shall defend any and all claims, actions, suits, or other proceedings that may be brought or instituted against the District, its officers, agents or employees, on any such claim or liability, and shall pay or satisfy and judgment that may be rendered against the District, its officers, agents or employees in any action, suit or other proceedings as a result thereof.

## **ARTICLE 8**

### **SUCCESSORS AND ASSIGNS OR CONFLICT OF INTEREST**

8.1 Successors and Assigns. This Agreement is binding upon and inures to the benefit of the successors, executors, administrators, and assigns of each party to this Agreement, provided, however, that the Construction Manager shall not assign or transfer by operation of law or otherwise any or all rights, burdens, duties, or obligations without prior written consent of the District. Any attempted assignment without such consent shall be invalid.

8.2 Corporate Status. In the event of a change in the corporate status of the Construction Manager, the Owner shall have the right to review the conditions of said change, and if warranted, exercise Section 6.1 Termination of Construction Manager Services.

8.3 Conflict of Interest. For the term of this Agreement, no member, officer or employee of the Owner, during the term of his or her service with the Owner, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising there from.

8.4 Conflict of Employment. Employment by the Construction Manager of personnel on the payroll of Owner shall not be permitted in the performance of the Services, even though such employment may occur outside of the employee's regular working hours or on weekends, holidays or vacation time. Further, the employment by the Construction Manager of personnel who have been on the Owner's payroll within one year prior to the date of execution of this Agreement, where this employment is caused by and or dependent upon the Construction Manager securing this or related Agreements with the Owner, is prohibited.

8.5 Fiduciary Responsibilities. The Construction Manager accepts the relationship of trust and confidence established with the Owner by this Agreement. The Construction Manager covenants with the Owner to furnish his best skill and judgment and to cooperate with the Owner's Design Professional in furthering the interests of the Owner. The Construction Manager agrees to furnish efficient business administration and superintendence and to use the Construction Manager's best efforts at all times in the most expeditious and economical manner consistent with the interest of the Owner.

**ARTICLE 9**  
**APPLICABLE LAW**

This Agreement shall be governed by the laws of the State of California, however, in the event that the District receives any State funding for the Project, this Agreement shall also be governed by any applicable laws and/or regulations relating to such State funding (“Applicable Law”). To the extent that there is any inconsistency between this Agreement and the Applicable Law, or this Agreement omits any requirement of the Applicable Law, the language of the Applicable Law, in effect on the date of the execution of this Agreement, shall prevail.

**ARTICLE 10**  
**CONSTRUCTION MANAGER NOT AN OFFICER**  
**OR EMPLOYEE OF DISTRICT**

While engaged in carrying out and complying with the terms and conditions of this Agreement, the Construction Manager is an independent contractor and not an officer or employee of the District.

**ARTICLE 11**  
**INSURANCE**

11.1 The Construction Manager shall purchase and maintain policies of insurance with an insurer or insurers, qualified to do business in the State of California and acceptable to District which will protect Construction Manager and District from claims which may arise out of or result from Construction Manager’s actions or inactions relating to the Agreement, whether such actions or inactions be by themselves or by a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The aforementioned insurance shall include coverage for:

(a) The Construction Manager shall carry Workers’ Compensation and Employers Liability Insurance in accordance with the laws of the State of California in an amount not less than One Million Dollars (\$1,000,000).

(b) Comprehensive general and auto liability insurance with limits of not less than ONE MILLION DOLLARS (\$1,000,000) combined single limit, bodily injury and property damage liability per occurrence, including:

1. Owned, non-owned and hired vehicles;
2. Blanket contractual;
3. Broad form property damage
4. Products/completed operations; and
5. Personal injury.



The parties, through their authorized representatives, have executed this Agreement as of the day and year first written above.

CONSTRUCTION MANAGER:

DISTRICT:

Tilden-Coil Constructors, Inc.

Riverside Community College District

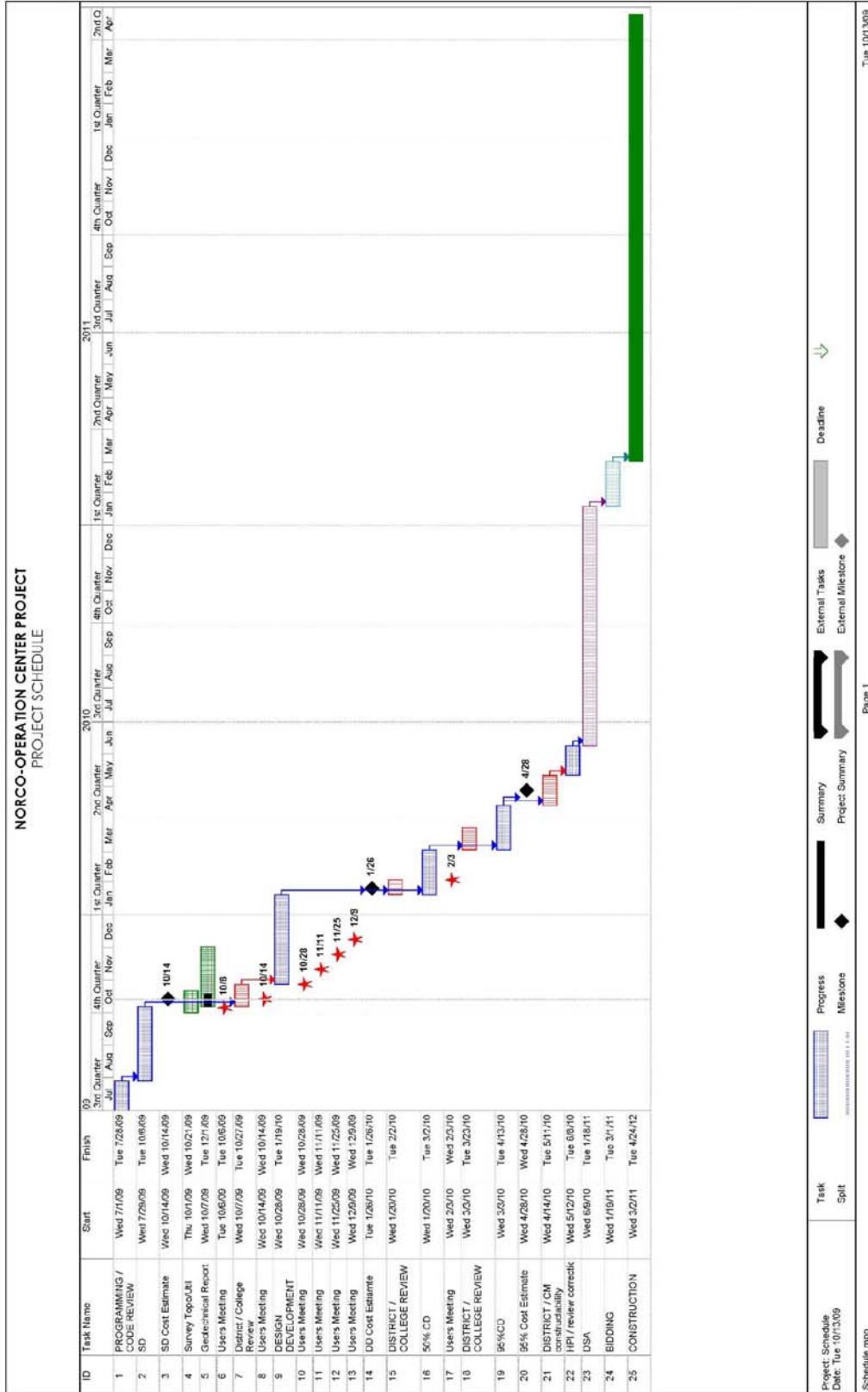
By: \_\_\_\_\_

By: \_\_\_\_\_

Brian Jaramillo  
President  
3612 Mission Inn Ave  
Riverside, CA 92501

James L. Buysse  
Vice Chancellor  
Administration and Finance

## EXHIBIT "A" PROPOSED PROJECT SCHEDULE



## **EXHIBIT "B"**

### **REIMBURSABLE EXPENSES**

The following Reimbursable Expenses shall be provided under the Construction Manager's direction and shall be reimbursable items under this Agreement. These items and services shall be billed at their actual cost, and the Construction Manager shall take all reasonable steps necessary to obtain the most competitive prices available for these items. The cost for any additional items shall not be reimbursable unless advance written authorization is provided by the Owner to the Construction Manager to obtain the item.





Original: 07/17/09  
 Update: 10/29/09 (new durations)  
 Project Duration: 14 Mo  
 60 weeks

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 Norco Operations Center  
 General Conditions Estimate**

Description	Qty	Unit	Unit Cost	Total	CM FEE	General Conditions	District Expense	By Others
Preconstruction Expense	1	ls				X		
Preconstruction Manager	6	wk				X		
Supervision	60	wk				X		
Project Manager	60	wk				X		
Project Engineer	30	wk				X		
Project Administrator (1/3 time)	20	wk				X		
General Clean Up (labor & bins)								X
Final Clean Up	25,200	sf				X		
Punch List						X		
Safety Measures / Badges	1	ls				X		
Traffic Control / Signage	1	ls				X		
Dust Control								X
Dewatering/Erosion Control/SWPPP								X
Weather Protection								X
Temporary Heating								X
Trailer Rental & Expenses	14	mo				X		
Trailer Mobilization & Set up & tear down	2	ea				X		
Trailer Alarm (includes commissioning)	14	mo				X		
Caretaker/Security							X	
Warehouse							X	
Signs & Bulletin Boards	6	ea				X		
Temp Power Poles & Connection	1	ls				X		
Toilets / Hand Wash	14	mo				X		
Trash Bins	14	mo				X		
Storage Bins								X
Fencing	2,000	lf				X		
Temp Lighting								X
Extend Temp Utilities	1	allow				X		
Management Fuel	14	mo				X		
Supervision Fuel	14	mo				X		
Equipment Fuel								X
Small Tools/Equipment Repair								X
Equipment Rental								X
Radios						X		
Management Vehicle		inc.				X		
Supervision Vehicle		inc.				X		
Document Archive/Storage	1	ls				X		
Blueprints/Plans (does not include bid printing)	1	ls				X		
Photos/Film/Video						X		
Surveying							X	
C.P.M. Schedule						X		
Material Testing							X	
Special Inspections							X	
Soils Testing							X	
Internet Services	14	mo				X		
Telephones	14	mo				X		
Pay Phones							X	
Cellular Phones	14	mo				X		
Skylog Service	14	mo				X		
Water (grading)								X
Hydrant Meters	14	mo				X		
Power							X	



Original: 07/17/09  
 Update: 10/29/09 (new durations)  
 Project Duration: 14 Mo  
 60 weeks

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 Norco Operations Center  
 General Conditions Estimate**

Description	Qty	Unit	Unit Cost	Total	CM FEE	General Conditions	District Expense	By Others
Office Equipment	14	mo				X		
Office Supplies	14	mo				X		
Office Cleaning						X		
Drinking Water	14	mo				X		
Postage/Shipping	14	mo				X		
Owner Purchases							X	
Legal Advertising							X	
Permits/Fees/Licenses	1	ls				X		
Professional Liability	1	ls				X		
District Directed Reimbursable Allowance	1	ls	\$ 75,000.00	\$ 75,000.00			X	

Total General Conditions Estimate: \$ 813,946.80

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
PLANNING COMMITTEE

Report No.: VI-C-2

Date: December 15, 2009

Subject: Moreno Valley Parking Structure and Surge Space – Tentative Budget Approval

Background: On March 17, 2009, the Board of Trustees approved the use of Measure “C” funding in the amount of \$4,750,000 for planning and design of the Parking Structure and Surge Space project at the Moreno Valley Campus. The Parking Structure and Surge Space project is planned to create 800 parking spaces and include up to 17,000 gross square feet of “surge space” which would provide flexible space for accommodating campus growth for the expansion of existing and development of additional programs/services. On April 28, 2009, the Board approved an agreement with LPA to provide planning and design services for the project. On November 17, 2009, the Board approved an agreement with C.W. Driver to provide Construction Management Multiple Prime services for the project.

The President of the Moreno Valley Campus discussed the project with community leaders and constituency groups such as; the Moreno Valley Arts Commission, Moreno Valley Chambers of Commerce, Moreno Valley City Council members, Community Partners, and Moreno Valley Campus-based user groups, Resources Committee, and Strategic Planning Committee. The President received very positive feedback on the proposed project.

Staff and the architect now offer a project design presentation for the Board’s consideration and request Board approval of a tentative budget in the amount of \$31,800,000. This includes the planning and working drawings, construction, test and inspection services, construction management and identified Group II Furniture, Fixtures and Equipment. If approved, staff and the design team will complete the contract documents and present the final draft to the Board of Trustees for review and approval to proceed to the bid process. Funding Source: District Measure “C” funds (Resource 4160).

Recommended Action: It is recommended that the Board of Trustees approve the scope design of the Parking Structure and Surge Space project at the Moreno Valley Campus and budget, in the amount of \$31,800,000 and authorize the use of Measure “C” Funds.

Gregory W. Gray  
Chancellor

Prepared by: Monte Perez  
President, Moreno Valley Campus

Reagan Romali  
Vice President, Business Services, Moreno Valley Campus

Orin L. Williams  
Associate Vice Chancellor, Facilities Planning, Design and Construction

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GOVERNANCE COMMITTEE

Report No.: VI-D-1

Date: December 15, 2009

Subject: Revised and New Board Policies – Second Reading

Background: In keeping with our current process of updating our current Board Policies and Administrative Procedures and adopting new Policies, the items below come before the Board for second reading and approval.

General Institution

3280 – Grants – This is a revision of the Policy the Board previously adopted in November, 2008.

3505B – Emergency Pay – This is a new Policy for the District

Recommended Action: It is recommended that the Board of Trustees approve Board Policies 3280 and 3505B.

Gregory W. Gray  
Chancellor

Prepared by: Ruth W. Adams, Esq.  
Director, Contracts, Compliance and Legal Services

**Riverside Community College District Policy**

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**No. 3280**

**General Institution  
DRAFT**

**BP 3280 GRANTS**

**Reference:**

Education Code Section 70902

***Riverside Community College District embraces the acquisition of extramural funding to support District mission, goals and initiatives.*** ~~The Board will be informed about all grant applications made and grants received by the District on a periodic basis.~~

The Chancellor shall establish procedures to ***inform the Board of grant activity and to govern the approval, application, processing, and implementation of grants.*** ~~assure timely application and processing of grant applications and funds, and that the grants that are applied for directly support the purposes of the District.~~

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Date Adopted: November 18, 2008  
**Revised:**

**Riverside Community College District Policy**

**No. 3505B**

**General Institution  
DRAFT**

**BP 3505B EMERGENCY PAY**

**References:**

Disaster Relief Act  
California Emergency Services Act, Government Code Sections 8550-8668

***During times of a declared disaster/emergency, all management staff are expected to work excessive hours in the Emergency Operations Center or Department Operations Center, or wherever they are needed throughout the District. Classified staff and faculty are not required to work in excess of 40 hours per week, but may be asked to do so.***

***Pay for classified staff who work in excess of 40 hours per week will be paid for the overtime in accordance with the terms set out in their bargaining unit agreement or the Confidential-classified Handbook.***

***Pay for faculty who work in excess of the number of hours specified in the CTA Collective Bargaining Agreement, will be paid for those excess hours at the hourly lab rate (Appendix A).***

***Management staff (exempt employees) will receive overtime pay, at their regular rate of pay, for any hours worked over 40 per week.***

***The work week begins at 12:00 a.m. Sunday and ends at 11:59 p.m. the following Saturday.***

**NOTE:** This Policy is legally advised. Language in ***bold italic type*** has been prepared by RCCD staff, in conjunction with the Disaster Preparedness Consultant.

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**Date Adopted:**

(This is a new Policy for the District)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
BUSINESS FROM BOARD MEMBERS

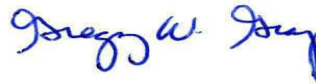
Report No.: X-B

DATE: December 15, 2009

Subject: Resolution No. 22-09/10 – Congratulating the Honorable John Perez as  
the First Openly Gay Assembly Speaker of the California Legislature

Background: Trustee Takano requested a resolution congratulating the Honorable John Perez be prepared for Board consideration.

Recommended Action: It is recommended that the Board of Trustees consider the resolution.



Gregory W. Gray  
Chancellor

Prepared by: Chris Carlson  
Executive Assistant to the Chancellor/  
Chief of Staff

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION NO. 22-09/10

CONGRATULATING THE HONORABLE JOHN PEREZ AS THE FIRST OPENLY GAY  
ASSEMBLY SPEAKER OF THE CALIFORNIA LEGISLATURE

WHEREAS, the Honorable John A. Perez was elected to the 46<sup>th</sup> Assembly District in the State of California, representing the community of Los Angeles in 2008; and

WHEREAS, Assemblyman Perez was nominated unanimously by his democratic peers in the state Assembly as Speaker of the Assembly on December 10, 2009; and

WHEREAS, Speaker Perez served as Chairman of the Assembly Democratic Caucus; and

WHEREAS, Speaker Perez has worked tirelessly for his community in a variety of capacities before his election to the state legislature advocating for jobs creation, expansion of health care and protection of worker's rights; and

WHEREAS, Speaker Perez has strong convictions to his community; and

WHEREAS, Speaker Perez was appointed by Former Speaker Bob Hertzberg to a Blue Ribbon panel studying state initiative reform; and

WHEREAS, Speaker Perez serves as an elected member of the Democratic National Committee; and

WHEREAS, Speaker Perez has served as a board member for the California League of Conservation Voters, AIDS Project Los Angeles, the Latino Coalition against AIDS, the California Center for Regional Leadership and the Los Angeles Economic Development Corporation;

WHEREAS, Speaker Perez received Presidential appointment to serve on the President's Advisory Council on HIV and AIDS;

NOW THEREFORE BE IT RESOLVED, by the Board of Trustees of Riverside Community College District to recognize and congratulate John A. Perez as the First Openly Gay Speaker of the Assembly of the California Legislature.

PASSED AND ADOPTED this 15<sup>th</sup> day of December, 2009, at the regular meeting of the Riverside Community College District Board of Trustees.

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