

**Board of Trustees - Regular Meeting
Board of Trustees Governance Committee,
Teaching and Learning Committee, Planning and
Operations Committee, Facilities Committee and
Resources Committee
Tuesday, December 02, 2014 6:00 PM
Riverside City College, Bradshaw Building-Hall of
Fame, 4800 Magnolia Avenue, Riverside,
California**

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 any meeting should contact the Chancellor's Office at (951) 222-8801 as far in advance of the meeting as possible.

Any public records relating to an open session agenda item that is distributed within 72 hours prior to the meeting is available for public inspection at the Riverside Community College District Chancellor's Office, Suite 210, 1533 Spruce Street, Riverside, California, 92507 or online at www.rccd.edu/administration/board.

I. COMMENTS FROM THE PUBLIC

Board invites comments from the public regarding any matters within the jurisdiction of the Board of Trustees. Pursuant to the Ralph M. Brown Act, the Board cannot address or respond to comments made under Public Comment.

II. PUBLIC HEARING (NONE)

III. CHANCELLOR'S REPORT

A. [Chancellor's Communications](#)
Information Only

B. [Presentation to Trustee Davis](#)
Information Only

IV. BOARD COMMITTEE REPORTS

A. Governance (None)

B. Teaching and Learning

1. [Student Equity Plans for Riverside City College, Norco College and Moreno Valley College for 2014](#)

The Committee to review the Student Equity Plan from each of the District colleges: Moreno Valley College, Norco College and Riverside City College for 2014.

2. [Proposal for Professional Services with Hyland Software, Inc.](#)

The Committee to review the professional services proposal with Hyland Software, Inc. in the amount of \$210,830.

3. [Proposed Curricular Changes](#)

The Committee to review the curricular changes for inclusion in the catalog and in the schedule of class offerings.

C. Planning and Operations (None)

D. Resources

1. [Budget Augmentation for Athletic Office Remodel at RCC Wheelock Gymnasium](#)

The Committee to review the budget augmentation for the Athletic Directors Office Remodel Project by \$51,676.

2. [2013-2014 Independent Audit Report for the Riverside Community College District](#)

The Committee to review the Riverside Community College District's independent audit report for the year ended June 30, 2014 for the permanent file of the District.

3. [2013-2014 Independent Audit Report for the Riverside Community College District Foundation](#)

The Committee to review the Riverside Community College District Foundation's independent audit report for the year ended June 30, 2014 for the permanent file of the District.

E. Facilities

1. [Change Order No. 1 for Culinary Arts Academy and District Office Building with Kamran and Co., Inc.](#)

The Committee to review the project Change Order No.1 with Kamran and Co., Inc. in the amount of \$106,243.18; and the change order in excess of ten percent by a total of \$15,243.18

2. [Change Order No.1 for Coil School for the Arts with Neal Electric Phase I Ground Work](#)

The Committee to review the project Change Order No.1 with Neal Electric in the amount of \$35,773.73; and 2) the change order in excess of ten percent by a total of \$6,073.73.

3. [Presentation on Project Update for Centennial Plaza](#)
Information Only

V. OTHER BUSINESS (NONE)

VI. CLOSED SESSION (NONE)

VII. ADJOURNMENT

Agenda Item (III-A)

Meeting 12/2/2014 - Committee
Agenda Item Chancellor's Report (III-A)
Subject Chancellor's Communications
College/District District
Information Only

Background Narrative:

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

Prepared By: Michael Burke, Ph.D., Chancellor

Attachments:

Agenda Item (III-B)

Meeting 12/2/2014 - Committee

Agenda Item Chancellor's Report (III-B)

Subject Presentation to Trustee Davis

College/District District

Information Only

Background Narrative:

Trustee Davis was elected to the Board of Trustees in 2010. During the past four years, Trustee Davis has served the greater community college district focusing on key programs and services of the district, and outreach to several communities. Additionally, Trustee Davis has served as Chair of the Teaching and Learning Committee of the Board of Trustees. The District would like to recognize Trustee Davis for his four-years of service on the Board of Trustees

Prepared By: Michael Burke, Ph.D., Chancellor

Attachments:

Agenda Item (IV-B-1)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Teaching and Learning (IV-B-1)
Subject	Student Equity Plans for Riverside City College, Norco College and Moreno Valley College for 2014
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees approve the Student Equity Plan from each of the district colleges: Moreno Valley College, Norco College and Riverside City College for 2014.

Background Narrative:

Presented for the Board's review is an informational report that describes the legislative derivation, funding formula guidelines, and overview of the Student Equity Plan for each college. California law and regulation as defined by Education Code §78220 and California Code of Regulations, Title 5, §54220 and 51026 outline the requirements for student equity programs to address the achievement gaps in access and success among under-represented student groups. Further, as a condition of receiving Student Success and Support Program Funding, to ensure equal educational opportunities and promote student success for all students, regardless of race, gender, disability or economic circumstances, the governing board of each community college district must maintain a student equity plan.

The Student Equity Plans must be submitted to the California Community Colleges Chancellor Office no later than January 1, 2015.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning
Ed Bush, Vice President, Student Services
Monica Green-Cochrane, Vice President, Student Services
Carol Farrar, Interim Vice President, Academic Affairs (MVC)
Debbie McDowell, Administrative Assistant IV

Attachments:

[Presentation of Student Equity Plans for RCCD](#)
[Student Equity Plans for MVC, NC, and RCC](#)

Student Equity Plans

Teaching & Learning Board Committee Meeting

December 2, 2014



Presented by:

Dr. Edward Bush, Vice President of Student Services, RCC

Dr. Monica Green, Vice President of Student Services, NC

Dr. Carol Farrar, Interim Vice President of Academic Affairs, MVC



M
MORENO
VALLEY
COLLEGE

NORCO
COLLEGE

The logo for Riverside City College, featuring a stylized oil lamp with a flame.
RCC
RIVERSIDE CITY COLLEGE

Student Equity Plan Legislation and Guidelines



- Education Code section 78220 and title 5 sections 54220 and 51026 outlines the purpose and requirements for student equity programs:

...”to close the achievement gaps in access and success in underrepresented student groups as identified in the local student equity plans.”

- Senate Bill 860(2014) states:

“As a condition to receiving Student Success and Support Program Funding, and in order to ensure equal educational opportunities and to promote student success for all students, regardless of race, gender, age, disability, or economic circumstances, the governing board of each community college district must maintain a student equity plan.”

Student Equity Plan Legislation and Guidelines



- Student Success Indicators are defined as:
 - Access
 - Course Completion
 - ESL and Basic Skills Completion
 - Degree and Certificate Completion
 - Transfer

- Targeted Student Populations
 - Gender
 - Age
 - Race and Ethnicity
 - Current or former Foster Youth
 - Students with Disabilities
 - Low-income students
 - Veterans

Student Equity Funding Formula Factors



Factor 1:	Annual FTES Weight	40%
Factor 2:	High Need Students	25%
Factor 3:	Educational Attainment of Residential Zip Code	10%
Factor 4:	Participation Rate	5%
Factor 5:	Poverty Rate	18%
Factor 6:	Unemployment Rate	2%

RCCD 2014-15 Allocation \$1,701,741

College Equity Plan



- Riverside City College
- Moreno Valley College
- Norco College

Riverside City College

EQUITY DATA OVERVIEW BACKGROUND



Pervasive and Persistent Underachievement of African American, Hispanic/Latino, and Native American Students Despite Previous Planning Efforts (2005&2010):

- Inadequate identification, analysis and response to causal, correlation, and/or compounding factors
- Misplaced focused on student services and support approaches as opposed to instructional/curricular changes
- Inappropriate focus on a student deficit model and fix the student approach instead of examining institutional barriers and limitations
- Insufficient study and responsiveness to input from students and faculty.
- Lack of professional development resources for faculty to learn, observe, identify and replicate effective classroom pedagogy for students of color.
- Insufficient engagement of key stakeholders in the development and implementation of collective solutions
- Lack of integration between the college student equity plan and educational master plan and strategic planning process
- No designated funding to implement prior student equity strategies

Riverside City College

ACCESS



Riverside City College has achieved proportional representation in student enrollment for historically underserved populations.

Goal: Identify mechanism that would allow for a comparison of student access numbers for foster youth, veterans, and disabled student populations.

Riverside City College

ESL/Basic Skills Completion



Goal: Increase the basic skills progression rates of African American, Hispanic, and disabled student population in order to achieve a 1.0 proportionality index within five years.

Sample of Activities:

1. Explore and implement **alternate placement methods** beyond Accuplacer
2. **Reduce the time** it takes for students to complete their basic skills sequence by developing and/or expanding compressed, accelerated and modular based courses
3. Develop and expand **culturally specific content** into transfer and developmental level English courses (e.g. Puente English Model)
4. Pre Collegiate Pathway Initiative: Summer Bridge program
5. Structured student **peer-to-peer support** system to complement the pathway initiative
6. Student speaker series designed to expose students to potential **role models** and to address student motivational factors

Riverside City College

Course Completion



Goal: Increase 30 unit completion and success rates of Hispanic/Latino, African American, disabled, foster youth students to a 1.0 proportionality index within five years.

Sample of Activities:

1. Develop strategies to increase the number of **students completing educational plans** by their semester of enrollment
2. Targeted academic and student support services for **gatekeeper courses** (e.g. math 52, 35)
3. **Faculty development** for basic skills instruction for faculty teaching outside of English and math, on the following topics; inter-personal relations, communication, and cultural proficiency
4. Develop a **foster youth program** and space with dedicated staff (e.g. guardian scholars program)
5. Departments will analyze **disaggregated data** to determine if student achievement inequities are present and will develop strategies to address these disparities in their CIPR

Riverside City College

Certificate and Degree Completion



Goal: Increase the percentage of Hispanic/Latino, Native Americans, and African American student population in order to achieve a 1.0 proportionality index within five years.

Sample of Activities:

1. Develop and implement a **case load advising system** with educational advisors who are assigned to provide follow up services to student enrolled in these gatekeeper courses
2. Develop targeted **learning communities** that allow space for culturally relevant instruction and teaching methodologies.
3. Explore the use of an **automated** degree/certificate awarding system
4. Identify and acknowledge students for reaching specified **academic milestones**
5. Develop **pre-enrollment orientations** for high school students to assist in the early identification of their programs of study and educational goals, for the purpose of placement into an appropriate pathway program

Riverside City College

Transfer



Goal: Increase the transfer rates of Hispanic, Native American and Low Income Students in order to achieve a 1.0 proportionality index within five years.

Sample of Activities:

1. Expand participation in programs that have demonstrated success in transferring Hispanic and Native American Students (e.g. EOPS and Puente)
2. Design a Student Success Summit building on our students' cultural capital
3. Create 4 year college visitation opportunities through the Transfer Center
4. Expand on-campus student employment opportunities for low income students
5. Supplemental instructors placed into all transfer level gatekeeper courses
6. Increase Native American, Hispanic, and low income student participation in the Pathways Initiative
7. Assign students to faculty advisors in the associate degree of transfer programs
8. Comprehensive Student Educational Plans for transfer identified students who have 15 or more units

Moreno Valley College



Student Equity at Moreno Valley College

- History of college-wide efforts
- Student Equity Summit & Equity Committee

- Approach
 - Unifying
 - Holistic
 - Transformative

Moreno Valley College



Analysis of equity gaps in Success Indicators

- Access
- *Course Completion*
- *ESL and Basic Skills Completion*
- Degree and Certificate Completion
- Transfer

Analysis of equity gaps by Student Subpopulations

- Ethnicity
- Foster Youth
- Age

Moreno Valley College



Goal: Close Equity Gaps and “raise the floor”

- **Proportionality Indices of 1.0**
- **Student Success Indicators increased to College-set standards**

Moreno Valley College



Sample Year 1 Activities:

- Planning and development best practices
 - Inventory of existing support structures and gap analysis
 - First Year Experience
 - Identify and establish success pathways
 - Outreach and Summer Bridge
 - Acceleration models
 - Augment existing acceleration efforts
 - Design improved student support
 - Establish research plan
 - Identify placement by student subpopulation for feeder high schools
 - Evaluate success of current acceleration efforts

Moreno Valley College



General Activities

- **Year 2:** Establish infrastructure and execute pilot efforts
- **Year 3:** Implement FYE and revisions in Acceleration
- **Year 4:** Scale up efforts – Identify college limits

Norco College

STUDENT EQUITY PLAN HISTORY



1

- Responsibility of Student Success Committee
- Membership: faculty, staff, students, and administrators

2

- Developed 9 goals and 22 associated activities
- 1ST Norco College Equity Plan approved by Board of Trustees in 2010

3

- Referred to and followed-up with Student Equity Plan to ensure implementation of activities

Norco College

STUDENT EQUITY PLAN OUTCOME



Progress on activities

- Completed 14 of 22 activities
- Four of the activities are ongoing
- Final overview report

Innovations

- Success/persistence rates report
- Accelerated Basic Skills English course
- Campus climate survey

Alignment with strategic planning goals

- Mapped each Equity Plan goal to college's strategic goals and objectives


Norco College

SAMPLE OF FINAL OVERVIEW REPORT



Course Completion

Goal 1: To increase the course completion rates of underrepresented students using campus-based research to improve programs and services that enhance student learning and success.

Activities	Expected Outcomes	Actual Outcome	Indicator
Special funded programs, including T3p, Puente, SSS, EOPS, and DRC, will regularly assess and report on the impact of their programs on the students served.	An outcomes-based report that examines historical and current trends of course completion and semester-semester persistence for students in these programs.	An institutional report on the success and persistence rates of students is provided every semester. See http://www.norcollege.edu/employees/faculty/Documents/OutcomesAssessment/Special%20Programs%2012-13%20Outcomes.pdf	

Norco College

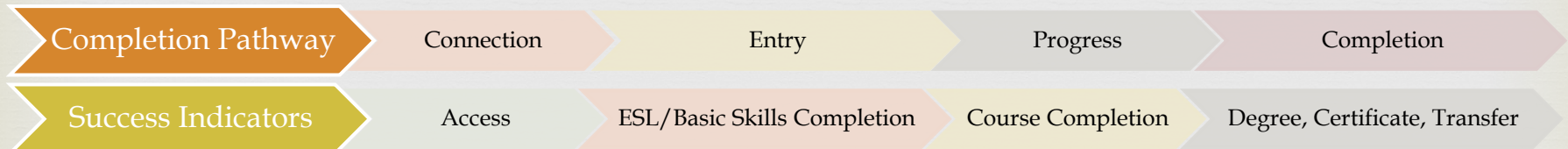
OVERVIEW OF EQUITY STRATEGIES



Goal: Student Equity Minded Campus Culture

Engage in dialogue and practices that employ equity-minded pedagogy and strategies to address student equity at Norco College.

- Build a culture of equity-minded inquiry
- Employ data backed decision making
- Make outcome inequities public
- Outcomes based on three year timeframe
- Activities relatively general as planning evolves
- Use of a theoretical framework for completion



End of Presentation



Student Equity Plans

Moreno Valley College Student Equity Plan

Norco College Student Equity Plan

Riverside City College Student Equity Plan

Agenda Item (IV-B-2)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Teaching and Learning (IV-B-2)
Subject	Proposal for Professional Services with Hyland Software, Inc.
College/District	District
Funding	Student Success and Support Funds (MVC, NC, RCC)
Recommended Action	It is recommended that the Board of Trustees approve the professional services proposal with Hyland Software, Inc. in the amount of \$210,830.

Background Narrative:

Presented for the Board's review and approval is an agreement with Hyland Software, Inc. to provide Riverside Community College District with professional services, software licenses and annual maintenance for automating critical components of an integrated and more efficient onboarding, monitoring and tracking of students to completion of their educational goals. Hyland's Transfer Course Evaluation module will enable us to automate the importation of college transcripts and will result in more effective advisement, Student Education Plans and evaluation of student progress toward completion of educational goals. There are no other products available on the market that scan student transcripts and extract these data directly into our current Student Information and Electronic Imaging systems. For these reasons the district administration recommends that a sole source award is justifiable. The agreement with Hyland provides for professional services, software and annual maintenance to configure and implement the migration which will take approximately six to nine months to fully implement and integrate with other tools we currently use for monitoring student success and completion. The migration is scheduled to begin during the spring 2015 term. Following this integration an annual maintenance fee, initially established at \$18,240, is expected to increase 4-6% per annum.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning
Rick Herman, Associate Vice Chancellor, Information Technology & Learning SVS
Ed Bush, Vice President, Student Services
Monica Green-Cochrane, Vice President, Student Services
Eugenia Vincent, Vice President, Student Services (Acting)
Debbie McDowell, Administrative Assistant IV

Attachments:

[Hyland Software Proposal](#)
[OnBase Solution Pricing](#)

HYLAND[®] SOFTWARE

PROFESSIONAL SERVICES PROPOSAL

Riverside Community
College District

DOCUMENT VERSION : 4.0

DOCUMENT DATE : 25-Sept-2014

THIS PROPOSAL IS VALID FOR A
PERIOD OF 90 DAYS FROM THE
ABOVE DATE.

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RFS# 8804124 (a Hyland Software internal request tracking number)
Contract# EU-12066-9553578 (a Hyland Software internal request tracking number)

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INTRODUCTION

The purpose of this document is to define the goals, scope, and important details supporting the delivery of professional services related to one or more projects defined in the Project Areas section. This document is used by Hyland Software to provide services estimates applicable to the current stage of a project.

PROPOSAL TERMS & USAGE

Hyland Software, Inc.® (“Hyland”) is pleased to provide the following estimate for professional services related to the use of the OnBase® Software (“Software”) for Riverside Community College District (“Customer”) as shown in the Description of Services section of this document.

This proposal describes the services offered to Customer in conjunction with the use of the Software for Customer. The content of this document is subject to review and revision by both Hyland and Customer. After this proposal has been mutually reviewed and agreed to by both Hyland and Customer, this proposal will be attached to a services contract and delivered to Customer for final review and signature.

Once executed by both Hyland and Customer, the Hyland solution delivery team will contact Customer project team to discuss project logistics and potential start dates. Once a project start date has been determined, resources will be assigned and scheduled to begin delivery of the services described in this proposal.

PROJECT AREAS

Project 1 – Transfer Course Evaluation Outcome Based Solution

Scope

The Transfer Course Evaluation (“TCE”) solution offers functionality to automate and electronically manage the student transfer process. The solution includes functionality to automatically capture transcript data, check for course matches within the Customer’s course equivalency system (“CES”) and send new rules created by the user to the CES for courses that do not have a match.

Outcome Based Solutions are implemented in a succinct timeframe of fourteen (14) weeks (seventy (70) business days). The project includes an onsite solution verification session where the Hyland project team will review the predefined solution with the Customer and discuss the specific configuration options included. The Customer team is expected to come to an agreement on these configuration decisions during the Solution Verification session. Once this session is complete, the project team will document the decisions and review the requirements once more with the Customer team.

Customer deliverables must be completed within five (5) business days of the Solution Verification session. Once documentation has been approved, Workflow implementation will begin. After the solution has been imported, configured and unit tested, the project team will complete an onsite train-the-trainer and User Acceptance Testing kick off session. At the completion of training, the Customer team will spend ten (10) business days testing the solution and reporting any issues to Hyland. Five (5) business days will then be spent on correction of issues and regression testing, and then the solution will be migrated into the production environment.

The TCE solution supports the following operations:

- A. Transcript Capture
- B. Transcript Processing
- C. Transfer Course Evaluation
- D. Integration to CollegeSource® Online
- E. Export Processes

A. Transcript Capture – The Transcript Capture solution enables the processing of paper, TIFF and PDF documents. Paper transcripts are scanned into the Software and enter a recognition process, where an OCR engine reads each transcript according to a configured template, and saves the course and student data it finds. Once the OCR process is complete, each transcript enters a verification process where a user will review the results and make changes to indexing data as needed. Transcripts can also be imported into OnBase in TIFF and PDF format.

B. Transcript Processing – Once a transcript is indexed, it enters transcript processing which performs the following functions:

1. If a transcript has not been linked to a student ID, it is routed to an unmatched transcript area:

- a. Transcripts in the unmatched transcript area are periodically compared to lists of new students to see if a possible matching student exists; and
 - b. If a possible student match exists, the transcript is routed to a possible matching area for manual review of the possible match.
2. Once a transcript has been linked to a student ID, the system automatically creates a course evaluation form for each course on the transcript:
 - a. The form pulls the external course name and number from the transcript and populates the form with this information;
 - b. These forms are then processed in the TCE process described below;
3. The solution offers two forms of course filtering. Course filtering is the process of excluding courses from the course uploads and rule creation.
 - a. Exclude all courses of a particular grade (i.e. delete courses with grades = D, F, W, I). This logic applies to all external organizations universally. The list of grades to exclude from the export file will be decided during solution verification.
 - b. Exclude all courses above or below a certain number (i.e. delete course below 101 or above 499). This logic applies to all external organizations universally.
4. The solution offers translation of the following fields within the Advanced Capture process: Term, Year, and Grade. The following are the parameters for each translation:
 - a. Letter grades – OnBase will drop a plus or minus
 - b. Number grades – translate to appropriate letter grade as per the table below:

Captured value	Replacement Value
4.0-3.5	A
3.4-2.5	B
2.4-1.5	C
1.4-1.0	D
0.0	F

c. Term

Captured value	Replacement Value
'Anything containing 'SUMMER'	SUMMER
'Anything containing 'FALL'	FALL
'Anything containing 'WINTER'	WINTER
'Anything containing 'SPRING'	SPRING
'Anything starting with JUN, JUL or AUG'	SUMMER
'Anything starting with SEP, OCT, NOV, or DEC'	FALL
'Anything starting with JAN, FEB, or MAR'	WINTER
Anything starting with APR or MAY'	SPRING
06-08	SUMMER
09-12	FALL
01-03	WINTER
04-05	SPRING
FA, F1, FL	FALL
WT, WN	WINTER
SU	SUMMER

d. Year – For any value listed below, the customer will choose one of the years listed.

Captured value	Replacement Value
FALL 2013-14	2013 OR 2014
FALL 2013-2014	2013 OR 2014
SUMMER 2013-14	2013 OR 2014
WINTER 2013-14	2013 OR 2014
SPRING 2013-14	2013 OR 2014
SUMMER 2013-	2013 OR 2014

2014	
WINTER 2013-2014	2013 OR 2014
SPRING 2013-2014	2013 OR 2014

C. Transfer Course Evaluation - In this process, external coursework is checked in the Customer's CES for matches:

5. External courses are checked for matching internal courses by querying the CES with course and term information extracted from the Transcript Capture process.
6. Rules in CES must match course information as it is printed on the inbound transcript for automated query to be successful.
7. If a match is found, the course equivalency is terminated as no manual processing is required.
8. If a match is not found, the course will be routed to the evaluator for manual review. The evaluator will create an equivalency rule for the course, or route to a faculty member to create equivalency rule.
 - a. The evaluator will initiate an email with a link to the equivalency form to the appropriate department;
 - b. From this link, the faculty member will enter information needed to create the equivalency rule and save the form;
9. Equivalency match is then sent for upload to the CES.

D. Integration to CollegeSource® Online - The TCE solution includes the ability to integrate with the CollegeSource Online Course Catalog. The integration provides access to an image of the catalog course description of any course sent. The integration includes the following:

1. Verification of sending institution via upload of the institution ID code using the institution information from the transcript rules in CES.
2. Testing for existing equivalencies (as described in the "Transfer Course Evaluation" section in this proposal with CollegeSource).
3. Providing direct access to an image of the catalog course description of the courses. The integration also provides a URL so that the Software user can easily enter the right course information directly in CollegeSource (if necessary).
4. Verification that CollegeSource users have the rights to create and/or evaluate EQ rules.

E. Export Processes - The solution also includes the export course data to the Student Information System (SIS) via the Integration for Colleague.

The scope of this project includes the following services:

- A. Onsite Solution Verification session;
- B. Implementation of preconfigured items (see "Preconfigured Items" section);

C. Configuration of:

1. One (1) AutoFill Keyword Set of student demographic data via a delimited flat file import of data extracted from the SIS;
2. One (1) AutoFill table to hold Ext Organization Address and ID data via a delimited flat file import of data extracted from the SIS;;
3. Ten (10) transcript templates which will be selected prior to the onsite Solution Verification session;
4. One (1) scan queue;
5. Installation and Administration training for Virtual Print Driver;
6. Security - import of users, user groups and permissions. Customer must submit users via comma separated quote delimited file that contains the following:
 - a. User name
 - b. Password (will default)
 - c. Real name
 - d. Email address
7. Application Enabler – up to three (3) screens in one (1) system.

Preconfigured Items

The following items are preconfigured within the solution:

- A. One (1) College Transcript document type with the following standard keyword types (asterisk indicates keyword is captured by OCR):
 1. First Name
 2. Middle Name
 3. Last Name
 4. ID
 5. SSN
 6. Date of Birth
 7. Email Address
 8. Ext Course Title*
 9. Ext Course Grade*
 10. Ext Course Credits*
 11. Ext Course Number*
 12. Ext Course Subject*
 13. Ext Course Term*
 14. Ext Course Year*
 15. Degree Status
 16. Degree Level
 17. Degree Date
 18. Degree Code
 19. Cumulative GPA
 20. Ext Organization Name
 21. Ext Organization ID
 22. Ext Organization Address
 23. Ext Organization City
 24. Ext Organization State
 25. Ext Organization ZIP

26. Ext Organization Country

- B. One (1) export file of course data using the standard keywords and export format;
- C. One layout with two (2) standard portlets using StatusView and Business Activity Monitoring.
- D. User Groups:
 - 1. Equivalency Evaluator
 - 2. Registrar Specialist
 - 3. System Administrator
 - 4. Transcript Evaluator

Services

Solution Verification, Implementation, Project Management

Deliverables

Software Solution, Solution Training Guide, Solution Administration Guide

Customer Deliverables

The items in the table describe Customer deliverables and expected completion timelines.

Deliverable/Action	Description	Expected Completion	Update Frequency
Sample AutoFill Keyword set export file	Flat file containing student demographic data and data points necessary to be displayed on review sheet or for routing.	Within 5 Business Days after Solution Verification Session	As needed
Index file	Delimited index file with keyword information and document file paths.	Within 5 Business Days after Solution Verification Session	As needed
Hardware/Software Configuration	Configuration of servers, prerequisite software, scanners, etc.	Prior to the onsite Solution Verification Session.	Once
Transcript Sample	Deliver 10 transcript samples per template	Prior to the onsite Solution Verification Session.	Once
Testing of Solution	User Acceptance Testing of the solution and reporting back of any questions or issues.	Within 10 business days of training session.	Once

Assumptions

This proposal is based upon the below assumptions being true. If for some reason these assumptions prove not to be true, this could result in a scope change and may have an impact on the proposed cost and timeline to deliver.

- A. If Customer requires changes to pre-configured objects or would like to substitute additional functionality for a feature that comes preconfigured, a Project Change Order will be processed to add time and budget;
- B. Customer SIS is live in production;
- C. Fields to be exported from the Software will not exceed two hundred and forty-nine (249) characters;
- D. Customer CES is live in production and stores all courses and their equivalencies;
- E. All supporting documents must be indexed by first and last name for the part match algorithm used for loose credential matching to work;
- F. All courses on a student's transcript will be evaluated;
- G. Course equivalencies that cannot be automatically handled by this solution will be routed to a Customer staff member for manual equivalency processing;
- H. Course equivalency will be calculated on an individual course basis. If the CES does not offer a match, equivalency will be evaluated manually;
- I. Each form type will be received with the same aspect ratio and dimension;
- J. Success rate of OCR is dependent on the quality of the image. The background of forms must be free of extraneous images, patterns, handwriting, circles, highlighting, or any other formatting that will interfere with the data;
- K. Source documents must be scanned into OnBase from original paper format or imported from original digital rendition. Using facsimile, photocopy, and other reproductions of an original may result in lower recognition rates;
- L. Borders will not be added to images, or removed from images, so that the resulting scanned image matches the original as closely as possible;
- M. Back sides of transcripts may be scanned separately as a separate document type as the cross-referenced legend;
- N. The Solution will be configured and used the same way across the organization. The project scope does not include modifications to account for different campuses, districts, etc.;
- O. OCR misreads will be identified and corrected manually by the Customer;
- P. Blank page insertion or manual document separation must be performed before OCR processing; and
- Q. The solution does not include additional data modification, translations or calculations beyond those described here. Users are responsible for reviewing data and modifying as necessary.

Project Assumptions

- A. Implementation will occur for one (1) campus;
- B. The Solutions Requirements Document will be completed immediately following the onsite solution verification session. It must be reviewed and approved by the Customer project team within five (5) business days of delivery;
- C. This solution is meant to be implemented in a timeframe of fourteen (14) contiguous weeks. The project team should be prepared to make quick and timely decisions throughout the implementation. Customer must alert the Hyland project team of Customer project team vacation or other project scheduling conflicts at the start of the project. If there are significant project gaps due to Customer resource availability, a change order will be executed to account for additional cost;

- D. Customer must designate a Project Sponsor prior to project initiation. This person will have the authority to make decisions within the project including sign off and scope and budget changes;
- E. Discovery of additional processes not listed within this proposal is considered a change in scope and will warrant a change order;
- F. The solution will consist of a total of two (2) onsite visits from up to three (3) resources from Hyland Software. All other activities will be performed remotely.
 - 1. Trip 1: Two (2) Business Days for solution verification and installation
 - 2. Trip 2: Two (2) Business Days for user acceptance kick off and training
- G. The User Acceptance Test period will not exceed ten (10) business days:
 - 1. Customer is responsible for documentation and execution of the User Acceptance Testing plan;
 - 2. Customer is responsible for testing the solution and reporting issues to Hyland during the test period;
 - 3. If the Customer test period extends past ten (10) business days, an \$800/business day charge will be assessed until the test period is complete, unless the extension is deemed to be a system issue or another reason that is outside of the control of the Customer.
- H. Project will go live in one (1) phase;
- I. Project scope assumes a day-forward implementation;
- J. Go-Live support will not exceed a period of five (5) business days:
 - 1. Following Go-Live support, the solution will be transitioned from the Services team to Technical Support;
 - 2. The Customer OnBase System Administrator must participate in the migration to production; and
 - 3. If the Customer requires that the go live support period extend past five (5) business days a \$800/day charge will be assessed until the project is transitioned to technical support, unless the extension is deemed to be a system issue or another reason that is outside of the control of the Customer.

Customer Responsibilities

The Customer is responsible for the following:

- A. Providing a delimited data file from the SIS to be used to populate the AutoFill Keyword Set. Customer will provide this file to Hyland for testing immediately following the onsite Solution Verification session;
- B. Providing scanning hardware and associated software/drivers, ensuring scanners can perform 300 dpi color scanning and that Kofax VRS or Fujitsu PaperStream software is installed on the devices;
 - 1. Configuration of scanners and scanning workstations that will be used for live processing prior to the onsite Solution Verification session;
 - 2. Customer will use consistent scanning hardware campus-wide;
 - 3. Customer will ensure that scanners are in proper working order and cleaned regularly;
 - 4. Customer must use a consistent scanning process;
- C. Manually deleting the courses from within the indexing panel that should not be uploaded or stored;

- D. Managing course equivalency data and the rules used for data match between course data loaded from transcripts through OCR and course data that exists in the Customer's course equivalency database;
- E. Providing data and images that will be used to configure the templates in 300 dpi color;
- F. Providing a representative sample of documents and data for testing/validation of the configured template. To ensure the best possible capture results, no less than ten (10) examples of each school transcript shall be provided to Hyland. Complete information should be present in all desired fields to be captured, including information in multiple columns;
- G. Manual correction of OCR misreads; and
- H. Blank page insertion or manual document separation must be performed before OCR processing.

General Integration Assumptions

- A. Course upload and new rule upload can be achieved by use of a flat file or web services call (see Web Service Integration Assumptions);
- B. Customer is responsible for the import of flat files into the SIS by Customer personnel;
- C. Application Enabler will be configured in the Customer's test environment by the project team during the implementation phase in order to determine the level of integration that can be achieved:
 - 1. Configuration of Application Enabler includes one (1) platform of the third party application;
 - 2. If Application Enabler is going to be used via the web platform, the solution will be configured and tested on one (1) supported web browser; and
- D. Customer must have a subscription to CollegeSource Online in order to use that integration.

Exclusions

The scope of the project does not include:

- A. Configuration of high school, military, and multi-district transcript templates;
- B. Configuration of logic to convert fields captured with null values to actual values;
- C. Image modification;
- D. Configuration of the EDI import processor; and
- E. Configuration of the XML import processor.

Project 2 – Colleague Integration for Transfer Credit Evaluation

Scope

Hyland will install and configure Integration for Colleague module to support the following near real-time integrations between OnBase and Customer's Colleague application:

- A. As transfer transcript documents are archived into OnBase, course information indexed on the documents will be uploaded to Colleague;
- B. For each course included in the transcript, OnBase will query Colleague to determine if a rule exists that defines an equivalent course. If no equivalency rule exists for a course, OnBase workflow will be notified for manual resolution; and
- C. After a new course equivalency rule is defined in OnBase workflow, the rule will be created in Colleague.

Services

Discovery, Implementation, Project Management

Deliverables

Integration for Colleague Administration Guide

Assumptions

This proposal is based upon the below assumptions being true. If for some reason these assumptions prove not to be true, this could result in a scope change and may have an impact on the proposed cost and timeline to deliver.

- A. Hyland developer will have VPN access to OnBase and Colleague systems;
- B. Course title and code values sent to Colleague will match the values indexed on the transcript document in OnBase;
- C. Course equivalency will be checked for each course indexed on the transcript individually;
- D. The following fields can be updated in Colleague via integration:
 1. Transcript Upload:
 - a. Colleague ID;
 - b. Institution ID;
 - c. Term;
 - d. Credits;
 - e. Grade;
 - f. Subject;
 - g. Course Number; and
 - h. Course Title.
 2. Rule Creation:
 - a. Colleague ID;
 - b. Institution ID;
 - c. External Transfer ID;
 - d. External Course;
 - e. External Credit;
 - f. Equivalent Course;
 - g. Equivalent Credit;

- h. Equivalent Course Level;
- i. Equivalent Minimum Grade;
- j. Start Date;
- k. End Date;
- l. Academic Level;
- m. Grade Scheme; and
- n. Default Status.

Configuration of additional Colleague fields for use in integration is outside the scope of the Solution.

- E. External organization and external course for organization must be configured in Colleague prior to new rule creation;
- F. Customer will create an account in Colleague system to allow OnBase to connect directly to Colleague from integration server;
- G. OnBase and Colleague systems will be hosted on premise at Customer location; and
- H. Customer will provide access to technical and business resources familiar with Colleague; and
- I. OnBase version 11 or higher is required for this solution.

DESCRIPTION OF SERVICES

The types of services outlined below are included in one or more of the project areas covered in this services proposal, and are encompassed in Hyland's standard engagement methodology. Please refer to the specific project described in the Project Areas section of this document to determine which of these services are in scope for a particular project.

1. Discovery

Discovery services cover the requirements analysis and design of the Software solution(s) and include the following major activities:

- a. Project kickoff meeting;
- b. Discovery sessions with Customer subject matter experts from the business areas and technical experts from IT, interfaces and applications;
- c. Review and refinement of the solution requirements with Customer experts; and
- d. Sign off on Solution Requirements Document.

2. Implementation

- a. Solution Design: Hyland designs the solution based on best practices and the agreed upon requirements documentation. In the case that the solution contains a Workflow application, Hyland will conduct a high level design review to provide customer with an early view of the conceptual design in the Software;
- b. Solution Implementation: Hyland configures the solution to fulfill the requirements captured in the requirements documentation;
- c. Solution Unit Testing: Hyland will validate that the Solution conforms to the approved Solution Requirements Document. Upon completion of unit testing and incorporation of any changes to the solution, Hyland will inform the Customer unit testing is complete;
- d. Training Material Generation: Hyland will compose training materials specific to the configured solution for use by Customer's designated trainers. Customer trainers may modify the document to meet Customer personnel needs;
- e. Training: The Hyland team trains the customer's designated system administrators, testers, and trainers responsible for educating their user-community. This training is oriented towards the Customer's specific solution, and therefore, foundational Software training is expected to have been completed by the Customer's resources prior to receiving this solution-specific training and knowledge-transfer. "Train-the-trainer" session executed for up to ten (10) Customer designated testers and/or trainers;
- f. Customer Testing Support: Hyland will support the Customer's testing of the configured solution. Customer-created business test cases are used by Customer's resources to test the Solution. Customer should prepare for these activities by defining test plans and scripts early in the project process, for example following Requirements Analysis phase. Hyland will make any required changes to the Solution to fulfill any items that are prohibiting the Solution from functioning in accordance with the Solution Requirements Document. Requested changes, which are not documented in the Solution Requirements Document, may result in a change order;

- g. Administrator Manual Generation: Hyland will compose a manual specific to the configured solution, which provides guidance to the Customer's system administrators on the support and maintenance of the solution;
- h. Solution Migration: Hyland will migrate the Solution from the environment used for testing to the production environment; and
- i. Go Live Support: Hyland will provide support to the Customer during initial production usage of the Solution to address issues and answer questions from the Customer.

3. Project Management

Project Management services cover the overall management and coordination of Hyland team resources, project schedule, scope, issues and general coordination of solution delivery. Services in the OBS include the following. If additional project management services are required, a change order will be executed.

- a. Provide a project Kickoff and review the scope at the onset of the project in order to establish a mutual understanding of the services to be provided;
- b. Create and maintain a project Status Portfolio which will be reviewed each week during a 30 minute review call;
- c. Coordinate activities with Customer's designated project manager/lead to facilitate successful management of the project within the defined scope;
- d. Coordinate activities of the Hyland resources within the defined scope; and
- e. Provide supporting activities as deemed appropriate and relevant.

Portfolio Item	Recipients	Responsibilities	Update Frequency
Status Report	Project Team	Hyland Project Manager, Customer Project Manager	Weekly
Issue Log/Action List	Project Team	Hyland Project Manager, Customer Project Manager	Weekly
Project Schedule	Project Team, Project Sponsor	Hyland Project Manager	As Required
Project Charter	Project Team, Project Sponsor	Hyland Project Manager	Once

DESCRIPTION OF DELIVERABLES

The types of deliverables outlined below are included in one or more of the project areas covered in this services proposal, and are encompassed in Hyland's standard engagement methodology. Please refer to the specific project described in the Project Areas section of this document to determine which of these deliverables are in scope for a particular project.

1. Software Solution:

- a. The implementation of the requirements defined during discovery sessions with Customer.

2. Solution Administration Guide:

- a. A technical reference document containing critical details related to the delivered solution and/or service engagement. This document is intended for Software solution administrators and IT management/support and is meant to be an aid in the ongoing support of Software.

3. Solution Training Guide :

- a. An end user training reference containing descriptions of the user interface ("UI") components configured for a specific solution;
- b. Intended to be republished by the Customer's internal software training/education staff to comply with internal training delivery requirements; and
- c. Guide is provided as a Microsoft Word document to allow Customer trainers to extract, modify or reformat the content as needed.

4. Integration for Colleague Administration Guide:

- a. Delivered upon completion of the solution;
- b. Outlines installation and administration of the solution; and
- c. Intended to be used by the customer in administering the solution after the completion of the project.

5. Integration for Colleague Solution

- a. The implementation of the requirements defined in the Integration for Colleague Requirements Specification created during discovery; and
- b. The configuration of the Integration for Colleague is not covered by maintenance and support services. Customer is responsible for costs involved in the migration of the solution to future releases of the Software. Assistance from Hyland can be requested on a time and materials basis to help with these efforts under the terms of a separate services contract.

PRICING ESTIMATE

Customer acknowledges that the services estimated are based solely on the information provided to Hyland and referenced in the above project area(s).

Project Name	Estimate Type	Amount
Transfer Course Evaluation Outcome Based Solution	Fixed Fee	\$50,000.00 USD
Credit for Transcript Capture hours	Credit for 52 Singularity Implementation Hours	(\$9,880.00 USD)
Colleague Integration for Transfer Credit Evaluation	Time and Materials	\$60,870.00 USD
Total		\$100,990.00 USD

Services described in this Services Proposal will be delivered in accordance with the terms of the current Statement of Work (Blanket Services) in place between Hyland and Customer, contract #EU-12066-54971.

The above pricing for the Transcript Capture project fulfills the transcript capture Singularity contract obligations

The fixed price was determined based on information provided to Hyland by Customer and assumptions developed by the parties based upon that information. In the event that (a) any such information is inaccurate or necessary information was not provided to Hyland, (b) Customer fails to fulfill its obligations during this Work Agreement, or (c) reasonably unforeseen technical or system limitations exist or arise, and any of such causes materially and adversely affect the performance of the services, this fixed price shall be adjusted equitably to reflect the impacts of such circumstances.

The pricing for the Transfer Course Evaluation Solution Outcome Based Solution project represents a fixed price services engagement, plus travel and expenses. Payment milestones for this engagement will be invoiced as follows:

- a. Payment Milestone 1:
 - \$25,000.00 of the total fixed price will be invoiced by Hyland to Customer upon execution of the Statement of Work.
- b. Payment Milestone 2:
 - \$25,000.00 of the total fixed price will be invoiced by Hyland to Customer upon completion of the project.
- c. Travel and Expenses:
 - Travel and expenses will be invoiced by Hyland to Customer on a monthly basis, with a final invoice upon final completion of the applicable services under this proposal.

- d. Daily fees for extensions of UAT and Go Live as referenced in the project assumptions will be billed on a fixed fee basis (if applicable) the month assessed.

The pricing for the Colleague Integration for Transfer Credit Evaluation projects represent a time and materials services estimate. Customer will be billed monthly for actual hours incurred. Travel and expenses are additional to this cost.

KEY ASSUMPTIONS

The cost estimates were created using the following assumptions:

- a. Customer is responsible for the training of Customer's end users;
- b. Customer will have a system administrator that will or has attended system administrator training for the Software, and will participate actively in the entire project lifecycle for knowledge transfer. The Customer system administrator will support the Software environments and solutions at the completion of the project;
- c. Project start date(s) are subject to a mutually agreed upon schedule after execution of contract;
- d. The above pricing estimate includes estimated services fees only;
- e. Where applicable, travel time for services personnel is charged at 1/2 (one half) applicable services rates and will not exceed eight (8) hours per one-way trip;
- f. Where applicable, travel expenses are not included in this estimate and will be charged separately;
- g. Each deliverable created during this project will use Hyland's standard deliverable templates. Customer requested changes to the deliverable template may increase project costs or introduce timeline delays;
- h. The solution is intended to be implemented in a timeframe of contiguous weeks. Scheduling delays that impact the project timeline will result in changes to project cost;
- i. The Project Team will be established at the initiation phase of the implementation and will remain accessible and consistent throughout the project. Changes to project resources will affect the timeline and budget;
- j. It is the Customer's responsibility to ensure that Hyland Consultants will be able to remotely and independently access their environment;
- k. Changes to the scope of the project will be documented in a Project Change Order which will be executed by the Customer;
- l. This proposal does not include periodic updates to the solution once it has been deployed in the live environment. If the customer requires updates to the solution, they would be billable and a new agreement with Hyland would need to be executed; and
- m. Train-the-trainer session includes instruction on one (1) OnBase client.

CUSTOMER RESPONSIBILITIES/OBLIGATIONS

To facilitate Hyland's performance of the above services, Customer agrees to the following:

1. Project Management

A single point of contact whose responsibilities include but are not limited to:

- a. Collaboration with Hyland resources on the project schedule;
- b. Coordination of key departmental decision maker(s), subject matter expert(s), end-user representative(s), third party software application resources, project team representative(s) related to the project area, steering committee, project sponsorship;
- c. Facilitate timely decision making and resolution of issues;
- d. Coordination of Customer resources for the testing and regression testing cycles of the configured Software solution;
- e. Tracking and reporting test results; and
- f. Arrange for physical workspace and tools (desks, meeting rooms, training rooms, conference phones, etc.) for duration of the project to accommodate scheduled onsite activities.

2. Installation and Deployment

- a. Properly setup environment in accordance with Hyland's prerequisites. Setup will consist of the installation, configuration, and administration of, but not limited to, all hardware and operating systems, database instance(s), networking, and required third-party software;
- b. Local and remote access through the use of dedicated user account(s) with appropriate privileges to the Software and relevant third party systems for the engaged Hyland project team;
- c. Setup, execution, and validation of the database maintenance plan for each Software instance;
- d. Perform routine scheduled backups and maintain disaster recovery and contingency plans;
- e. Packaging and deployment of the client Software. Deployment of supporting client hardware (e.g. scanner, signature device) and related third party software (e.g. drivers, licenses) for the Software solution;
- f. All scanning devices (MFP, MFD, high volume scanners) will be installed, configured and performing to manufacturer's specifications;
- g. The same scanner make/model used in production-level scanning will be available in the test environment;
- h. Customer is responsible for the installation or configuration of third party software;
- i. All necessary components including, but not limited to, power, lighting, network connections and environment controls deemed necessary for the proper functioning of the system;
- j. Installation and support of all hardware and operating, database, and application software; and

- k. Customer will provide systems access and include third-party vendors or subject /technical matter experts as required.

3. Software Integrations

- a. Local and remote access (VPN) through the use of dedicated user account(s) with appropriate privileges to the Software;
- b. Remote access must be provided prior to Hyland's arrival at Customer facilities;
- c. Provide interface specialists and technical resources deemed necessary; and
- d. Third party application setup (i.e. install, configuration), testing, training, and go-live support related to the integration with the Software.

4. Testing/Training

- a. At least one (1) Software system administrator will or has attended Software system administrator training and will participate actively in the entire project lifecycle for knowledge transfer. The Customer system administrator will support all Software environments, and solutions;
- b. At least one (1) Software Workflow administrator will or has attended Software Introduction to Workflow training and will participate actively in the entire project lifecycle for knowledge transfer. The Customer Workflow administrator will support all Software environments, and solutions;
- c. Setup of the Software testing/training workstation(s) (e.g. PC and scanner) including the installation of all necessary software;
- d. Customer is responsible for the creation, development and execution of test cases;
- e. Customer will commit a minimum of eight (8) working hours per day to testing the Solution during the Customer Testing Support phase, which may be performed by multiple Customer personnel; and
- f. Customer is responsible for end-user training on the use of the Software.

5. Project Personnel

- a. Customer will assign a project sponsor, who will be actively involved in the project and is the final escalation point for all issues and decisions;
- b. Customer is responsible for designating the appropriate Customer personnel to attend and contribute to all project meetings for the duration of the project;
- c. Customer is responsible for timely completion of deliverables and action items throughout the course of the project;
- d. Customer project resources will not change through the duration of the project;
- e. Customer will assign and Hyland will have access to the appropriate business process owners and resources for the project in a timely manner when requested;
- f. Database administrator, network administrator, subject matter experts, etc., will be available in a timely manner on an as-needed basis;
- g. Customer will assign and Hyland will have access to the appropriate technical resources for the project in a timely manner when requested;
- h. At least one (1) Information Services ("IS") / Information Technology ("IT") representative to assist with the installation with regards to network and system administration; and

- i. At least one (1) Software Administrator to assist in establishing network rights to appropriate disk groups on Customer's file servers for Customer's users.

The parties acknowledge and agree failure to meet responsibilities noted above will likely affect project duration, cost, or quality in the execution and completion of services.

**Riverside Community College
District**

Hyland Software, Inc.

By:

By: *Mark Davis*

Name: (Print) Aaron S. Brown

Name: (Print) *Mark Davis*

Title: Vice Chancellor,
Business and Financial Services

Title: *VP, Hyland Global Services*

Date:

Date: *October 6, 2014*

*** END OF DOCUMENT ***



Solution Pricing

OnBase Software and Maintenance

Quote ID	9134	HSI #	12066
Quote Type	OnBase	Account Name	Riverside Community College
Purchase Order #		Account Address	4800 Magnolia Avenue Riverside, California 92506-1299
Date Created	08/22/2014	Phone Number	(951) 222-8000
Vendor Contact	Analise Ondrejch	Contact Name	Rick Herman
Vendor Phone	+1.440.788.6281	Contact Phone	(951) 222-8384
Vendor Email	analise.ondrejch@onbase.com	Contact Email	rick.herman@rcc.edu

Industry Products

Product Name	Module Code	Unit Price	Quantity	Total Module Price	Total Maintenance Price
TC/TCE Process Automation for Colleague	TCEIP13	\$31,600.00	1	\$31,600.00	\$4,740.00
Transcript Capture & Transfer Credit Equivalency (TCE)	HES-TCE	\$90,000.00	1	\$90,000.00	\$13,500.00
Singularity Exchange and TC Upgrade Licensing Credit	Discount: 8870837	(\$30,000.00)	1	(\$30,000.00)	\$0.00

Professional Services

Product Name		Cost
Transcript Capture Migration and Transfer Course Evaluation Installation	Fixed Fee	\$50,000.00
Colleague Integration for Transfer Credit Evaluation	Time and Materials	\$60,870.00
Singularity Professional Services Credit	Discount: 8870837	(\$9,880.00)

All prices are in United States Dollars - USD

*Pricing will remain valid until 10-15-2014

Quote Summary

Software Total	\$91,600.00
Maintenance Total	\$18,240.00
Professional Services	\$100,990.00
Quote Total	\$210,830.00

Agenda Item (IV-B-3)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Teaching and Learning (IV-B-3)
Subject	Proposed Curricular Changes
College/District	District
Funding	N\A
Recommended Action	It is recommended that the Board of Trustees approve the curricular changes for inclusion in the catalog and in the schedule of class offerings.

Background Narrative:

Presented for the Board's review and consideration are proposed curricular changes. The District Curriculum Committee and the administration have reviewed the attached proposed curricular changes and recommend their adoption by the Board of Trustees.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning
Sylvia Thomas, Associate Vice Chancellor Ed Services
Naomi Foley, Instructional Support Coordinator

Attachments:

[Proposed Curricular Changes_December 2014_backup 112414.pdf](#)

Course	Title	Location
1. New Stand Alone Courses:		
The automotive body and paint repair technology discipline is trying to bring our programs to reflect more closely the needs of our community, as well as to bring them to a closer alignment to Industry Standards and the rapid technology and terminology changes of today's Collision Repair Industry, as well as to comply with the college's Accreditation Standards. With the help and direction of our Advisory Committee and the support of our Applied Technology Department, we feel the necessity to create a new courses to replace the current courses which no longer serve the intended purpose for which they were created:		
AUB-55	Automotive Advanced Refinishing and Custom Paint	R
AUB-56	Automotive Technology for the Automotive Collision Specialist	R
AUB-57	Antique and Classic Auto Restoration and Fabrication	R
AUB-59A	Automotive Collision Service and Repair	R
AUB-59B	Automotive Refinishing Service and Repair	R
The following course is proposed in response to being awarded the designation of being a Pathway to Law School:		
BUS-15	Street Law: An Introduction to Law and Legal Issues	R
The following course is proposed to be part of the Business Administration ADT:		
BUS-24	Business Communication	MNR
The following course is proposed to be part of the Elementary Education Teacher ADT:		
MAT-26	Math for Elementary School Teachers	R
2. Course Inclusions:		
The following course is proposed to offer students consistent applied lessons prior to transfer:		
MUS-78	Beginning Applied Music II	M
3. Major Course Modifications:		
The following course is being modified to update the Student Learning Outcomes (SLOs), course content, methods of instruction (MOI), methods of evaluation (MOE), and course materials to be C-ID compliant:		
ADJ-1	Introduction to Administration of Justice	MNR
The following course is being modified to update the course content to be C-ID compliant:		
ADJ-4	Legal Aspects of Evidence	MNR
The following course is being modified to change the title from "Introduction to Automotive Body Technology," to update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
AUB-50	Introduction to Automotive Collision Repair	R
The following course is being modified to change the title from "Intermediate Automotive Body Technology," remove the co-requisite and add an advisory of AUB-50, to update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
AUB-51	Automotive Non-Structural Collision Repair and Estimating	R
The following course is being modified to change the title from "Automotive Body Refinishing," to add an advisory of AUB-50, to update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
AUB-52	Automotive Refinishing and Paint	R
The following course is being modified to change the title from "Automotive Body Special Projects," to remove the corequisite and add a prerequisite of AUB-50, to update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
AUB-53	Automotive Collision Repair Special Projects	R

Course	Title	Location
The following course is being modified to change the title from “Advanced Automotive Body and Frame,” to remove the corequisite and add an advisory of AUB-50, to update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
AUB-54	Automotive Structural Collision Repair and Frame	R
The following course is being modified to update the SLOs, course content, MOI, MOE, add sample assignments and update the course materials:		
DAN-D12	Dance Touring Ensemble	R
The following courses are being modified to link the SLOs to the General Education Student Learning Outcomes (GESLOs), add sample assignments and update the course materials:		
DAN-D43	Tap, Beginning	MNR
DAN-D44	Tap, Intermediate	MNR
The following course is being modified to remove the prerequisite of DAN-D44, to link the SLOs to the GESLOs, add sample assignments and update the course materials:		
DAN-D45	Tap, Advanced	R
The following course is being modified to change the title from “Introduction to Infants and Children with Disabilities and Other Special Needs,” update the course description, SLOs, course content, MOI, MOE, add sample assignments and update course materials:		
EAR-40	Introduction to Children with Special Needs	MNR
The following course is being modified to change the title from Emergency Medical Services-Basic Clinical,” change the units from 6 to 7, the lecture hours from 96 to 99 and laboratory hours from 64 to 81, update advisory entry skills, SLOs, course content, MOE, materials as well as add sample assignments:		
EMS-50	Emergency Medical Services Technician	M
The following course is being modified to change the units from 1 to 1.5, the laboratory hours from 64 to 81, update advisory entry skills, SLOs, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-51	Emergency Medical Services -Basic Clinical/Field	M
The following course is being modified to change the units from 4 to 4.5, change the lecture hours from 62 to 54, laboratory hours from 64 to 81, and to update entry skills, SLOs, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-60	Patient Assessment and Airway Management	M
The following course is being modified to change the lecture hours from 62 to 54, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-61	Introduction to Medical Pathophysiology	M
The following course is being modified to change the laboratory hours from 64 to 54, and to update advisory entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-62	Emergency Pharmacology	M
The following course is being modified to change the lecture hours from 62 to 54, laboratory hours from 64 to 54, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-63	Cardiology	M
The following course is being modified to change the units from 4 to 3.5, the lecture hours from 64 to 45, laboratory hours from 32 to 54, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-70	Trauma Management	M
The following course is being modified to change the units from 2.5 to 3, the laboratory hours from 144 to 162, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-71	Clinical Medical Specialty I	M

Course	Title	Location
The following course is being modified to change the lecture hours from 64 to 63, laboratory hours from 64 to 54, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-80	Medical Emergencies	M
The following course is being modified to change the units from 5 to 4, the lecture hours from 64 to 54, laboratory hours from 64 to 54, and to update entry skills, SLOs, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-81	Special Populations	M
The following course is being modified to change the units from 2 to 3, the lecture hours from 32 to 36, laboratory hours from 32 to 54, limitation on enrollment, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-82	Special Topics	M
The following course is being modified to change the units from 2.5 to 3, the laboratory hours from 144 to 162, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-83	Clinical Medical Specialty II	M
The following course is being modified to change the units from 4.5 to 3, the lecture hours from 64 to 36, laboratory hours from 64 to 54, and to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-90	Assessment Based Management	M
The following course is being modified to update entry skills, SLOs, course description, course content, MOI, MOE, materials as well as add sample assignments:		
EMS-91	Paramedic Field Internship	M
The following courses are being modified to update the SLOs, course materials and add sample assignments:		
FIT-3	Fire Protection Equipment and Systems	M
FIT-6	Fire Apparatus and Equipment	M
FIT-8	Strategies and Tactics	M
The following course is being modified to update the course description, course content, MOI, MOE, course materials, add sample assignments and link the SLOs to the GESLOs:		
FIT-A1A	Fire Investigation 1A	M
The following course is being modified to change the lecture hours from 27 to 24, and to update the SLOs and course materials:		
FIT-TI1A	Training Instructor 1A	M
The following course is being modified to change the lecture hours from 20 to 24, the laboratory hours from 27 to 16, change the prerequisite to an advisory of FIT-TI1A, and to update the SLOs and course materials:		
FIT-TI1B	Training Instructor 1B	M
The following course is being modified to change the lecture hours from 27 to 24, change the prerequisite to an advisory of FIT-TI1B, and to update the SLOs and course materials:		
FIT-TI1C	Instructional Development Techniques	M
The following course is being modified to link the SLOs with the new GESLOs as well as update the course content, sample assignments and course materials:		
FRE-11	Culture and Civilization	NR
The following course is being modified to update the SLOs, and course materials:		
KIN-A03	Adaptive Physical Fitness	NR

Course	Title	Location
The following course is being modified to update the SLOs and sample assignment:		
KIN-A04	Adaptive Water Exercise	R
The following courses are being modified to update the SLOs, sample assignment and course materials:		
KIN-A11	Tennis, Beginning	MR
KIN-A12	Tennis, Intermediate	MR
KIN-A13	Tennis, Advanced	MR
The following courses are being modified to update the SLOs, and course materials:		
KIN-A20	Golf, Beginning	NR
KIN-A21	Golf, Intermediate	NR
KIN-A54	FastPitch Softball Fundamentals	R
KIN-A55	Slow Pitch Softball	NR
KIN-A67	Volleyball, Beginning	R
KIN-A68	Volleyball, Intermediate	R
KIN-A69	Volleyball, Advanced	R
KIN-A86	Step Aerobics	MR
KIN-A87	Step Aerobics, Intermediate	MR
The following course is being modified to update the SLOs, MOE, sample assignments and course materials:		
KIN-V52	Fastpitch Fundamentals: Offensive	R
The following course is being modified to update the SLOs, MOE, and course materials:		
KIN-V53	Fastpitch Fundamentals: Defensive	R
The following course is being modified to change the title from “Advanced Applied Piano,” to link the SLOs to the GESLOs, to update the course content, MOI, MOE, sample assignments and course materials:		
MUS-12	Applied Piano II	R
The following courses are being updated to change the lecture hours from 17 to 0, the laboratory hours from 32 to 54, and to link the SLOs to the GESLOs:		
MUS-32A	Class Piano I	MNR
MUS-32B	Class Piano II	MNR
MUS-32C	Class Piano III	MNR
MUS-32D	Class Piano IV	MNR
The following course is being modified to update the course description, content, link the SLOs to the GESLOs, update the MOI, MOE, and sample assignments:		
MUS-38	Beginning Applied Music Training	MNR
The following course is being modified to change the title from “Intermediate Applied Music,” update the course description, content, MOI, MOE, sample assignments, course materials, add entry skill, and link the SLOs to the GESLOs:		
MUS-39	Applied Music I	NR
The following course is being modified to change the lecture hours from 17 to 0, the laboratory hours from 32 to 54, to link the SLOs to the GESLOs, and update the course materials:		
MUS-40	Class Percussion	R
The following course is being modified to change the hours from 17 hours lecture to 0 hours lecture and 32 hours laboratory to 54 hours laboratory, and link SLOs to the new GESLOs:		
MUS-53	Keyboard Proficiency	MR

Course	Title	Location
The following course is being modified to add a limitation on enrollment of “Audition on or before the first class meeting.” update the short course description, SLOs, course content, MOI, MOE, course materials and sample assignments:		
MUS-58	Gospel Choir	MR
The following course is being modified to update the course description, content, MOI, MOE, sample assignments, materials, add entry skill, and link the SLOs to the GESLOs:		
MUS-78	Beginning Applied Music II	NR
The following course is being updated to change the title from “Advanced Applied Music,” add entry skill, link SLOs to GESLOs, update the course description, content, MOI, MOE, sample assignments, and course materials:		
MUS-79	Applied Music II	R
The following course is being modified to update the course description, content, sample assignments, materials, add entry skill, and link the SLOs to the GESLOs:		
MUS-87	Applied Music Training	MNR
The following course is being modified to change the title from “Intermediate Applied Piano,” link the SLOs to the GESLOs, update the course description, course content, MOI, MOE, sample assignments and materials:		
MUS-P12	Applied Piano I	R
The following courses are being modified to link the SLOs with the GESLOs, and to update the course materials:		
NRN-11	Foundations of Nursing Practice Across the Lifespan	R
NRN-11A	Nursing Learning Laboratory	R
NRN-11B	Nursing Learning Laboratory	R
NRN-11C	Nursing Learning Laboratory	R
The following course is being modified to link the SLOs with the GESLOs, and to update the course content and course materials:		
NRN-12	Chronic Illness/Acute Maternal Child Specialty	R
The following courses are being updated to link the SLOs with the GESLOs, and to update the course materials:		
NRN-12A	Nursing Learning Laboratory	R
NRN-12B	Nursing Learning Laboratory	R
NRN-12C	Nursing Learning Laboratory	R
The following course is being modified to link the SLOs with the GESLOs, and to update the course content and materials:		
NRN-13	Acute and Chronic Illness	R
The following course is being modified to link the SLOs to the GESLOs, update the sample assignments and course materials:		
NRN-18	Transition Course for Advanced Placement Students	R
The following course is being modified to link SLOs to GESLOs, update the course content and course materials:		
NRN-21	Acute Care and Chronic Illness II/Mental Health	R
The following courses are being modified to link the SLOs to the GESLOs and update the course materials:		
NRN-21A	Nursing Learning Laboratory	R
NRN-21B	Nursing Learning Laboratory	R
NRN-21C	Nursing Learning Laboratory	R

Course	Title	Location
The following course is being modified to link the SLOs to the GESLOs, update course content and materials:		
NRN-22	Integrated Care Across the Lifespan	R
The following courses are being modified to link the SLOs to the GESLOs, and update the course materials:		
NRN-22A	Nursing Learning Laboratory	R
NRN-22B	Nursing Learning Laboratory	R
NRN-22C	Nursing Learning Laboratory	R
The following course is being modified to update the course description, entry skills, SLOs, course content, course materials and to add sample assignments:		
NVN-62	Intermediate Concepts of Vocational Nursing-Medical/Surgical	R
The following course is being modified to change the prerequisite from NVN-60 and PSY-9 to NVN-61, to update the course description, entry skills, SLOs, course content, course materials and to add sample assignments:		
NVN-63	Intermediate Concepts of Vocational Nursing - Mental Health	R
The following course is being modified to update the course materials, entry skills, SLOs, course content and to add sample assignments:		
NVN-70	Advanced Vocational Nursing Foundations-Role Transition	R
The following course is being modified to link the SLOs to the GESLOs, as well as update the SLOs, the course content, MOI, MOE, sample assignments, and course materials:		
NVN-71	Advanced Vocational Nursing Foundations-Medical/Surgical	R
The following course is being modified to add an advisory of ENG-50, and update the SLOs:		
PHI-10	Introduction to Philosophy	MNR
The following course is being modified to add an advisory of REA-82, and update the SLOs:		
PHI-11	Critical Thinking	MNR
The following course is being modified to change the units from 6 to 5, the hours from 336 to 270 laboratory hours, add a prerequisite of "PHT-7 and 8," update the course description, SLOs, course content, MOI, MOE, course materials and add sample assignments:		
PHT-11	Internal Medicine I	M
The following course is being modified to change the units from 4 to 5, the hours from 224 to 270 laboratory hours, add a prerequisite of "PHT-7, 8 and 9," update the course description, course content, MOI, MOE, course materials and add sample assignments:		
PHT-13	General Surgery	M
The following course is being modified to update the SLOs, course content, MOI, MOE and course materials:		
SOC-2	American Social Problems	MNR
The following course is being modified to link the SLOs to the GESLOs, update the course content, MOI, MOE, course materials and add sample assignments:		
SOC-3	Social Inequality in American Society	NR
The following course is being modified to update the SLOs, course content, MOI, MOE, and course materials:		
SOC-10	Race and Ethnic Relations	MNR
The following course is being modified to link the SLOs to the GESLOs, update the course content, MOI, and MOE:		
SOC-20	Introduction to Criminology	MNR
The following course is being modified to update MOE, and course materials and to link the SLOs to the new GESLOs:		
SOC-23	Special Studies in Culture	R

Course	Title	Location
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4. Course Deletions:

The following course is being replaced with a new course EAR-46:

EAR-31	Home Visiting	MNR
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This course has not been offered since 2008:

FIT-C20	Basic Incident Command System (I-200)	M
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5. Course Exclusions:

These courses duplicate context covered in ACC-1B and have never been offered at MVC:

ACC-38	Managerial Accounting	M
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ACC-61	Cost Accounting	M
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This course has never been offered at MVC:

ACC-66	Non-Profit and Governmental Accounting	M
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These course have not been offered at MVC:

GUI-48B	College Success Strategies-Life Skills	M
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GUI-801	Testing for Success CAHSEE Preparation	M
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6. New State Approved Certificates/Degrees:

Associate in Arts in Economics for Transfer Degree	R
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Associate in Arts in History for Transfer Degree	M
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Associate in Arts in History for Transfer Degree	R
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Associate in Arts in Political Science for Transfer Degree	R
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7. Modification to State/Locally Approved Certificate/Degrees:

The following degrees/certificates are being updated to remove the courses which have been removed from the Moreno Valley inventory:

Business Administration-Accounting Concentration	M
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Business Administration-General Business Concentration	M
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PROGRAM OUTLINE OF RECORD
NEW DEGREE

Associate in Arts in Economics for Transfer

College: Riverside City

The Associate in Arts in Economics for Transfer degree is a curricular pattern designed specifically to transfer students as Economics majors with junior status to the CSU system. Though the Associate in Arts in Economics for Transfer also provides broad general preparation for Economics majors entering any four-year university, students must consult the specific requirements of any non-CSU campus to which they are applying. Students earning the Associate in Arts in Economics for Transfer will be provided with a deep appreciation of how the economy functions.

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Describe, analyze and evaluate economic concepts, paradigms, and theories of the economy.
2. Analyze data to identify major current economic problems and use economic theory to analyze and evaluate the problems.
3. Identify current governmental policies to remedy economics problems and assess the effectiveness of these policies.

<u>Required Courses (20-21 units)</u>		<u>Units</u>
ECO-7*/7H*	Principles of Macroeconomics/Honors Principles of	3
ECO-8*	Principles of Microeconomics	3
MAT-12*/12H*	Statistics/Honors Statistics	4
MAT-1A*	Calculus I	4
List A	Select from the list below	3-4
List B	Select from the list below	3
<u>LIST A Select one course from the following (3-4 units):</u>		
MAT-1B*	Calculus II	4
ACC-1A	Principles of Accounting I	3
ACC-1B	Principles of Accounting II	3
CIS-1A	Introduction to Computer Information	3
<u>LIST B Select one course from the following (3 units):</u>		
ECO-5*	Economics of the Environment	3
ECO-6*/POL-6*	Introduction to Political Economy	3
ECO-10*	Economics and Personal Decision-making	3

Associate in Arts for Transfer Degree

The Associate in Arts in Economics for Transfer degree will be awarded upon completion of 60 California State University (CSU) transferable units including the above major requirements and the Intersegmental General Education Transfer Curriculum (IGETC) or California State University General Education (CSUGE) requirements and with a minimum grade point average of 2.0. All courses in the major must be completed with a grade of "C" or better. (Students completing this degree are not required to fulfill the RCCD graduation requirements found in section VII. Additional degree requirements: Health Education and Self Development)

PROGRAM OUTLINE OF RECORD
NEW DEGREE

College: Moreno Valley

Associate in Arts in History for Transfer

The Associate in Arts in History for Transfer degree is a curricular pattern designed specifically to transfer students as History majors with junior status to the CSU system. Though the Associate in Arts in History for Transfer also provides broad general preparation for History majors entering any four-year university, students must consult the specific requirements of any non-CSU campus to which they are applying. Students earning the Associate in Arts in History for Transfer degree will acquire a broad perspective on the human experience and appreciate how the past has shaped the present. They will learn about major events and people of the past, especially their social, cultural and political effects. In addition, students will learn how to interpret, debate, and draw conclusions using primary historical sources.

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Describe, explain, and evaluate historical information and demonstrate an understanding of the nature of historical processes.
2. Identify and analyze the sources of historical information and research methodologies.
3. Objectively explain critical issues in history and be able to use theories and debates to argue convincingly in defense of a position, selecting examples to illustrate points and organizing these appropriately.
4. Employ a variety of current historical methodologies in the research, analysis and evaluation of data.
5. Comprehend and demonstrate critical thinking ability including the understanding of alternative explanations and the forming of conclusions from the data presented.

<u>Required Courses (18 units)</u>	<u>Units</u>
HIS-6/6H*	3
HIS-7/7H*	3
List A	6
List B	6

List A Choose two courses from the following:

HIS-1*	3
or	
HIS-4*	3
HIS-2*	3
or	
HIS-5*	3

List B Choose one course from each group:

<u>Group 1</u>	
HIS-1* (If not used in List A)	3
HIS-2* (If not used in List A)	3
HIS-14*	3
HIS-15*	3
HIS-34*	3
<u>Group 2</u>	
ANT-1*	3
ANT-2*	3
ART-1*	3
ART-2*	3
HIS-11*	3
HIS-12*	3
HIS-21*	3
HIS-22*	3
HIS-26*	3
HIS-35*	3
HUM-4/4H*	3
HUM-5/5H*	3
HUM-10/10H*	3
POL-1/1H*	3
POL-2/2H*	3
POL-4/4H*	3
PSY-1*	3

SOC-1*/1H*	Introduction to Sociology/Honors	3
SOC-2*	American Social Programs	3
SOC-10*	Race and Ethnic Relations	3

Associate in Arts for Transfer Degree

The Associate in Arts in History for Transfer degree will be awarded upon completion of 60 California State University (CSU) transferable units including the above major requirements and the Intersegmental General Education Transfer Curriculum (IGETC) or California State University General Education (CSUGE) requirements and with a minimum grade point average of 2.0. All courses in the major must be completed with a grade of "C" or better. (Students completing this degree are not required to fulfill the RCCD graduation requirements found in section VII. Additional degree requirements: Health Education and Self Development)

PROGRAM OUTLINE OF RECORD
NEW DEGREE

College: Riverside City

Associate in Arts in History for Transfer

The Associate in Arts in History for Transfer Degree is designed to prepare the student for transfer to institutions of higher education and specifically intended to satisfy the lower division requirements for the Baccalaureate in Arts in History at a California State University. This degree is designed to prepare students to seamlessly transfer to a CSU.

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Describe and analyze the economic, intellectual, political and social development of world civilizations and American institutions in the context of continuity and change.
2. Articulate and demonstrate the range of ways that primary sources can be interpreted to arrive at different defensible interpretations of key historical events and movements.
3. Demonstrate the ability to interpret historical events and movements both orally and in persuasive analytical essays.
4. Evaluate the role of individuals, institutions, and cultures in history and in view of historical events in contemporary contexts for greater global awareness.

Required Courses (18 units)	Units
HIS-6/6H*	Political and Social History of the United States/Honors 3
HIS-7/7H*	Political and Social History of the United States/Honors 3
HIS-1*	History of World Civilizations I 3
HIS-2*	History of World Civilizations II 3
List A	3
List B	3

List A Take 3 units from the following:

HIS-14*	African American History I 3
HIS-15*	African American History II 3
HIS-25*	History of Mexico 3
HIS-28*	Native American History: Early Contact Period 3
HIS-29*	Native American History: Contemporary Society 3
HIS-31*	Introduction to Chicano Studies 3
HIS-34*	History of Women in America 3
HUM-9*	American Voices 3
PHI-14*	Survey of Black Thought 3
PHI-19*	Native American Thought 3

List B Take 3 units from the following:

HIS-11/MIL-1*	Military History of the United States to 1900 3
HIS-12/MIL-2*	Military History of the United States Since 1900 3
HIS-19*	Modern Russia An Introduction 3
HUM-4/4H*	Arts and Ideas: Ancient World Through the Medieval Period/Honors 3
HUM-5/5H*	Arts and Ideas: Renaissance through the Modern Era/Honors 3
HUM-16*	Arts and Ideas: American Culture 3
POL-1/1H*	American Politics/Honors 3
POL-2/2H*	Comparative Politics/Honors 3
POL-5*	The Law and Politics 3

Associate in Arts for Transfer Degree

The Associate in History for Transfer degree will be awarded upon completion of coursework totaling 60 California State University (CSU) transferable units including a minimum of 18 semester units or 27 quarter units in a major area of emphasis, as determined by the community college district, and the Intersegmental General Education Transfer Curriculum (IGETC) or California State University General Education (CSUGE) requirements with a minimum grade point average of 2.0. All courses in the major must be completed with a grade of "C" or better.

(Students completing this degree are not required to fulfill the RCCD graduation requirements found in section VII. Additional degree requirements: Health Education and Self Development)

PROGRAM OUTLINE OF RECORD
NEW DEGREE

Associate in Arts in Political Science for Transfer

College: Riverside City

The Associate in Arts in Political Science for Transfer Degree is designed to prepare the student for transfer to four-year institutions of higher education and specifically intended to satisfy the lower division requirements for the Baccalaureate in Arts in Political Science at the California State University. This degree is designed to prepare students to understand and critically appraise the American political system and central issues in American politics, to evaluate topics in the key areas of political science, to clearly express political science concepts in scholarly writing, and to demonstrate an understanding of these ideas through their application to contemporary political problems.

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Describe, explain, and evaluate American political institutions, political systems, policies and processes;
2. Identify and analyze the major current global and domestic political theories and ideologies;
3. Objectively explain critical issues in American, Comparative and World politics and be able to use theories and debates to argue convincingly in defense of a position, selecting examples to illustrate points and organizing these appropriately;
4. Employ a variety of current social scientific methodologies in the research, analysis and evaluation of data;
5. Demonstrate critical thinking ability including the understanding of alternative explanations and the forming of conclusions from the data presented.

Required Courses (18-19 units)		Units
POL-1/1H	American Politics/Honors American Politics	3
POL-2/2H	Comparative Politics/Honors Comparative Politics	3
POL-4/4H	Introduction to World Politics/Honors Introduction to World Politics	3
POL-11	Political Theory	3
Select two courses from List A <i>or</i>		
Selected one course from List A and one course from List B		6-7

List A		Units
MAT-12/12H	Statistics/Honors Statistics	4
POL-5	The Law and Politics	3
POL-6/ECO-6	Introduction to Political Economy	3
POL-8	Introduction to Public Administration and Policy Development	3
POL-13	Introduction to American Foreign Policy	3

List B		Units
ANT-2	Cultural Anthropology	3
ANT-3	Prehistoric Cultures	3
ANT-5	Cultures of Ancient Mexico	3
ANT-6	Introduction to Archaeology	3
ANT-7	Anthropology of Religion	3
ANT-8	Language and Culture	3
ANT-21	Peoples of Sub-Saharan Africa	3
ECO-4	Introduction to Economics	3
ECO-5	Economics of the Environment	3
ECO-6	Introduction to Political Economy	3
ECO-7/7H	Principles of Macroeconomics/Honors Principles of Macroeconomics	3
ECO-8	Principles of Microeconomics	3
GEG-2	Human Geography	3
GEG-3	World Regional Geography	3
GEG-4	Geography of California	3
GEG-6	Geography of the United States and Canada	3
HIS-1	History of World Civilizations I	3
HIS-2	History of World Civilizations II	3
HIS-6*/6H*	Political and Social History of the United States/Honors	3
HIS-7*/7H*	Political and Social History of the United States/Honors	3
HIS-11/MIL-1	Military History of the United States to 1900	3
HIS-12/MIL-2	Military History of the United States Since 1900	3
HIS-19	Modern Russia: An Introduction	3
HIS-25	History of Mexico	3

HIS-26	History of California	3
HIS-35	History of England	3
PSY-1	General Psychology	3
PSY-9	Developmental Psychology	3
PSY-33	Theories of Personality	3
PSY-35	Abnormal Psychology	3
SOC-1/1H	Introduction to Sociology/Honors Introduction to Sociology	3
SOC-2	American Social Problems	3
SOC-3	Social Inequality in American Society	3
SOC-12	Marriage and Family Relations	3
SOC-17	Introduction to Public Mental Health	3
SOC-20	Introduction to Criminology	3
SOC-50	Introduction to Social Research Methods	3

* American History and Institutions

Associate in Arts for Transfer Degree

The Associate in Arts in Political Science for Transfer degree will be awarded upon completion of 60 California State University (CSU) transferable units including the above major requirements and the Intersegmental General Education Transfer Curriculum (IGETC) or California State University General Education (CSUGE) requirements and with a minimum grade point average of 2.0. All courses in the major must be completed with a grade of "C" or better. (Students completing this degree are not required to fulfill the RCCD graduation requirements found in section VII. Additional degree requirements: Health Education and Self Development)

PROGRAM OUTLINE OF RECORD
DEGREE/CERTIFICATE MODIFICATION

Accounting Concentration (M)

COLLEGE: MORENO VALLEY

This program prepares individuals to practice the profession of accounting and to perform related business functions. This includes instruction in accounting principles and theory, financial accounting, managerial accounting, cost accounting, budget control, tax accounting, legal aspects of accounting, reporting procedures, statement analysis, planning and consulting, business information systems, accounting research methods, professional standards and ethics, and applications to specific for-profit, public, and non-profit organizations.

Program Learning Outcomes

In addition to outcomes for the Businesses Administration certificate, on successful completion of the Accounting concentration, students should be able to accomplish at least three of the following eight tasks:

1. Apply accounting principles related to a variety of accounting specialties, such as payroll accounting, cost accounting, income tax accounting, and computerized accounting.
2. Analyze and solve accounting issues and problems for a variety of business entities.
3. Analyze and interpret data and reports for a variety of business entities.
4. Develop and apply principles of moral judgment and ethical behavior to business situations.

Business Administration Major Core Requirements

18

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Use technology to analyze business decisions and to enhance business communications.
2. Apply basic business and accounting calculations and analyses.
3. Have an understanding of legal practices relating to business.
4. Apply sound management practices.

Major Core Requirements:

Required Courses (18 units)	Units
ACC-1A Principles of Accounting I	3
BUS-10 Introduction to Business	3
BUS-18A Business Law I	3
BUS-20 Business Mathematics	3
BUS-22 Management Communications	3
CIS-1A Introduction to Computer Information Systems	3
or	
BUS/CIS/CAT-3 Computer Applications for Business	3
Required for this concentration	3
ACC-1B Principles of Accounting II	3
and	
Select another 9 units from the following:	9
ACC-61 Cost Accounting	3
ACC-62 Payroll Accounting	3
ACC-63 Income Tax Accounting	3
ACC-65 Computerized Accounting	3
ACC-66 Non Profit and Governmental Accounting	3
ACC-200 Accounting Work Experience	1-2-3-4
BUS/MAG-47 Applied Business and Management Ethics	3

PROGRAM OUTLINE OF RECORD
DEGREE/CERTIFICATE MODIFICATION

General Business Concentration (M)

COLLEGE: MORENO VALLEY

This program focuses on the general study of business, including domestic, international and electronic, and the important ways in which business impacts our daily lives. The program will prepare individuals to apply business principles and techniques in various career settings and to gain an understanding of business situations that affect their personal and working lives. This includes the buying, selling and production of goods and services, understanding business organizations, general management, and employee motivation strategies, basic accounting principles, the economy, and marketing.

Program Learning Outcomes

In addition to outcomes for the Business Administration certificate, on successful completion of the General Business concentration, students should be able to accomplish four of the following seven tasks:

1. Explain the managerial applications of accounting reports and ratios to the business enterprise.
2. Analyze the law as it pertains to business organizations and to determine the legal management of the various forms of law.
3. Analyze the business elements that comprise the logistics function.
4. Develop and apply principles of moral judgment and ethical behavior to business situations.
5. Anticipate and pose problems relative to understanding and supervising personnel.
6. Identify and analyze human relations techniques appropriate to a managerial role.
7. Explain and develop the marketing mix, including an analysis of the marketing mix variables—product, place, price, and promotion.

Business Administration Major Core Requirements 18

Program Learning Outcomes

Upon successful completion of this program, students should be able to:

1. Use technology to analyze business decisions and to enhance business communications.
2. Apply basic business and accounting calculations and analyses.
3. Have an understanding of legal practices relating to business.
4. Apply sound management practices.

Major Core Requirements:

Required Courses (18 units)	Units
ACC-1A Principles of Accounting I	3
BUS-10 Introduction to Business	3
BUS-18A Business Law I	3
BUS-20 Business Mathematics	3
BUS-22 Management Communications	3
CIS-1A Introduction to Computer Information Systems	3
or	
BUS/CIS/CAT-3 Computer Applications for Business	3
Select another 12 units from the following:	12
ACC-1B Principles of Accounting II	3
or	
ACC-38 Managerial Accounting	3
BUS-18B Business Law II	3
BUS-40 International Business-Principles	3
BUS/MAG-47 Applied Business and Management Ethics	3
BUS-80 Principles of Logistics	3
BUS-200 Business Administration Work Experience	1-2-3-4
MAG-51 Elements of Supervision	3
MAG-53 Human Relations	3
MKT-20 Principles of Marketing	3

Agenda Item (IV-D-1)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Resources (IV-D-1)
Subject	Budget Augmentation for Athletic Office Remodel at RCC Wheelock Gymnasium
College/District	Riverside
Funding	College Allocated Measure C Funds
Recommended Action	It is recommended that the Board of Trustees augment the budget for the Athletic Directors Office Remodel Project by \$51,676

Background Narrative:

On May 21st 2013 the Board of Trustees approved a project budget of \$96,030 to be allocated for the Athletic Offices Remodel Project in Wheelock Gymnasium at RCC. Given the Athletic Operation, RCC has asked that modifications be undertaken at Wheelock Gym to include:

- Provide interior private office for Athletic Director
- Provide interior open office area for Student Service Technician and IDS
- Provide small room for files and equipment

The attached floor plan provides a layout of the space (Exhibit I)

Budget Augmentation

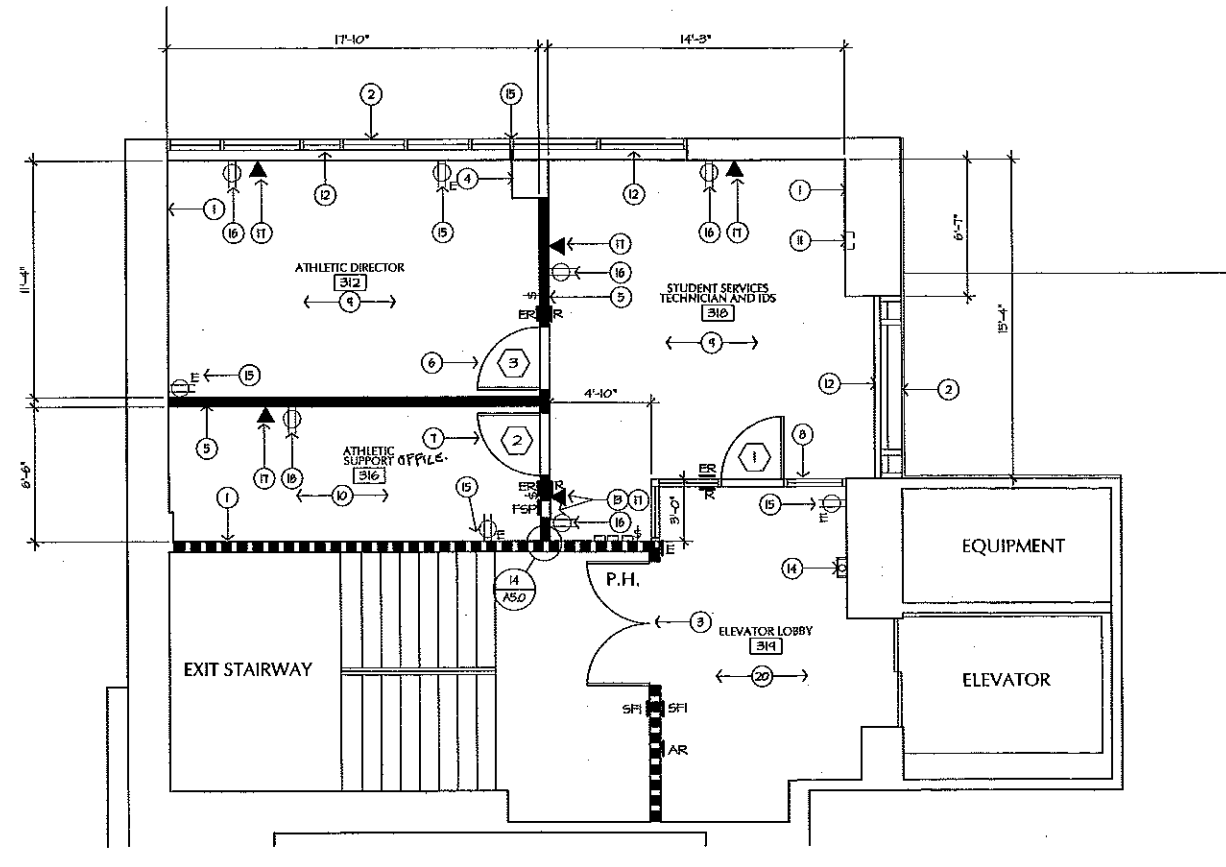
It is requested that additional funds be allocated due to project modifications to include: Increased construction costs (Allowance & HVAC Unit), testing and Inspections fees, and construction contingency increased from 5% to 10%. Exhibit II denotes the augmentation breakdown.

At this time, it is requested that the Board of Trustees approve the augmentation of the project budget by \$51,676. This will bring the project budget to \$147,706 (Exhibit III).

Prepared By: Wolde-Ab Isaac, Interim President, Riverside
Mazie Brewington, Vice President, Business Services (Riv)
Scott Zwart, Assistant Director, Facilities, Maintenance and Operations
Chris Carlson, Chief of Staff & Facilities Development
Dale Adams, Project Manager

Attachments:

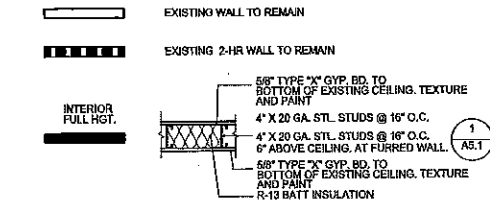
[Wheelock Athletic Office Remodel Floor Plan](#)
[Budget Augmentation Breakdown_RCC_Wheelock AD Office](#)
[Project Funding Scenario_RCC_Wheelock AD Office](#)



FLOOR PLAN KEY NOTES

- 1 EXISTING WALL TO REMAIN.
- 2 EXISTING WINDOW TO REMAIN
- 3 EXISTING DOOR TO REMAIN
- 4 EXISTING COLUMN TO REMAIN
- 5 NEW INTERIOR PARTITION TO UNDERSIDE OF EXISTING CEILING
- 6 NEW 3070 TIMELY DOOR AND FRAME WITH WINDOW LIGHT. PROVIDE LOCKABLE OFFICE HARDWARE, SEALS, ETC. FOR A COMPLETE INSTALLATION
- 7 NEW 3070 TIMELY DOOR AND FRAME WITH 16" WIDE X 12" HIGH DOOR LOUVER. PROVIDE LOCKABLE STORAGE ROOM HARDWARE, SEALS, ETC. FOR A COMPLETE INSTALLATION.
- 8 NEW STOREFRONT WINDOW / DOOR SYSTEM WITH 1/2" LAMINATED GLASS AT ALL OPENINGS. PROVIDE LEVER STYLE HARDWARE WITH CLDSER, SEALS, ETC. FOR A COMPLETE INSTALLATION.
- 9 PROVIDE NEW CARPET TILES AND BASE. TWO COLOR SCHEME, COLOR AS SELECTED BY DISTRICT
- 10 PROVIDE NEW 12" X 12" VINYL COMPOSITION TILE AND BASE THIS ROOM
- 11 EXISTING FIRE EXTINGUISHER CABINET TO BE RELOCATED
- 12 PROVIDE NEW ROLL DOWN WINDOW SHADES, TYPICAL
- 13 NEW LOCATION OF RELOCATED FIRE EXT. CABINET
- 14 NEW RECESSED MOUNTED FIRE EXT. AND CABINET, PER [12] AS.0
- 15 EXISTING DUPLEX OUTLET TO REMAIN
- 16 NEW DUPLEX OUTLET NEW DATA OUTLET
- 17 NEW DEDICATED 30A DUPLEX OUTLET
- 18 NEW DEDICATED 30A DUPLEX OUTLET
- 19 NEW ALUM CLOSURE STRIP BETWEEN WINDOW FRAME AND COLUMN
- 20 EXISTING CARPET TO REMAIN.

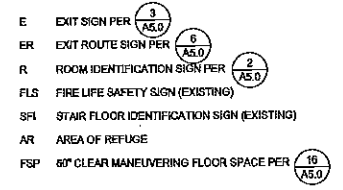
FLOOR PLAN LEGEND



FLOOR PLAN GENERAL NOTES

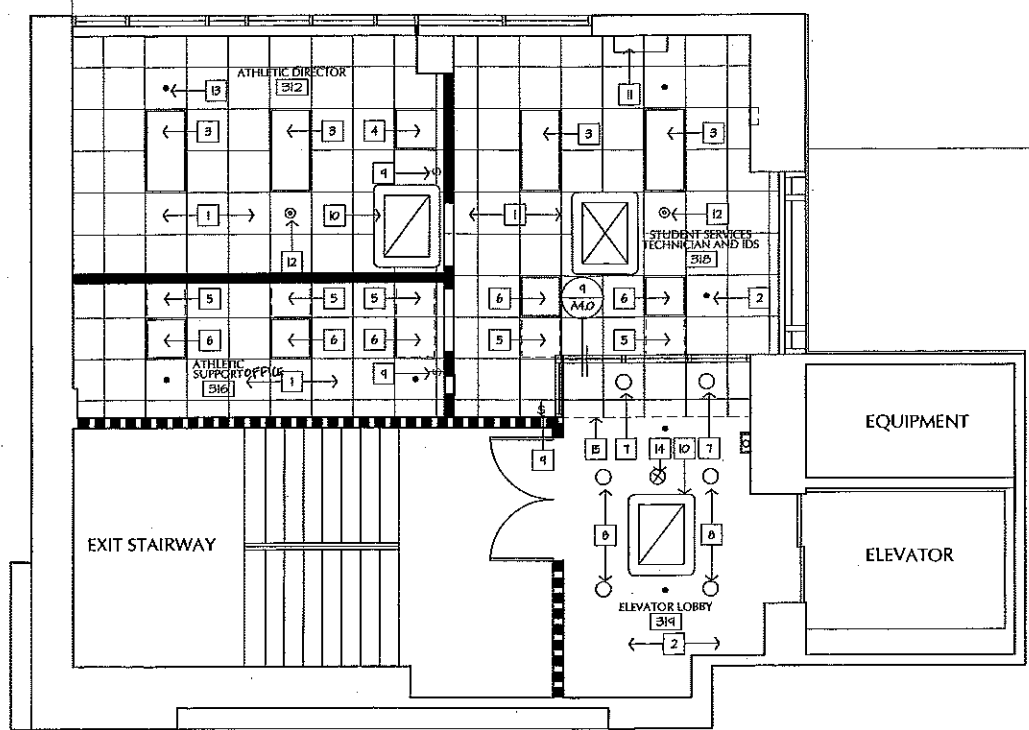
1. FOR INTERIOR ELEVATIONS, SEE SHEET A3.0
2. FOR DOOR/WINDOW AND FINISHES, SEE SHEET A3.1
3. FOR HEAD AND JAMB DETAILS, SEE 13AS.0
4. FOR STOREFRONT DETAILS, SEE SEE 7, 8, 10, & 11AS.0
5. FOR THRESHOLD DETAIL, SEE SEE 15AS.0

SIGNAGE LEGEND



NEW OFFICES FOR ATHLETIC DIRECTOR AND STAFF - WHELOCK GYMNASIUM 2ND FLOOR

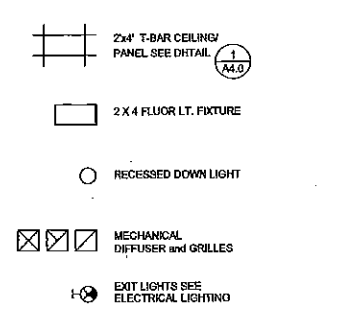
1/4" 12



CEILING AND ELECTRICAL NOTES

- 1 EXISTING 2X4 CEILING SYSTEM TO REMAIN - HEIGHT 7'-8" A.F.F. PROVIDE NEW TILES AS REQ. WHERE LIGHTS ARE REMOVED
- 2 EXISTING GWB CEILING SYSTEM TO REMAIN - HEIGHT 7'-8" A.F.F.
- 3 EXISTING 2X4 FLOOR LIGHT FIXTURE TO REMAIN
- 4 EXISTING 2X2 FLOOR LIGHT FIXTURE TO REMAIN
- 5 EXISTING 2X4 FLOOR LIGHT FIXTURE TO BE REMOVED
- 6 NEW 2X2 FLOOR LIGHT FIXTURE TO MATCH EXISTING. RECONNECT TO EXISTING CIRCUIT
- 7 NEW RECESSED CAN FLOOR LIGHT FIXTURES. CONNECT TO EXISTING CIRCUIT
- 8 EXISTING RECESSED CAN LIGHTS TO REMAIN
- 9 EACH ROOM TO BE SWITCHED INDEPENDENT FROM THE OTHER
- 10 EXISTING CEILING MOUNTED HVAC UNIT TO REMAIN
- 11 NEW WALL MOUNTED SPLIT SYSTEM HVAC UNIT - SLIM LINE OR EQUAL
- 12 EXISTING SMOKE DETECTOR TO REMAIN / RELOCATE
- 13 EXISTING FIRE SPRINKLER HEAD TO REMAIN / RELOCATE / EXTEND TYPICAL AS SHOWN
- 14 EXISTING EXIT SIGN TO REMAIN
- 15 REMOVE PORTION OF EXISTING 2X4 CEILING SYSTEM FOR INSTALLATION OF NEW STOREFRONT. INSTALL NEW 2X4 CEILING SYSTEM. PROVIDE NEW TILES AS REQ. - HEIGHT 7'-8" A.F.F.

REFLECTED CEILING LEGEND



REFLECTED CEILING NOTES

1. FOR LIGHTING & ADDITIONAL INFORMATION SEE ELECTRICAL PLANS.
2. FOR DIFFUSERS & ADDITIONAL INFORMATION SEE MECHANICAL PLANS.

CEILING PLAN NEW WORK - 2ND FLOOR

1/4" 17



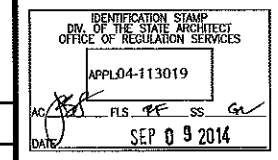
HIGGINSON + CARTOZIAN ARCHITECTS, INC.
1455 WEST PARK AVENUE
REGLANDS, CALIFORNIA 92373
Ph: (909) 793-3100 Fax: (909) 793-3140
website: hcarchinc.com



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ATHLETIC DIRECTOR'S OFFICE'S REMODEL

Riverside City Campus
RCCD RIVERSIDE COMMUNITY COLLEGE DISTRICT



REVISIONS:
DATE: _____
DATE: _____
DATE: _____
CHECKED BY: D.W.J.L. DRAWN BY: P.A.J.
DATE: September, 2014

FLOOR PLAN & REFLECTED CLG. PLAN

A1.0

Riverside City College Wheelock Athletic Director's Office Remodel Budget Augmentation Breakdown*(Bid Opening : 10/28/14 . Bids good for 90 days 01/26/15)*

Augmented Construction (Allowance & HVAC Unit) Costs	\$	36,100.00
Augmented Test & Inspections Costs	\$	6,906.00
Augmented Construction Contingency Costs	\$	8,670.00
Total Budget Augmentation Requested	\$	51,676.00
Original Project Budget Approved on 5/21/13	\$	96,030.00
Total Budget Augmentation Requested	\$	51,676.00
Total Project Budget	\$	147,706.00

Project Funding Scenario: RCC Wheelock Athletic Director's Office Remodel Project, 04-113019**Funding Proposed: Allocation from Wheelock Gymnasium, Seismic Retrofit Project****WHEELOCK GYMNASIUM, SEISMIC RETROFIT PROJECT FUNDING****Project Funding**

State Funded	\$	9,165,000.00
Measure C	\$	13,547,701.00
TOTAL	\$	22,712,701.00

Project Expenditure

Construction	\$	21,384,483.00
Equipment (FFE)	\$	695,165.00
TOTAL	\$	22,079,648.00
Less Change Orders (2)	\$	48,764.00

Remaining Project Funds Available	\$	584,289.00
Proposed Athletic Offices Remodel	\$	147,706.00
Remaining Project Funds After AOR	\$	436,583.00

Agenda Item (IV-D-2)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Resources (IV-D-2)
Subject	2013-2014 Independent Audit Report for the Riverside Community College District
College/District	District
Funding	N/A
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, 2014 for the permanent file of the District.

Background Narrative:

In accordance with Education Code Section 84040(b), an independent audit of the District's 2013-2014 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.

- Auditor's Opinion – The auditors have issued an unmodified opinion for the financial audit as of June 30, 2014 and 2013.
- Audit Findings – There were no findings or questioned costs.
- Auditor's Required Communication - 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 Trustees regarding their responsibility under United States Generally Accepted Auditing Standards. Attached for your information is the required communication.
- Management Recommendation - A Management Recommendation Letter for fiscal year 2013-2014 is attached.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Bill Bogle, Controller

Attachments:

[12022014_2013-2014 Independent Audit Report, SAS Letter and Management Letter](#)



RIVERSIDE COMMUNITY
COLLEGE DISTRICT

ANNUAL FINANCIAL REPORT

JUNE 30, 2014 AND 2013

RIVERSIDE COMMUNITY COLLEGE DISTRICT

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Riverside Community College District
Riverside, California

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Riverside Community College District (the District) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the District as of June 30, 2014 and 2013, and the changes in net position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter - Change in Accounting Principles

As discussed in the Note 17 to the financial statements, the District has elected to change its method of accounting for cost of debt issuance as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the Management's Discussion and Analysis on pages 5 through 12 and the Schedule of Other Postemployment Benefits (OPEB) Funding Progress on page 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget (OMB) 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.

The accompanying supplementary information, including the Schedule of Expenditures of Federal Awards, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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.

Other Matters

Other Reporting Required by Government Auditing Standards

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. **ort dated November 24, 2014, on our tests of its compliance with matters. The purpose of that report 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 This information is intended solely for the use of the Governing Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.**

Vaurine, Time Day & Co., LLP.

Rancho Cucamonga, California
December 6, 2014, 2014



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, 2014. The report consists of three basic financial statements: the Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; 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, 2014. 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 Position 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 Position 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 Chancellor'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 2013-2014 fiscal year, total reported resident FTES were 26,400 as compared to 25,119 in the 2012-2013 fiscal year. Total unfunded credit FTES was 547 for fiscal year 2013-2014 and 0 for fiscal year 2012-2013.
- Several construction and modernization projects at the District's three colleges resulted in completed buildings, building improvements, and improvements to sites totaling \$26,004,576 in the 2013-2014 fiscal year. The projects, listed below, are primarily funded through the District's voter approved General Obligation Bond, Measure C, but also through State Construction Act funds in the case of the Moreno Valley College Student /Academic Services Building.

Science Laboratories Remodel Project – Moreno Valley
Student /Academic Services Building – Moreno Valley
Lovekin Parking/Tennis Project – Riverside

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2014 AND 2013

- Employee salaries increased by 6.13 percent or \$6.3 million from the 2012-2013 fiscal year and employee benefits increased by 0.05 percent or \$0.02 million. The increase in salaries is primarily due to a COLA increase of 1.57 percent for full-time and permanent part-time employees, scheduled salary step increases, employee reclassifications, and an increase in the number of positions after years of a District-wide hiring freeze, layoffs, and a supplementary retirement plan (SRP) offer enacted in fiscal year 2011-2012. The increase in benefit costs is primarily due to a decrease of 87.5 percent, or \$1.1 million, in the State Unemployment Insurance rate and in addition to an increase in health and welfare benefits and other fixed charges associated with the increased number of positions discussed above.
- During the 2013-2014 fiscal year, the District provided over \$71.2 million in financial aid to students attending classes at the three colleges. This aid was provided in the form of grants, scholarships, loans, and tuition reductions funded through the Federal government, State Chancellor's Office, and local funding as shown below.

Federal Pell Grants (PELL)	\$ 41,930,429
Federal Supplement Education Opportunity Grant (FSEOG)	924,263
Federal Direct Student Loans (Direct Loans)	3,983,762
Federal Work Study Program (FWS)	965,407
State of California Cal Grant B (CALG-B)	1,919,196
California Community College Board of Governor's Fee Wavier	21,456,127
Total Financial Aid Provided to Students	<u>\$ 71,179,184</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014 AND 2013

THE DISTRICT AS A WHOLE

Net Position

Table 1

(Amounts in thousands)

	2014	2013*	Change	2012*	Change
ASSETS					
Current Assets					
Cash and investments	\$ 82,318	\$ 96,506	\$ (14,188)	\$ 110,626	\$ (28,308)
Accounts receivable (net)	26,692	44,588	(17,896)	48,244	(21,552)
Other current assets	141	225	(84)	166	(25)
Total Current Assets	109,151	141,319	(32,168)	159,036	(49,885)
Capital assets (net)	382,755	369,636	13,119	352,225	30,530
Total Assets	491,906	510,955	(19,049)	511,261	(19,355)
DEFERRED OUTFLOWS OF RESERVES					
Deferred charge on refunding	8,122	1,687	6,435	2,028	6,094
Total Assets and Deferred Outflows	\$ 500,028	\$ 512,642	\$ (12,614)	\$ 513,289	\$ (13,261)
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities	\$ 25,346	\$ 43,548	\$ (18,202)	\$ 35,100	\$ (9,754)
Current portion of long-term obligations	7,217	5,592	1,625	8,592	(1,375)
Total Current Liabilities	32,563	49,140	(16,577)	43,692	(11,129)
Long-Term Obligations	254,667	251,067	3,600	252,873	1,794
Total Liabilities	287,230	300,207	(12,977)	296,565	(9,335)
NET POSITION					
Net investment in capital assets	188,515	187,109	1,406	194,627	(6,112)
Restricted	19,208	22,017	(2,809)	21,943	(2,735)
Unrestricted	5,075	3,309	1,766	154	4,921
Total Net Position	212,798	212,435	363	216,724	(3,926)
Total Liabilities and Net Position	\$ 500,028	\$ 512,642	\$ (12,614)	\$ 513,289	\$ (13,261)

* As restated.

The District's components of assets, liabilities, and net position are noted on page 14.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2014 AND 2013

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 Position on page 15.

Table 2

(Amounts in thousands)

	2014	2013	Change	2012	Change
Operating Revenues					
Tuition and fees (net)	\$ 16,537	\$ 15,255	\$ 1,282	\$ 13,820	\$ 2,717
Other operating revenues	23	-	23	3	20
Total Operating Revenues	16,560	15,255	1,305	13,823	2,737
Operating Expenses					
Salaries and benefits	140,732	134,462	6,270	137,923	2,809
Supplies and maintenance	33,420	33,531	(111)	41,668	(8,248)
Student financial aid	50,666	46,767	3,899	45,575	5,091
Depreciation	15,834	18,593	(2,759)	11,833	4,001
Total Operating Expenses	240,652	233,353	7,299	236,999	3,653
Loss on Operations	(224,092)	(218,098)	(5,994)	(223,176)	(916)
Nonoperating Revenues					
State apportionments	93,568	84,732	8,836	88,517	5,051
Property taxes	39,202	37,187	2,015	36,803	2,399
State revenues	8,581	8,905	(324)	7,946	635
Federal and State grants and contracts	75,433	69,029	6,404	67,186	8,247
Net investment income	335	949	(614)	1,331	(996)
Net interest expense	(9,590)	(13,636)	4,046	(15,265)	5,675
Other nonoperating revenues	13,052	17,499	(4,447)	9,042	4,010
Loss on disposal of assets	(2)	(584)	582	(10)	8
Total Nonoperating Revenue	220,579	204,081	16,498	195,550	25,029
Other Revenues					
State capital income	3,876	9,729	(5,853)	12,941	(9,065)
Net Increase (Decrease) in Net Position	\$ 363	\$ (4,288)	\$ 4,651	\$ (14,685)	\$ 15,048

The District's primary revenue sources are local property taxes, student enrollment fees, and State apportionment, which increased in fiscal year 2013-2014. Property taxes levied and received from property within the District's boundaries increased slightly during the year.

Grant and contract revenues relate primarily to student financial aid and to specific Federal and State grants received for programs serving the students and programs of the District. These grant and program revenues are restricted to allowable expenses related to the programs.

During 2013-2014, the District's interest income was \$0.3 million and interest expense was \$9.6 million. Interest income is primarily derived from cash held in the Riverside County Treasury. Interest income has decreased approximately \$0.6 million from the 2012-2013 fiscal year due to significantly lower interest rates and the State's apportionment deferral strategy passed along to community colleges. A decrease of \$4.0 million in interest expense for the year is the result of lower General Obligation Bond principal and slightly lower interest rates on that principal.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014 AND 2013**

In accordance with requirements set forth by the California Community Colleges Chancellor's Office, the District reports operating expenses by object code. Operating expenses by functional classification are as follows:

Table 3

Year ended June 30, 2014:

(Amounts in thousands)

	Salaries and Employee Benefits	Supplies, Materials, and Other Operating Expenses and Services	Student Financial Aid	Depreciation	Total
Instructional activities	\$ 67,128	\$ 2,405	\$ -	\$ -	\$ 69,533
Academic support	35,438	9,472	-	-	44,910
Student services	17,790	1,773	-	-	19,563
Plant operations and maintenance	6,458	3,020	-	-	9,478
Instructional support services	5,156	677	-	-	5,833
Community services and economic development	1,247	249	-	-	1,496
Ancillary services and auxiliary operations	7,057	1,867	-	-	8,924
Student aid	-	-	50,666	-	50,666
Physical property and related acquisitions	458	13,957	-	-	14,415
Unallocated depreciation	-	-	-	15,834	15,834
Total	<u>\$ 140,732</u>	<u>\$ 33,420</u>	<u>\$ 50,666</u>	<u>\$ 15,834</u>	<u>\$ 240,652</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2014 AND 2013

Year ended June 30, 2013:

(Amounts in thousands)

	Salaries and Employee Benefits	Supplies, Materials, and Other Operating Expenses and Services	Student Financial Aid	Depreciation	Total
Instructional activities	\$ 64,743	\$ 3,473	\$ -	\$ -	\$ 68,216
Academic support	33,066	16,738	-	-	49,804
Student services	17,097	3,324	-	-	20,421
Plant operations and maintenance	6,594	5,764	-	-	12,358
Instructional support services	5,069	756	-	-	5,825
Community services and economic development	1,177	461	-	-	1,638
Ancillary services and auxiliary operations	6,140	2,999	-	-	9,139
Student aid	-	-	46,767	-	46,767
Physical property and related acquisitions	576	16	-	-	592
Unallocated depreciation	-	-	-	18,593	18,593
Total	<u>\$ 134,462</u>	<u>\$ 33,531</u>	<u>\$ 46,767</u>	<u>\$ 18,593</u>	<u>\$ 233,353</u>

Changes in Cash Position

Table 4

(Amounts in thousands)

	2014	2013	Change	2012	Change
Cash Provided by (Used in)					
Operating activities	\$ (225,846)	\$ (191,018)	\$ (34,828)	\$ (211,183)	\$ (14,663)
Noncapital financing activities	234,881	207,545	27,336	201,311	33,570
Capital financing activities	(23,539)	(31,613)	8,074	(42,709)	19,170
Investing activities	316	966	(650)	1,431	(1,115)
Net Increase (Decrease) in Cash	(14,188)	(14,120)	(68)	(51,150)	36,962
Cash, Beginning of Year	96,506	110,626	(14,120)	161,776	(65,270)
Cash, End of Year	<u>\$ 82,318</u>	<u>\$ 96,506</u>	<u>\$ (14,188)</u>	<u>\$ 110,626</u>	<u>\$ (28,308)</u>

The Statement of Cash Flows on pages 16 and 17 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.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2014 AND 2013

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2014, the District had \$504.4 million in a broad range of capital assets, including land, buildings, and furniture and equipment. At June 30, 2014, the District's net capital assets were \$382.8 million. Major capital improvement projects are ongoing throughout the District. These projects are primarily funded through State Construction Act revenues and District General Obligation Bonds. Projects are accounted for within the 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	\$ 66,591	\$ 25,210	\$ (25,396)	\$ 66,405
Buildings and land improvements	372,437	26,005	-	398,442
Equipment and vehicles	36,398	3,136	(8)	39,526
Subtotal	475,426	54,351	(25,404)	504,373
Accumulated depreciation	(105,790)	(15,835)	7	(121,618)
	<u>\$ 369,636</u>	<u>\$ 38,516</u>	<u>\$ (25,397)</u>	<u>\$ 382,755</u>

We present more detailed information about our capital assets in Note 5 to the financial statements.

Obligations

At the end of the 2013-2014 fiscal year, the District had \$248.6 million in General Obligation Bonds outstanding. These bonds are repaid in annual installments, in accordance with the obligation requirements, by way of property tax assessments on property within the Riverside Community College District's boundaries.

The District is also obligated to employees of the District for vacation, load banking benefits, and retirement payments.

Lease purchase agreements for equipment have been entered into to finance certain capital assets.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2014 AND 2013

Table 6

(Amounts in thousands)

	Balance Beginning of Year, as Restated	Additions	Deletions	Balance End of Year
General obligation bonds	\$ 243,735	\$ 79,257	\$ (74,351)	\$ 248,641
Other liabilities	12,924	3,149	(2,830)	13,243
Total Long-Term Obligations	<u>\$ 256,659</u>	<u>\$ 82,406</u>	<u>\$ (77,181)</u>	<u>\$ 261,884</u>
Amount due within one year				<u>\$ 7,217</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 2013-2014 fiscal year on June 17, 2014.

The District's final revised budget for the unrestricted General Fund anticipated that expenditures would exceed revenues by \$5.1 million. The actual results for the year showed revenues exceeded expenditures by \$.8 million.

ECONOMIC FACTORS AFFECTING THE FUTURE OF THE RIVERSIDE COMMUNITY COLLEGE DISTRICT

The financial position of the District is closely tied to the economic position of the State of California since the District's largest source of general unrestricted revenue is State apportionment at 65.67 percent. The District reported an increase of 1,281 FTES during fiscal year 2013-2014 which resulted from an increase of course offerings. The District's fiscal year 2014-2015 adopted budget anticipates revenue increases of \$8.24 million, expenditure increases of \$5.96 million, and a Board-approved contingency reduction from 5 percent to 4.28 percent in recognition of an anticipated budget shortfall of \$1.16 million. The District continues to manage enrollment and operating costs to ensure ongoing financial stability and to achieve reserve levels required by Board policy and the State Chancellor'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 1533 Spruce Street, Riverside, California 92507.

BASIC FINANCIAL STATEMENTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT

STATEMENTS OF NET POSITION - PRIMARY GOVERNMENT JUNE 30, 2014 AND 2013

	2014	2013
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,253,867	\$ 872,926
Investments - unrestricted	10,842,443	12,424,343
Investments - restricted	69,221,484	83,208,895
Accounts receivable	26,137,226	44,143,201
Student accounts receivable, net	555,101	445,158
Due from fiduciary funds	24,608	94,410
Prepaid expenses	87,980	102,801
Inventories	28,744	27,367
Total Current Assets	109,151,453	141,319,101
Noncurrent Assets		
Nondepreciable capital assets	66,405,254	66,590,738
Depreciable capital assets, net of depreciation	316,349,664	303,045,236
Total Noncurrent Assets	382,754,918	369,635,974
TOTAL ASSETS	491,906,371	510,955,075
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charge on refunding	8,121,806	1,686,893
	8,121,806	1,686,893
LIABILITIES		
Current Liabilities		
Accounts payable	8,859,037	10,270,030
Short-term borrowing	4,970,000	19,805,000
Accrued interest payable	3,927,372	5,412,174
Due to fiduciary funds	77,352	57,584
Unearned revenue	5,012,147	4,802,660
Claims liability	2,500,000	3,200,000
Compensated absences payable - current portion	1,246,628	1,299,513
Bonds payable - current portion	4,635,000	2,960,000
Lease obligations - current portion	50,755	47,578
Other long-term obligations - current portion	1,284,856	1,284,856
Total Current Liabilities	32,563,147	49,139,395
Noncurrent Liabilities		
Compensated absences payable - noncurrent portion	1,203,543	1,249,300
Bonds payable - noncurrent portion	230,468,164	231,327,828
Bond premium	13,537,657	9,447,467
Lease obligations - noncurrent portion	67,792	118,548
Other long-term obligations - noncurrent portion	9,389,795	8,924,218
Total Noncurrent Liabilities	254,666,951	251,067,361
TOTAL LIABILITIES	287,230,098	300,206,756
NET POSITION		
Net investment in capital assets	188,515,239	187,108,729
Restricted for:		
Debt service	7,639,470	5,811,860
Capital projects	980,406	6,716,128
Educational programs	10,588,312	9,489,127
Unrestricted	5,074,652	3,309,368
TOTAL NET POSITION	\$ 212,798,079	\$ 212,435,212

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - PRIMARY GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014	2013
OPERATING REVENUES		
Student Tuition and Fees	\$ 37,992,745	\$ 34,447,543
Less: Scholarship discount and allowance	(21,456,127)	(19,192,627)
Net tuition and fees	16,536,618	15,254,916
Other Operating Revenues	23,090	296
TOTAL OPERATING REVENUES	16,559,708	15,255,212
OPERATING EXPENSES		
Salaries	108,269,614	102,014,682
Employee benefits	32,462,402	32,447,122
Supplies, materials, and other operating expenses and services	30,019,823	32,151,415
Student financial aid	50,666,043	46,767,408
Equipment, maintenance, and repairs	3,399,899	1,380,028
Depreciation	15,834,281	18,592,580
TOTAL OPERATING EXPENSES	240,652,062	233,353,235
OPERATING LOSS	(224,092,354)	(218,098,023)
NONOPERATING REVENUES (EXPENSES)		
State apportionments, noncapital	93,567,956	84,731,624
Federal grants	61,721,576	58,614,887
State grants	13,710,929	10,414,479
Local property taxes levied for general purposes	25,395,020	24,675,519
Local property taxes levied for capital debt	13,806,538	12,511,382
State taxes and other revenues	8,580,722	8,905,275
Investment income	314,781	923,765
Interest expense on capital related debt	(9,590,099)	(13,636,466)
Investment income on capital related debt, net	20,585	25,705
Loss on disposal of capital assets	(1,539)	(584,330)
Other nonoperating revenue	13,052,773	17,499,146
TOTAL NONOPERATING REVENUES (EXPENSES)	220,579,242	204,080,986
LOSS BEFORE OTHER REVENUES	(3,513,112)	(14,017,037)
OTHER REVENUES		
State revenues, capital	3,875,979	9,728,785
CHANGE IN NET POSITION	362,867	(4,288,252)
NET POSITION, BEGINNING OF YEAR	212,435,212	218,945,064
PRIOR PERIOD RESTATEMENT (see Note 17)	-	(2,221,600)
NET POSITION, END OF YEAR	\$ 212,798,079	\$ 212,435,212

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF CASH FLOWS - PRIMARY GOVERNMENT
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$ 16,058,036	\$ 15,076,347
Short-term borrowings	(14,835,000)	10,845,000
Payments to vendors for supplies and services	(36,183,656)	(36,093,864)
Payments to or on behalf of employees	(140,241,903)	(134,078,075)
Payments to students for Federal direct student aid	(47,704,086)	(44,272,080)
Payments to students for State direct student aid	(2,387,034)	(1,919,196)
Payments to students for Local direct student aid	(574,923)	(576,132)
Other operating receipts	23,090	296
Net Cash Flows From Operating Activities	(225,845,476)	(191,017,704)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State apportionments	105,614,965	88,194,864
Federal grants and contracts	61,698,978	60,563,696
State grants and contracts	13,066,274	10,826,447
Property taxes - non-debt related	25,527,418	24,735,651
State taxes and other apportionments	15,411,645	2,387,405
Other nonoperating	13,561,596	20,836,563
Net Cash Flows From Noncapital Financing Activities	234,880,876	207,544,626
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Purchase of capital assets	(30,075,469)	(38,584,131)
Proceeds from sale of general obligation bonds	77,966,704	-
Proceeds from issuance of capital leases	-	68,256
State revenue, capital projects	3,875,979	9,728,785
Property taxes - related to capital debt	13,806,538	12,511,382
Principal paid on capital debt	(74,399,093)	(3,466,152)
Interest paid on capital debt	(9,590,099)	(13,636,466)
Interest received on capital related debt	20,585	25,705
Accreted interest on general obligation bonds	1,290,336	1,398,632
Deferred charges on refunding	(6,434,913)	341,006
Net Cash Flows From Capital Financing Activities	(23,539,432)	(31,612,983)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received from investments	315,662	965,930
NET CHANGE IN CASH AND CASH EQUIVALENTS	(14,188,370)	(14,120,131)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	96,506,164	110,626,295
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 82,317,794	\$ 96,506,164

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF CASH FLOWS - PRIMARY GOVERNMENT, Continued
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014	2013
RECONCILIATION OF NET OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Loss	<u>\$ (224,092,354)</u>	<u>\$ (218,098,023)</u>
Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities:		
Depreciation	15,834,281	18,592,580
Changes in Operating Assets and Liabilities:		
Student receivables, net	(109,943)	(114,072)
Inventories	(1,375)	2,424
Prepaid expenses	14,821	4,760
Accounts payable and other accrued liabilities	(3,729,249)	(2,275,028)
Unearned revenue	706,408	(309,168)
Compensated absences	(148,474)	(44,424)
Supplementary Retirement Plan (SRP)	(1,284,857)	(1,284,856)
Other postemployment benefits (OPEB)	1,800,266	1,663,103
Short-term borrowings	(14,835,000)	10,845,000
Total Adjustments	<u>(1,753,122)</u>	<u>27,080,319</u>
Net Cash Flows From Operating Activities	<u><u>\$ (225,845,476)</u></u>	<u><u>\$ (191,017,704)</u></u>
 CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING:		
Cash in banks	\$ 2,253,867	\$ 872,926
Unrestricted cash in county treasury	10,842,443	12,424,343
Restricted cash in county treasury	69,221,484	83,208,895
Total Cash and Cash Equivalents	<u><u>\$ 82,317,794</u></u>	<u><u>\$ 96,506,164</u></u>
 NON CASH TRANSACTIONS		
On behalf payments for benefits	\$ 3,355,343	\$ 3,301,204
Loss on disposal of capital assets	1,539	584,330
	<u><u>\$ 3,356,882</u></u>	<u><u>\$ 3,885,534</u></u>

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF FIDUCIARY NET POSITION
 JUNE 30, 2014 AND 2013**

	2014	2013
	Trust	Trust
ASSETS		
Cash and cash equivalents	\$ 2,002,580	\$ 2,041,953
Accounts receivable, net	869	13,137
Due from primary government	77,352	57,584
Total Assets	2,080,801	2,112,674
LIABILITIES		
Accounts payable	52,573	97,560
Due to primary government	24,608	94,410
Due to student groups	996,228	1,114,982
Total Liabilities	1,073,409	1,306,952
NET POSITION		
Unreserved	1,007,392	805,722
Total Net Position	\$ 1,007,392	\$ 805,722

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
 FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014	2013
	Trust	Trust
ADDITIONS		
Local revenues	\$ 947,187	\$ 594,712
DEDUCTIONS		
Books and supplies	494,197	388,447
Services and operating expenditures	251,320	335,812
Capital outlay	-	3,991
Total Deductions	745,517	728,250
OTHER FINANCING SOURCES		
Other sources	-	90,646
Change in Net Position	201,670	(42,892)
Net Position - Beginning	805,722	848,614
Net Position - Ending	\$ 1,007,392	\$ 805,722

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

NOTE 1 - ORGANIZATION

The Riverside Community College District (the District) was established in 1916 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering 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 colleges 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. 61.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The District has adopted GASB Statement No. 61, *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 basic criteria for including a component unit are (1) the economic resources held or received by the other entity are entirely or almost entirely for the direct benefit of the District, (2) the District is entitled to, or has the ability to otherwise access, a majority of the economic resources held or received by the other entity, and (3) the other entity's resources to which the District is entitled or has the ability to otherwise access are significant to the District. If any of these criteria are not met, the final criterion for including a component unit is whether the other entity is closely related to, or financially integrated with, the District. 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 unit:

- **Riverside Community College District Development Corporation**

The Riverside Community College District Development Corporation (the Corporation) is a legally separate organization and a 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. Condensed component unit information for the Corporation, the District's blended component unit, for the year ended June 30, 2014, is as follows:

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014 AND 2013**

Condensed Statement of Net Position

ASSETS	
Cash and cash equivalents	\$ 16,228
	<u>16,228</u>
NET POSITION	
Restricted for:	
Capital projects	\$ 16,228
	<u>16,228</u>

Condensed Statement of Revenues, Expenses, and Changes in Net Position

NONOPERATING REVENUES	
Investment income	\$ 8
	<u>8</u>
CHANGE IN NET POSITION	8
NET POSITION, BEGINNING OF YEAR	16,220
NET POSITION, END OF YEAR	<u>\$ 16,228</u>

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. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. 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. For the District, operating revenues consist primarily of student fees and auxiliary activities through the bookstore and cafeteria.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include State apportionments, property taxes, certain Federal and State grants, entitlements, and donations. Property tax revenue is recognized in the fiscal year received. State apportionment revenue is earned based upon criteria set forth from the Community Colleges Chancellor's Office and includes reporting of full-time equivalent students (FTES) attendance. The corresponding apportionment revenue is recognized in the period the FTES are generated. Revenue from Federal and State grants and entitlements are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements may include time and/or purpose requirements.

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.

The District reports are based on all applicable GASB pronouncements, as well as applicable Financial Accounting Standards Board (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.

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:
 - Statements of Net Position - Primary Government
 - Statements of Revenues, Expenses, and Changes in Net Position - Primary Government
 - Statements of Cash Flows - Primary Government
 - Financial Statements for the Fiduciary Funds including:
 - Statements of Fiduciary Net Position
 - Statements of Changes in Fiduciary Net Position
- 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 represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments held at June 30, 2014 and 2013, are stated at fair value. Fair value is estimated based on quoted market prices at year-end. Short-term investments have an original maturity date greater than three months, but less than one year at time of purchase. Long-term investments have an original maturity of greater than one year at the time of purchase.

Restricted Assets

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. Restricted assets are classified on the Statement of Net Position because their use is limited by enabling legislation, applicable bond covenants, and other laws of other governments. Also, resources have been set aside to satisfy certain requirements of the bonded debt issuance and to fund certain capital asset projects.

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 \$138,775 and \$111,289 for the years ended June 30, 2014 and 2013, respectively.

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 and an estimated useful life greater than one year. 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 routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction in progress as the projects are constructed.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Depreciation of capital assets is computed and recorded utilizing 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.

Debt Issuance Costs, Premiums, and Discounts

Debt premiums and discounts, as well as issuance costs related to prepaid insurance costs, are amortized over the life of the bonds using the straight-line method.

Deferred Charge on Refunding

Deferred charge on refunding is amortized using the straight line method over the remaining life of the new debt.

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.

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, retirement 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. Retirement credit for unused sick leave is available to all full-time employees based on the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement Systems (CalPERS) criteria.

Unearned Revenue

Unearned 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 unearned revenue is removed from the combined balance sheet and revenue is recognized. Unearned revenue includes (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 unearned revenue.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Noncurrent Liabilities

Noncurrent liabilities include bonds and notes payable, compensated absences, claims payable, capital lease obligations, and OPEB obligations with maturities greater than one year.

Net Position

GASB Statements No. 34 and No. 35 report equity as "Net Position" and represent the difference between assets and liabilities. The net position is classified according to imposed restrictions or availability of assets for satisfaction of District obligations according to the following net asset categories:

Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. To the extent debt has been incurred, but not yet expended for capital assets, such accounts are not included as a component of net investment in capital assets.

Restricted: Net position is reported as restricted when there are limitations imposed on their use, either through enabling legislation adopted by the District, or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Unrestricted: Net position that is not subject to externally imposed constraints. Unrestricted net position 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 position is 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 \$19,208,188 of restricted net position.

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.

Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County of Riverside 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

The voters of the District passed a General Obligation Bond in 2004 for the acquisition, construction, and remodeling of certain District property. 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 assessed, billed, and collected as noted above and remitted to the District when collected.

Board of Governors Grants (BOGG) and Fee Waivers

Student tuition and fee revenue is reported net of allowances and fee waivers approved by the Board of Governors through BOGG fee waivers in the Statement of Revenues, Expenses, and Changes in Net Position. 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 have been used to satisfy tuition and fee charges, the District has recorded a scholarship discount and allowance.

Federal Financial Assistance Programs

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study 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. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. 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*.

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 CalSTRS 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.

Interfund Activity

Interfund transfers and interfund receivables and payables are eliminated within the primary government funds during the consolidation process in the entity-wide financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Change in Accounting Principles

In March 2012, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined the elements included in financial statements, including deferred outflows of resources and deferred inflows of resources. In addition, Concepts Statement 4 provides that reporting a deferred outflow of resources or a deferred inflow of resources should be limited to those instances identified by the Board in authoritative pronouncements that are established after applicable due process. Prior to the issuance of this Statement, only two such pronouncements have been issued. Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, requires the reporting of a deferred outflow of resources or a deferred inflow of resources for the changes in fair value of hedging derivative instruments, and Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, requires a deferred inflow of resources to be reported by a transferor government in a qualifying service concession arrangement. This Statement amends the financial statement element classification of certain items previously reported as assets and liabilities to be consistent with the definitions in Concepts Statement 4. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

The District has implemented the provisions of this Statement for the year ended June 30, 2014.

As the result of implementing GASB Statement No. 65, the District has restated the beginning net position in the government-wide Statement of Net Position, effectively decreasing net position as of July 1, 2012, by \$2,221,600. The decrease results from no longer deferring and amortizing bond issuance costs.

New Accounting Pronouncements

In June 2012, the GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by State and local governments for pensions. It also improves information provided by State and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not covered by the scope of this Statement.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

The scope of this Statement addresses accounting and financial reporting for pensions that are provided to the employees of State and local governmental employers through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and non-employer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, non-employer contributing entities, and the pension plan administrator. If the plan is a defined benefit pension plan, plan assets also are legally protected from creditors of the plan members.

This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

Note disclosure and required supplementary information requirements about pensions also are addressed. Distinctions are made regarding the particular requirements for employers based on the number of employers whose employees are provided with pensions through the pension plan and whether pension obligations and pension plan assets are shared. Employers are classified in one of the following categories for purposes of this Statement:

- Single employers are those whose employees are provided with defined benefit pensions through single-employer pension plans—pension plans in which pensions are provided to the employees of only one employer (as defined in this Statement).
- Agent employers are those whose employees are provided with defined benefit pensions through agent multiple-employer pension plans—pension plans in which plan assets are pooled for investment purposes, but separate accounts are maintained for each individual employer so that each employer's share of the pooled assets is legally available to pay the benefits of only its employees.
- Cost-sharing employers are those whose employees are provided with defined benefit pensions through cost-sharing multiple-employer pension plans—pension plans in which the pension obligations to the employees of more than one employer are pooled and plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.

In addition, this Statement details the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit pension plan and for employers whose employees are provided with defined contribution pensions. This Statement also addresses circumstances in which a non-employer entity has a legal requirement to make contributions directly to a pension plan.

This Statement is effective for fiscal years beginning after June 15, 2014. Early implementation is encouraged.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

In November 2013, the GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a State or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement No. 68 requires a State or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a State or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement No. 68 requires that the government recognize its contribution as a deferred outflow of resources. In addition, Statement No. 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a State or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement No. 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of *all* deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement No. 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported.

Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement No. 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

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 (ECS) 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, 2014 AND 2013

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

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

Summary of Deposits and Investments

Deposits and investments as of June 30, 2014, consist of the following:

	<u>Primary Government</u>
Cash on hand and in banks	\$ 2,203,867
Cash in revolving	50,000
Investments	<u>80,063,927</u>
Total Deposits and Investments	<u><u>\$ 82,317,794</u></u>
	<u>Fiduciary Funds</u>
Cash on hand and in banks	<u><u>\$ 2,002,580</u></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 does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Riverside County Investment Pool.

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>
Riverside County Investment Pool	<u><u>\$ 80,021,494</u></u>	1.37*

*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 investment in the County pool is not required to be rated. The District's investments in the Riverside County Investment Pool are rated AAA/V1 by Fitch Ratings Ltd. as of June 30, 2014.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

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. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2014, the District and fiduciary funds had bank balances of \$1,690,442 and \$2,106,471, respectively, totaling \$3,796,913 of which \$2,792,095 was exposed to custodial credit risk because it was uninsured and collateralized at 110 percent of balance over \$250,000 with securities held by the pledging financial institution's trust department or agent, but not in the name of the District.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the District for the fiscal year ended June 30, 2014, 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	34,088,041	25,210,322	25,395,806	33,902,557
Total Capital Assets Not Being Depreciated	<u>66,590,738</u>	<u>25,210,322</u>	<u>25,395,806</u>	<u>66,405,254</u>
Capital Assets Being Depreciated				
Land improvements	12,656,518	57,249	-	12,713,767
Buildings and improvements	359,780,506	25,947,327	-	385,727,833
Furniture and equipment	36,398,279	3,135,672	8,211	39,525,740
Total Capital Assets Being Depreciated	<u>408,835,303</u>	<u>29,140,248</u>	<u>8,211</u>	<u>437,967,340</u>
Total Capital Assets	<u>475,426,041</u>	<u>54,350,570</u>	<u>25,404,017</u>	<u>504,372,594</u>
Less Accumulated Depreciation				
Land improvements	7,923,682	802,427	-	8,726,109
Buildings and improvements	67,261,660	12,005,383	-	79,267,043
Furniture and equipment	30,604,725	3,026,471	6,672	33,624,524
Total Accumulated Depreciation	<u>105,790,067</u>	<u>15,834,281</u>	<u>6,672</u>	<u>121,617,676</u>
Net Capital Assets	<u>\$ 369,635,974</u>	<u>\$ 38,516,289</u>	<u>\$ 25,397,345</u>	<u>\$ 382,754,918</u>

Depreciation expense for the year was \$15,834,281.

Interest expense on capital related debt for the year ended June 30, 2014, was \$13,122,608. Of this amount, \$3,532,509 was capitalized.

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 several 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, 2014, the District has not recorded a value for the collection in the financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Capital asset activity for the District for the fiscal year ended June 30, 2013, was as follows:

	Beginning of Year as Restated	Additions	Deductions	Balance Beginning of Year
Capital Assets Not Being Depreciated				
Land	\$ 32,502,697	\$ -	\$ -	\$ 32,502,697
Construction in progress	26,923,873	32,725,936	25,561,768	34,088,041
Total Capital Assets Not Being Depreciated	<u>59,426,570</u>	<u>32,725,936</u>	<u>25,561,768</u>	<u>66,590,738</u>
Capital Assets Being Depreciated				
Land improvements	12,419,190	237,328	-	12,656,518
Buildings and improvements	334,894,638	27,239,207	2,353,339	359,780,506
Furniture and equipment	34,808,902	1,947,924	358,547	36,398,279
Total Capital Assets Being Depreciated	<u>382,122,730</u>	<u>29,424,459</u>	<u>2,711,886</u>	<u>408,835,303</u>
Total Capital Assets	<u>441,549,300</u>	<u>62,150,395</u>	<u>28,273,654</u>	<u>475,426,041</u>
Less Accumulated Depreciation				
Land improvements	6,270,961	1,652,721	-	7,923,682
Buildings and improvements	55,259,053	13,885,278	1,882,671	67,261,660
Furniture and equipment	27,795,029	3,054,581	244,885	30,604,725
Total Accumulated Depreciation	<u>89,325,043</u>	<u>18,592,580</u>	<u>2,127,556</u>	<u>105,790,067</u>
Net Capital Assets	<u>\$ 352,224,257</u>	<u>\$ 43,557,815</u>	<u>\$ 26,146,098</u>	<u>\$ 369,635,974</u>

Depreciation expense for the year was \$18,592,580.

Interest expense on capital related debt for the year ended June 30, 2013, was \$13,784,557. Of this amount, \$1,375,826 was capitalized.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable for the District consisted of the following:

	Primary Government	
	2014	2013
Accrued payroll and benefits	\$ 927,158	\$ 803,980
Apportionment	2,740,824	1,466,897
Student financial aid grants	335,444	1,636,868
State categorical programs	95,556	99,031
Construction payables	2,521,633	3,642,338
Vendor payables	2,238,422	2,620,916
Total	<u>\$ 8,859,037</u>	<u>\$ 10,270,030</u>
	Fiduciary Funds	
	2014	2013
Vendor payables	<u>\$ 52,573</u>	<u>\$ 97,560</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 7 - UNEARNED REVENUE

Unearned revenue consisted of the following:

	Primary Government	
	2014	2013
Federal financial assistance	\$ 148,797	\$ 1,063
State categorical aid	1,248,167	1,548,578
Other State aid	863,656	262,516
Enrollment fees	1,329,140	1,741,830
Theater subscriptions	75,573	27,076
Health and liability self-insurance	1,115,953	1,050,581
Summer community education fees	13,465	17,911
Other local	217,396	153,105
Total	\$ 5,012,147	\$ 4,802,660

NOTE 8 - TAX AND REVENUE ANTICIPATION NOTES

At June 30, 2013, the District had outstanding Tax and Revenue Anticipation Notes in the amount of \$19,805,000 bearing interest of two percent. The notes were sold to supplement cash flow. Repayment requires that a percentage of principal and interest be deposited with the fiscal agent in July 2013 until 100 percent of the total principal and interest is due at maturity on October 31, 2013. The total outstanding Tax and Revenue Anticipation Notes of \$19,805,000 was paid in full to the fiscal agent on July 31, 2013.

At June 30, 2014, the District had outstanding Tax and Revenue Anticipation Notes in the amount of \$4,970,000 bearing interest of two percent. The notes were sold to supplement cash flow. Repayment requires that a percentage of principal and interest be deposited with the fiscal agent in July 2014 until 100 percent of the total principal and interest is due at maturity on October 1, 2014. The total outstanding Tax and Revenue Anticipation Notes of \$4,970,000 was paid in full to the fiscal agent on July 31, 2014. As of June 30, 2014, the Tax and Revenue Anticipation Notes of \$4,970,000, and the related accrued interest and cash held in trust, are included in these financial statements.

	Outstanding Beginning of Year	Additions	Deletions	Outstanding End of Year
2012-2013 2.00% TRANS, Series T	\$ 19,805,000	\$ -	\$ 19,805,000	\$ -
2013-2014 2.00% TRANS, Series A	-	4,970,000	-	4,970,000
Total	\$ 19,805,000	\$ 4,970,000	\$ 19,805,000	\$ 4,970,000

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

NOTE 9 - INTERFUND TRANSACTIONS

Interfund Receivables and Payables (Due To/Due From)

Interfund receivable and payable balances arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. Interfund activity within the governmental funds and fiduciary funds has been eliminated respectively in the consolidation process of the basic financial statements. Balances owing between the primary government and the fiduciary funds are not eliminated in the consolidation process. As of June 30, 2014, the amounts owed between the primary government and the fiduciary funds were \$24,608 and \$77,352, respectively.

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 within the funds of the District have been eliminated in the consolidation process. Transfers between the primary government and the fiduciary funds are not eliminated in the consolidation process. During the 2014 fiscal year, there were no transfers made between the primary government and the fiduciary funds.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 10 - LONG-TERM OBLIGATIONS

Long-Term Obligations Summary

The changes in the District's long-term obligations during the 2014 fiscal year consisted of the following:

	Balance Beginning of Year as Restated	Additions	Deductions	Balance End of Year	Due in One Year
Bonds Payable					
General obligation bonds, Series A	\$ 2,355,000	\$ -	\$ 1,355,000	\$ 1,000,000	\$ 1,000,000
General obligation bonds, Refunding Bond 2005	52,140,578	633,427	48,130,000	4,644,005	2,315,000
Unamortized debt premium	6,111,264	-	552,278	5,558,986	-
General obligation bonds, Series 2007 C	68,510,000	-	24,080,000	44,430,000	-
Unamortized debt premium	1,760,604	-	176,060	1,584,544	-
General obligation bonds, Series 2010 D/D-1	111,282,250	656,909	-	111,939,159	-
Unamortized debt premium	1,575,599	-	58,176	1,517,423	-
General obligation bonds, Refunding Bonds 2014, Series A and B	-	73,090,000	-	73,090,000	1,320,000
Unamortized debt premium	-	4,876,704	-	4,876,704	-
Total Bonds Payable	243,735,295	79,257,040	74,351,514	248,640,821	4,635,000
Other Liabilities					
Compensated absences	2,548,813	-	98,642	2,450,171	1,246,628
Capital leases	166,126	-	47,579	118,547	50,755
Supplementary Retirement Plan (SRP)	3,415,773	-	1,284,857	2,130,916	1,284,856
Load banking	748,669	189,040	238,872	698,837	-
Other postemployment benefits (OPEB)	6,044,632	2,960,168	1,159,902	7,844,898	-
Total Other Liabilities	12,924,013	3,149,208	2,829,852	13,243,369	2,582,239
Total Long-Term Obligations	\$ 256,659,308	\$ 82,406,248	\$ 77,181,366	\$ 261,884,190	\$ 7,217,239

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

The changes in the District's long-term obligations during the 2013 fiscal year consisted of the following:

	Balance Beginning of Year	*GASB Statement No. 65 Restatement	Additions	Deductions	Balance End of Year As Restated	Due in One Year
Bonds Payable						
General obligation bonds, Series A	\$ 2,975,000	\$ -	\$ -	\$ 620,000	\$ 2,355,000	\$ 795,000
General obligation bonds, Refunding Bond 2005	53,362,166	-	793,412	2,015,000	52,140,578	2,165,000
Unamortized debt premium	4,054,425	2,609,117	-	552,278	6,111,264	-
General obligation bonds, Series 2007 C	68,510,000	-	-	-	68,510,000	-
Unamortized debt premium	1,936,666	-	-	176,062	1,760,604	-
General obligation bonds, Series 2010 D/D-1	110,677,030	-	605,220	-	111,282,250	-
Unamortized debt premium	1,633,775	-	-	58,176	1,575,599	-
Total Bonds Payable	243,149,062	2,609,117	1,398,632	3,421,516	243,735,295	2,960,000
Other Liabilities						
Compensated absences	2,589,152	-	-	40,339	2,548,813	1,299,513
Capital leases	142,506	-	68,256	44,636	166,126	47,578
Supplementary Retirement Plan (SRP)	4,700,629	-	223,833	1,508,689	3,415,773	1,284,856
Load banking	752,754	-	241,854	245,939	748,669	-
Other postemployment benefits (OPEB)	4,381,529	-	2,872,832	1,209,729	6,044,632	-
Total Other Liabilities	12,566,570	-	3,406,775	3,049,332	12,924,013	2,631,947
Total Long-Term Obligations	\$ 255,715,632	\$ 2,609,117	\$ 4,805,407	\$ 6,470,848	\$ 256,659,308	\$ 5,591,947

*As restated, see Note 17 for more information.

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 General Fund. The compensated absences are paid by the fund for which the employees' salaries are paid from. The District's General Fund makes payments for the postemployment benefits, Supplemental Retirement Plan, 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, 2014, the principal outstanding was \$1,000,000.

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, 2014 AND 2013

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 have been paid in full.

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 in the amount of \$58,386,109 with interest rates ranging from 3.00 to 5.00 percent. The bonds issued included \$54,425,000 of current interest bonds and \$3,961,109 of capital appreciation bonds, with the value of the capital appreciation bonds maturing to a principal balance of \$10,555,000. The bonds mature through August 1, 2016. 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, 2014, the principal outstanding was \$4,644,005 and unamortized premium was \$5,558,986.

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.

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, 2014, the principal outstanding was \$44,430,000 and unamortized premium cost of \$1,584,544. Premium 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, 2014 AND 2013

2010 General Obligation Bonds

During December 2010, the District issued the 2010 General Obligation Bonds in the amount of \$109,999,278. The bonds mature beginning on August 1, 2015 through August 1, 2040, with interest yields ranging from 2.36 to 5.53 percent. The bonds issued included \$102,300,000 of current interest Build America Bonds (Series 2010D-1 Bonds) and \$7,699,278 of capital appreciation tax-exempt bonds (Series 2010D Bonds), with the value of the capital appreciation bonds maturing to a principal balance of \$15,920,000. At June 30, 2014, the principal balance outstanding was \$111,939,159 and unamortized premium cost of \$1,517,423. Premium costs are amortized over the life of the bonds as a component of interest expense on the bonds.

The District has designated the Series 2010D-1 Bonds as "Build America Bonds" for purposes of the American Recovery and Reinvestment Act of 2009 (the Stimulus Act), the interest on which is not excluded from gross income for Federal income tax purposes, but is exempt from State of California personal income taxes. The District expects to receive a cash subsidy from the United States Treasury equal to 35 percent of the interest payable on such Series 2010D-1 Bonds. The District is obligated to make all payments of principal and interest on the Series 2010D-1 Bonds from the sources described in the official statement whether or not it receives cash subsidy payments pursuant to the Stimulus Act.

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, 2015.

2014 General Obligation Refunding Bonds

During May 2014, the District issued the \$73,090,000 2014 General Obligation Refunding Bonds, Series A and Series B (federally taxable) in the amounts of \$29,130,000 and \$43,960,000, respectively. Amounts paid to the refunded bond escrow agent in excess of outstanding debt at the time of payment are recorded as deferred charges on refunding on the statement of net position and are amortized to interest expense over the life of the liability. The refunding resulted in an economic gain of \$4,105,270 based on the difference between the present value of the existing debt service requirements and the new debt service requirements discounted at 5.81 percent.

Series A tax-exempt bonds have a final maturity to occur on August 1, 2027, with interest rates from 2.00 to 5.00 percent. The net proceeds of \$34,006,704 (representing the principal amount of \$29,130,000 plus premium on issuance of \$4,876,704) from the issuance were used to advance refund a portion of the District's outstanding 2004 General Obligation Bonds, Series 2004A, advance refund a portion of the District's 2005 General Obligation Refunding Bonds, advance refund a portion of the 2004 General Obligation Bonds, Series 2007C, and pay the costs associated with the issuance of the refunding bonds. At June 30, 2014, the principal balance outstanding was \$29,130,000. Unamortized premium received on issuance of the bonds amounted to \$4,876,704 as of June 30, 2014.

Series B federally taxable bonds have a final maturity to occur on August 1, 2024, with interest rates from 0.40 to 3.61 percent. The proceeds of \$43,960,000 from issuance were used to advance refund a portion of the District's outstanding 2005 General Obligation Refunding Bonds, and pay the costs associated with the issuance of the federally taxable bonds. At June 30, 2014, the principle balance outstanding was \$43,960,000.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

The outstanding general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds		Accreted		Bonds Outstanding June 30, 2014
				Outstanding July 1, 2013	Issued	Interest Addition	Redeemed	
2004	2015	4.00%-5.25%	\$ 55,205,000	\$ 2,355,000	\$ -	\$ -	\$ 1,355,000	\$ 1,000,000
2005	2016	3.00%-5.00%	58,386,109	52,140,578	-	633,427	48,130,000	4,644,005
2007	2033	3.62%-4.47%	90,000,000	68,510,000	-	-	24,080,000	44,430,000
2010	2041	2.36%-5.53%	109,999,278	111,282,250	-	656,909	-	111,939,159
2014	2028	0.40%-5.00%	73,090,000	-	73,090,000	-	-	73,090,000
				<u>\$ 234,287,828</u>	<u>\$ 73,090,000</u>	<u>\$ 1,290,336</u>	<u>\$ 73,565,000</u>	<u>\$ 235,103,164</u>

The General Obligation Bonds, Series A mature through 2015 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2015	<u>\$ 1,000,000</u>	<u>\$ 20,000</u>	<u>\$ 1,020,000</u>

The General Obligation Bonds, 2005 Refunding Bonds mature through 2016 as follows:

Fiscal Year	Principal (Including accreted interest to date)	Accreted Interest	Total
2015	\$ 2,183,947	\$ 131,053	\$ 2,315,000
2016	2,460,058	469,942	2,930,000
Total	<u>\$ 4,644,005</u>	<u>\$ 600,995</u>	<u>\$ 5,245,000</u>

The General Obligation Bonds, Series 2007 C mature through 2033 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2015	\$ -	\$ 2,221,500	\$ 2,221,500
2016	-	2,221,500	2,221,500
2017	-	2,221,500	2,221,500
2018	-	2,221,500	2,221,500
2019	-	2,221,500	2,221,500
2020-2024	-	11,107,500	11,107,500
2025-2029	9,520,000	10,869,500	20,389,500
2030-2033	34,910,000	2,813,250	37,723,250
Total	<u>\$ 44,430,000</u>	<u>\$ 35,897,750</u>	<u>\$ 80,327,750</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

The General Obligation Bonds, Series 2010 D/D1 mature through 2041 as follows:

Fiscal Year	Principal (Including accreted interest to date)	Accreted Interest	Current Interest to Maturity	Total
2015	\$ -	\$ -	\$ 7,164,193	\$ 7,164,193
2016	314,854	60,146	7,322,979	7,697,979
2017	425,932	144,068	7,441,698	8,011,698
2018	508,762	256,238	7,579,817	8,344,817
2019	574,133	395,867	7,739,927	8,709,927
2020-2024	4,845,941	2,999,059	39,715,493	47,560,493
2025-2029	2,969,537	2,425,463	38,719,509	44,114,509
2030-2034	16,840,000	-	34,611,845	51,451,845
2035-2039	56,080,000	-	20,784,019	76,864,019
2040-2041	29,380,000	-	2,101,737	31,481,737
Total	<u>\$ 111,939,159</u>	<u>\$ 6,280,841</u>	<u>\$ 173,181,217</u>	<u>\$ 291,401,217</u>

The General Obligation Bonds, 2014 Refunding Bonds, Series A and B mature through 2028 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2015	\$ 1,320,000	\$ 1,722,425	\$ 3,042,425
2016	615,000	2,557,027	3,172,027
2017	3,780,000	2,533,067	6,313,067
2018	4,085,000	2,478,070	6,563,070
2019	4,400,000	2,396,286	6,796,286
2020-2024	28,385,000	9,689,788	38,074,788
2025-2028	30,505,000	3,087,784	33,592,784
Total	<u>\$ 73,090,000</u>	<u>\$ 24,464,447</u>	<u>\$ 97,554,447</u>

Capital Leases

The District has utilized capital leases purchase agreements to primarily purchase equipment. The current lease purchase agreement in the amount of \$118,547 will be paid through 2017.

The District's principal obligations on lease agreements with options to purchase are summarized below:

Year Ending June 30,	Lease Payment
2015	\$ 57,940
2016	54,612
2017	18,003
Total	130,555
Less: Amount Representing Interest	12,008
Present Value of Minimum Lease Payments	<u>\$ 118,547</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

The equipment purchased through capital lease arrangements has been capitalized and is being depreciated over the estimated useful lives.

Equipment	\$ 226,424
Less: Accumulated depreciation	(214,719)
Total	<u>\$ 11,705</u>

Amortization of the leased equipment under capital lease is included with depreciation expense.

Supplementary Retirement Plan

The District has adopted the Public Agency Retirement System (PARS) 403(b) Supplementary Retirement Plan (SRP), a retirement incentive program. As of June 30, 2014, the outstanding balance was \$2,130,916. See Note 14 for additional information regarding the SRP obligation.

<u>Fiscal Year</u>	<u>SRP Payment</u>
2015	\$ 1,284,856
2016	846,060
Total	<u>\$ 2,130,916</u>

Compensated Absences

Compensated absence obligations for the District at June 30, 2014, amounted to \$2,450,171 of which \$1,246,628 is considered current.

Other Postemployment Benefits Obligation

The District's annual required contribution for the year ended June 30, 2014, was \$3,041,672, and contributions made by the District during the year were \$1,159,902. Interest on the net OPEB obligation and adjustments to the annual required contribution were \$302,232 and \$(383,736), respectively, which resulted in an increase to the net OPEB obligation of \$1,800,266. As of June 30, 2014, the net OPEB obligation was \$7,844,898. See Note 11 for additional information regarding the OPEB obligation and the postemployment benefits plan.

Load Banking

The load banking obligation for the District at June 30, 2014, amounted to \$698,837.

NOTE 11 - POSTEMPLOYMENT HEALTH CARE PLAN AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) OBLIGATION

The District provides postemployment health care benefits for retired employees in accordance with approved Board policy.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

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 one dependent. Membership of the Plan consists of 79 retirees and beneficiaries currently receiving benefits and 905 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. For fiscal year 2013-2014, the District contributed \$1,159,902 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	\$ 3,041,672
Interest on net OPEB obligation	302,232
Adjustment to annual required contribution	(383,736)
Annual OPEB cost (expense)	<u>2,960,168</u>
Contributions made	<u>(1,159,902)</u>
Increase in net OPEB obligation	1,800,266
Net OPEB obligation, beginning of year	6,044,632
Net OPEB obligation, end of year	<u><u>\$ 7,844,898</u></u>

Trend Information

Trend information for the annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation is as follows:

Year Ended June 30,	Annual OPEB Cost	Actual Contribution	Percentage Contributed	Net OPEB Obligation
2012	\$ 2,242,316	\$ 1,199,115	53%	\$ 4,381,529
2013	2,872,832	1,209,729	42%	6,044,632
2014	2,960,168	1,159,902	39%	7,844,898

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014 AND 2013**

Funding Status and Funding Progress

The schedule of funding progress as of the most recent actuarial valuation is as follows:

Actuarial Accrued Liability (AAL)	\$ 24,161,707
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 24,161,707</u>
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0.00%
Covered Payroll	<u>N/A</u>
UAAL as Percentage of Covered Payroll	<u>N/A</u>

The above noted actuarial accrued liability was based on the July 1, 2013, actuarial valuation. 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 Other Postemployment Benefits 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.

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, 2013, actuarial valuation, the unit credit cost method was used. Under this method, there are no liabilities dependent on salary, therefore, no salary increase rate is assumed. The actuarial assumptions include healthcare cost trend rate of eight percent. The UAAL is being amortized at a level dollar method. The remaining amortization period at June 30, 2014, was 30 years. The actuarial value of assets was not determined in this actuarial valuation. As of June 30, 2014, 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 12 - 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 \$25,000,000 for liability and tort risks. This coverage is subject to a \$250,000 self-insured retention. The District carries replacement coverage on its buildings and furniture and equipment with limits of \$600,000,000 (total pool value) and exposures of \$332,514,000 with a \$100,000 self-insurance retention. A property and equipment audit performed by the Joint Powers Authority is used to identify the aforementioned exposures. However, claims against the property coverage would use current replacement value to respond to a covered event. 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.

Joint Powers Authority Risk Pools

During fiscal year ended June 30, 2014, the District contracted with the Southern California Schools Risk Management (SCSRM) 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. The District incurred a catastrophic property damage loss in August 2013 with an estimated exposure to SCSRM of \$2.5 million. The District was exposed to its \$100,000 self-insured retention and the retention was satisfied in November 2013.

Workers' Compensation

For fiscal year 2013-2014, 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 \$500,000 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>
Self-Insured Certificate #7582 (California)	Workers' Compensation	\$ 500,000
Schools Excess Liability Fund (SELF)	Excess Worker's Compensation	\$ 2,000,000
Southern California Schools Risk Management (SCSRM)	General Liability	\$ 500,000
Genesis Insurance Company and Schools Excess Liability Fund (SELF)	Excess Liability	\$ 4,500,000
Southern California Schools Risk Management (SCSRM)	Property	\$ 21,500,000
		\$ 600,000,000

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Employee Medical Benefits

The District has contracted with Kaiser Permanente, and Health Net, and also offers the RCCD Self-Insured Health 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.

- 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.

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, 2012 to June 30, 2014:

	Self- Insurance
Liability Balance, July 1, 2012	\$ 3,140,000
Claims and changes in estimates	8,517,537
Claims payments	<u>(8,457,537)</u>
Liability Balance, June 30, 2013	3,200,000
Claims and changes in estimates	6,372,322
Claims payments	<u>(7,072,322)</u>
Liability Balance, June 30, 2014	<u>\$ 2,500,000</u>
Assets available to pay claims at June 30, 2014	<u><u>\$ 4,295,537</u></u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

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 an actuarial valuation of its self-insured medical benefits, workers' compensation, and general liability programs.

NOTE 13 - 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).

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. As a result of the Public Employee Pension Reform Act of 2013 (PEPRA), changes have been made to the defined benefit pension plan effective January 1, 2013. 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, 100 Waterfront Place, West Sacramento, CA 95605.

Funding Policy

Due to the implementation of the PEPRA, new members must pay at least 50 percent of the normal costs of the plan, which can fluctuate from year to year. For 2013-2014, the required contribution rate for new members is 8.0 percent. "Classic" plan members are also required to contribute 8.0 percent of their salary. 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 2013-2014 was 8.25 percent of annual payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalSTRS for the fiscal years ended June 30, 2014, 2013, and 2012, were \$5,072,101, \$4,744,140, and \$4,995,773, respectively, and equal 100 percent of the required contributions for each year.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

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. As a result of the PEPPRA, changes have been made to the defined benefit pension plan effective January 1, 2013. 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.

Funding Policy

As a result of the implementation of the PEPPRA, new members must pay at least 50 percent of the normal costs of the plan, which can fluctuate from year to year. For 2013-2014, the normal cost is 11.85 percent, which rounds to a 6.0 percent contribution rate. "Classic" plan members continue to contribute 7.0 percent. 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 required employer contribution rate for fiscal year 2013-2014 was 11.442 percent of covered payroll. The contribution requirements of the plan members are established by State statute. The District's contributions to CalPERS for the fiscal years ended June 30, 2014, 2013, and 2012, were \$4,103,502, \$3,975,690, and \$3,827,482, respectively, and equal 100 percent of the required contributions for each year.

On Behalf Payments

The State of California makes contributions to CalSTRS and CalPERS on behalf of the District. These payments consist of State General Fund contributions to CalSTRS for the fiscal years ended June 30, 2014, 2013, and 2012, which amounted to \$3,355,343, \$3,301,204, and \$3,132,192, respectively, (5.541 percent) of salaries subject to CalSTRS. Contributions are no longer appropriated in the annual *Budget Act* for the legislatively mandated benefits to CalPERS. Therefore, there is no on behalf contribution rate for CalPERS. No contributions were made for CalPERS for the years ended June 30, 2014, 2013, and 2012. Under accounting principles generally accepted in the United States of America, these amounts are to be reported as revenues and expenditures. 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, permit 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 CalSTRS 403b Comply is the Financial Agent for the District.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

Public Agency Retirement System (PARS) - Alternate Retirement System

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 Plan #763 as of June 30, 2014. Total contributions to the plan amounted to \$563,095.

NOTE 14 - PUBLIC AGENCY RETIREMENT SYSTEM (PARS) SUPPLEMENTARY RETIREMENT PLANS (SRPs)

The District has adopted Public Agency Retirement System (PARS) 403(b) Supplementary Retirement Plans (SRPs). These SRPs are designed to meet the requirements of Section 403(b) of the Internal Revenue Code of 1986, as amended, and, to the extent applicable, the Employee Retirement Income Security Act of 1974, as amended. Employees eligible to receive retirement benefits under the SRPs must be a permanent employee with at least age fifty-five (55) with eight (8) or more years of full-time equivalent District service from the date of the formal action taken by the District (retire during the window period in the formal action taken by the District's Governing Board of Trustees). The benefits provided under the SRPs are funded in five (5) annual contributions. (See Note 10.)

NOTE 15 - 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 (RCCCCSIPE), the Riverside Employers/Employees Plan (REEP), and the Southern California Schools Risk Management (SCSRM) 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014 AND 2013**

The District's share of year-end assets, liabilities, or fund equity has not been calculated. During the year ended June 30, 2014, the District made payments of \$130,978, \$41,169, \$1,417,063, and \$545,353 to SELF, RCCCSSIPE, REEP, and SCSRM, respectively.

NOTE 16 - 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, 2014.

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 statements of the District at June 30, 2014.

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
2015	\$ 1,704,408
2016	742,932
2017	4,918
2018	4,279
Total	<u>\$ 2,456,537</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

Construction Commitments

As of June 30, 2014, the District had the following budgetary commitments with respect to the unfinished capital projects:

<u>Project</u>	<u>Estimated Cost to Complete</u>	<u>Percent Complete</u>	<u>Estimated Completion</u>
District - ADA Transition Plan	\$ 339,938	94.66%	FY 14/15
District - Design Standards	9,969	97.19%	FY 14/15
District - IT Upgrade (Includes Audit)	3,678,909	37.00%	FY 14/15
District - Swing Space - Market Street Properties	379,009	56.26%	FY 15/16
District - Utility Infrastructure	1,165,292	83.55%	FY 14/15
Moreno Valley - Network Operations Center	2,815,617	6.89%	FY 14/15
Norco - Groundwater Monitoring Wells	368,217	31.09%	FY 15/16
Norco - Self Generation Incentive Program	584,694	81.20%	FY 14/15
Riverside City College Coil School for the Arts	20,643,060	46.35%	FY 15/16
Riverside City College Culinary Arts and District Office Building	25,686,751	22.48%	FY 15/16
Riverside City College Student Services Building	24,477,441	5.58%	FY 15/16
	<u>\$ 80,148,897</u>		

The projects are funded through a combination of general obligation bonds and capital project apportionments from the State Chancellor's Office, as well as private donations and redevelopment fundings.

NOTE 17 - RESTATEMENT OF PRIOR YEAR NET POSITION

The District's prior year beginning net position has been restated as of June 30, 2014.

Effective in fiscal year 2013-2014, the District was required to expense issuance costs associated with the General Obligation Bond debt, as well as amortize and present deferred charges on refunding as a deferred outflow of resources. The implementation of this standard required a change in accounting principle and restatement of the beginning net position of the District by \$2,221,600.

<u>Primary Government</u>	
Net Position - Beginning	\$ 218,945,064
Restatement of long-term debt premium for implementation of GASB Statement No. 65	(2,609,117)
Restatement of deferred outflow of resources for implementation of GASB Statement No. 65	2,027,899
Restatement of current and long-term cost of issuance assets for implementation of GASB Statement No. 65	(1,640,382)
Net Position - Beginning, as Restated	<u>\$ 216,723,464</u>

REQUIRED SUPPLEMENTARY INFORMATION

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING
 PROGRESS
 FOR THE YEAR ENDED JUNE 30, 2014**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Unit Credit Cost Method (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
July 1, 2007	\$ -	\$ 9,766,024	\$ 9,766,024	0.00%	N/A	N/A
July 1, 2009	-	15,799,353	15,799,353	0.00%	N/A	N/A
July 1, 2011	-	24,642,278	24,642,278	0.00%	N/A	N/A
July 1, 2013	-	24,161,707	24,161,707	0.00%	N/A	N/A

SUPPLEMENTARY INFORMATION

RIVERSIDE COMMUNITY COLLEGE DISTRICT

DISTRICT ORGANIZATION JUNE 30, 2014

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's colleges are accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges (ACCJC, WASC), which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

The District is currently comprised of three Colleges: Riverside City, Norco, and Moreno Valley Colleges.

BOARD OF TRUSTEES

<u>MEMBER</u>	<u>OFFICE</u>	<u>TERM EXPIRES</u>
Virginia Blumenthal	President	December 2014
Janet Green	Vice President	December 2014
Nathan Miller	Secretary	December 2016
Samuel Davis	Member	December 2014
Mary Figueroa	Member	December 2016

DISTRICT ADMINISTRATION

Dr. Irving Hendrick	Interim Chancellor
Mr. Aaron Brown	Vice Chancellor, Business and Financial Services
Dr. Robin Steinbeck	Interim Vice Chancellor, Educational Services, Workforce Development and Planning
Ms. Sylvia Thomas	Interim Vice Chancellor, Diversity and Human Resources
Ms. Chris Carlson	Chief of Staff and Facilities Development

COLLEGE ADMINISTRATION

Dr. Wolde-Ab Isaac	Interim President, Riverside City College
Dr. Sandra Mayo	President, Moreno Valley College
Dr. Paul Parnell	President, Norco College

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Pass through from the Regents of the University of California, Riverside Building Bridges Across Riverside through Nano-Water Research	10.223	2010-38422-21220	\$ 10,120
U.S. DEPARTMENT OF DEFENSE			
Procurement Assistance Center (PAC)	12.002		223,644
U.S. DEPARTMENT OF JUSTICE			
Bulletproof Vest Partnership	16.607		2,268
U.S. DEPARTMENT OF LABOR			
WORKFORCE INVESTMENT ACT			
Pass through from California Family Life Center			
California Family Life Center - Rubidoux	17.259	[1]	11,749
@LIKE Career Pathways	17.283	[1]	3,634
Total U.S. Department of Labor			<u>15,383</u>
NATIONAL SCIENCE FOUNDATION			
National Center of Excellence for Logistics and Supply Chain Technology *	47.076		758,142
SMALL BUSINESS ADMINISTRATION			
Pass through from California State University, Fullerton Auxiliary Services Corporation			
Tri-Tech Small Business Development Center	59.037	SBAHQ-13-B-0046, SBAHQ-14-B-0048	341,025
Tri-Tech Small Business Jobs Act	59.037	1-603001-Z-0111	85,765
Pass through from California Community Colleges Chancellor's Office CA State Trade Export	59.061	SBAHQ-12-IT-0053	77,853
Total Small Business Administration			<u>504,643</u>
U.S. DEPARTMENT OF VETERANS AFFAIRS			
Veteran Outreach Program - Administration	64.000		7,839
U.S. DEPARTMENT OF EDUCATION			
TRIO Cluster:			
Student Support Services Program	84.042A		816,950
Upward Bound Program	84.047A		978,993
Upward Bound Program - Math and Science	84.047M		228,160
Subtotal TRIO Cluster			<u>2,024,103</u>
Student Financial Assistance Cluster:			
Federal Supplement Education Opportunity Grant (FSEOG)	84.007		924,263
FSEOG Administrative	84.007		60,962
Federal Direct Student Loans (Direct Loans)	84.268		3,983,762
Federal Work Study Program (FWS)	84.033		965,407
Federal Work Study Administrative	84.033		59,028
Federal Pell Grants (PELL)	84.063		41,930,429
Subtotal Student Financial Assistance Cluster			<u>47,923,851</u>

[1] Pass-Through Identifying Number not available.

* Research and Development Grant

(Continued)

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Identifying Number	Federal Expenditures
HIGHER EDUCATION ACT			
Title V - Transdisciplinary Cooperation for Academic and Career Success	84.031S		\$ 817,514
Title V - HIS Pathways to Excellence	84.031S		879,306
Title V - Higher Education Institutional Aid	84.031S		437,499
Title V - Answering the Call	84.031S		487,353
Title V - HIS Stem and Articulation	84.031C		1,654,148
MVC Technology Access Project	84.031C		1,322,571
Subtotal Higher Education - Institutional Aid			<u>5,598,391</u>
CAREER AND TECHNICAL EDUCATION ACT			
Passed through from California Community Colleges Chancellor's Office			
Career and Technical Education, Title I-B Regional Consortia Desert	84.048	[1]	210,799
Career and Technical Education, Title I-C	84.048	13-C01-45	1,065,779
Career and Technical Education Transitions	84.048	13-112-960	104,767
REHABILITATION ACT			
Pass through from California Department of Rehabilitation (DOR)			
Workability	84.126A	[1]	252,225
Total U.S. Department of Education			<u>57,179,915</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Nurse Education, Practice, and Retention	93.359		57,766
Pass through from California Community Colleges Chancellor's Office			
Temporary Assistance to Needy Families (TANF)	93.558	[1]	166,487
Foster and Kinship Care Education Program (FKCE)	93.658	[1]	47,427
Pass through from Yosemite Community College District			
Early Childhood Study - Consortium Grant	93.575	[1]	18,750
Pass through from Riverside County Superintendent of Schools			
Independent Living Skills - Emancipation Services	93.674	[1]	93,203
AFFORDABLE CARE ACT			
Expansion of Physical Assistant Training Program	93.514		325,329
Total U.S. Department of Health and Human Services			<u>708,962</u>
DEPARTMENT OF HOMELAND SECURITY			
Pass through from the City of Riverside Office of Emergency Management			
Riverside Urban Area Security Initiative (Public Assistance Grants)	97.008	2010-0085	2,420
Total Expenditures of Federal Awards			<u>\$ 59,413,336</u>

[1] Pass-Through Identifying Number not available.

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2014**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
GENERAL FUND			
Board Financial Assistance Program (BFAP)	\$ 383,858	\$ -	\$ 383,858
Part Time Faculty Insurance	7,794	-	7,794
Part Time Faculty Office Hours	54,268	-	54,268
PT Faculty Compensation	568,878	-	568,878
Educational Protection Act	17,185,121	-	17,185,121
Homeowner Property Tax Relief (includes SBC)	480,000	-	480,000
State Tax Subventions	-	-	-
State Lottery	3,125,000	-	3,125,000
State Mandated Costs	703,406	-	703,406
Basic Skills/ESL 2013-2014	401,744	-	401,744
Basic Skills/ESL 2011-2012	-	37,586	37,586
Basic Skills/ESL 2012-2013	-	186,810	186,810
Enrollment Growth and Retention ADN-RN 13-14	346,400	-	346,400
Ext Opp Prog and Serv - EOPS	1,456,326	-	1,456,326
CARE	135,309	-	135,309
Board Financial Assist Prog	1,330,560	-	1,330,560
Instructional Equipment	313,554	-	313,554
Matriculation Grant	1,760,090	-	1,760,090
Staff Development	-	4,187	4,187
AB 86 Adult Education Consortium Planning	435,294	-	435,294
Foster Care Education Program	68,813	-	68,813
Staff Diversity	10,598	14,751	25,349
Disbld Std Prog and Serv - DSPS	2,205,842	-	2,205,842
Sector Navigator: Global Trade and Logistics	372,500	-	372,500
Sector Navigator: Global Trade and Logistics	300,000	-	300,000
Faculty Entrepreneurship Project 11-12	-	767	767
Youth Entrepreneurship Program 11-12	-	87	87
First 5 Riverside Access and Quality Initiative	156,970	797	157,767
Song Brown RN 13-15	200,000	-	200,000
Song Brown RN Special Program 13-15	68,009	-	68,009
Enrollment Growth and Retention ADN-RN 11-12	-	24,804	24,804
Enrollment Growth and Retention ADN-RN 12-13	-	287,330	287,330
Upward Bound Math and Science Vista Del Lago	4,078	-	4,078
CTE Community Collaborative Pathways Initiative 11-12	-	230,263	230,263
CTE Community Collaborative Pathways Initiative 12-14	-	337,931	337,931
Song Brown PA Base Funding	119,977	-	119,977

See accompanying note to supplementary information.

Program Revenues					
Cash Received	Accounts Receivable	Accounts Payable	Unearned Revenue	Total Revenue	Program Expenditures
\$ 844,388	\$ -	\$ -	\$ -	\$ 844,388	\$ 844,388
7,795	-	-	-	7,795	7,795
54,268	-	-	-	54,268	54,268
568,878	-	-	-	568,878	568,878
19,627,064	38,175	-	-	19,665,239	19,665,239
450,433	-	-	-	450,433	450,433
589	688	-	-	1,277	1,277
2,480,290	551,706	-	-	3,031,996	3,031,996
703,405	-	-	-	703,405	703,405
458,434	-	-	(292,228)	166,206	166,206
37,586	-	-	-	37,586	37,586
257,364	-	-	(77,564)	179,800	179,800
290,976	-	-	(48,776)	242,200	242,200
1,456,326	-	(11,231)	-	1,445,095	1,445,095
134,900	409	(444)	-	134,865	134,865
1,330,560	-	(2,007)	-	1,328,553	1,328,553
313,550	-	-	(71,385)	242,165	242,165
1,760,090	-	-	(161,763)	1,598,327	1,598,327
4,187	-	-	(3,214)	973	973
217,647	-	-	(167,888)	49,759	49,759
39,698	43,402	-	-	83,100	83,100
25,349	-	-	(6,965)	18,384	18,384
2,205,842	-	-	-	2,205,842	2,205,842
149,000	161,353	-	-	310,353	310,353
120,000	1,614	-	-	121,614	121,614
766	-	-	-	766	766
87	-	-	(6)	81	81
131,757	-	-	(15,559)	116,198	116,198
49,980	26,803	-	-	76,783	76,783
11,791	33,080	-	-	44,871	44,871
24,804	-	-	-	24,804	24,804
287,329	-	-	-	287,329	287,329
4,078	-	-	-	4,078	4,078
189,128	39,447	-	-	228,575	228,575
280,622	-	-	(152,701)	127,921	127,921
5,910	32,197	-	-	38,107	38,107

(Continued)

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2014**

Program	Program Entitlements		
	Current Year	Prior Year	Total Entitlement
GENERAL FUND, Continued			
Responsive Training Fund 12-13	\$ -	\$ 164,696	\$ 164,696
Student Financial Assistance Program - Fiscal Coordination	-	438,329	438,329
Student Financial Assistance Program - Fiscal Coordination 13-14	460,530	-	460,530
Improving Patient Outcomes	15,000	-	15,000
California Community Colleges Student Mental Health Program	108,845	40,114	148,959
CalWORKs Community College Set-Aside	-	66,622	66,622
CalWORKs	784,905	-	784,905
Faculty Entrepreneurship Champion Mini grant	-	4,200	4,200
State Lottery	821,836	-	821,836
CHILD DEVELOPMENT FUND			
Campus Child Care Tax Bailout	70,348	-	70,348
STUDENT FINANCIAL AID FUND			
Cal Grant B and C	1,917,849	-	1,917,849
Total State Programs			

See accompanying note to supplementary information.

Program Revenues					
Cash Received	Accounts Receivable	Accounts Payable	Unearned Revenue	Total Revenue	Program Expenditures
\$ 82,994	\$ 34,747	\$ -	\$ -	\$ 117,741	\$ 117,741
438,329	-	-	(235,362)	202,967	202,967
-	12,129	-	-	12,129	12,129
-	11,400	-	-	11,400	11,400
74,491	66,320	-	-	140,811	140,811
66,622	-	(30,322)	-	36,300	36,300
784,905	-	(15,628)	-	769,277	769,277
-	4,200	-	-	4,200	4,200
444,296	465,216	-	(14,756)	894,756	894,756
70,348	-	-	-	70,348	70,348
<u>1,955,120</u>	<u>-</u>	<u>(35,924)</u>	<u>-</u>	<u>1,919,196</u>	<u>1,919,196</u>
<u>\$ 38,441,976</u>	<u>\$ 1,522,886</u>	<u>\$ (95,556)</u>	<u>\$ (1,248,167)</u>	<u>\$ 38,621,139</u>	<u>\$ 38,621,139</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL
 APPORTIONMENT ANNUAL (ACTUAL) ATTENDANCE
 FOR THE YEAR ENDED JUNE 30, 2014**

CATEGORIES	<u>Reported Data</u>	<u>Audit Adjustments</u>	<u>Audited Data</u>
A. Summer Intersession (Summer 2013 only)			
1. Noncredit	24	-	24
2. Credit	1,515	-	1,515
B. Summer Intersession (Summer 2014 - Prior to July 1, 2014)			
1. Noncredit	-	-	-
2. Credit	-	-	-
C. Primary Terms (Exclusive of Summer Intersession)			
1. Census Procedure Courses			
(a) Weekly Census Contact Hours	16,607	-	16,607
(b) Daily Census Contact Hours	1,852	-	1,852
2. Actual Hours of Attendance Procedure Courses			
(a) Noncredit	136	-	136
(b) Credit	2,885	-	2,885
3. Alternative Attendance Accounting Procedure			
(a) Weekly Census Contact Hours	2,126	-	2,126
(b) Daily Census Contact Hours	1,255	-	1,255
D. Total FTES	<u>26,400</u>	<u>-</u>	<u>26,400</u>
SUPPLEMENTAL INFORMATION (Subset of Above Information)			
E. In-Service Training Courses (FTES)	365	-	365
H. Basic Skills Courses and Immigrant Education			
1. Noncredit	102	-	102
2. Credit	2,559	-	2,559

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION
FOR THE YEAR ENDED JUNE 30, 2014**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Academic Salaries							
Instructional Salaries							
Contract or Regular	1100	\$ 26,630,742	\$ -	\$ 26,630,742	\$ 26,630,742	\$ -	\$ 26,630,742
Other	1300	24,422,161	-	24,422,161	24,422,161	-	24,422,161
Total Instructional Salaries		51,052,903	-	51,052,903	51,052,903	-	51,052,903
Noninstructional Salaries							
Contract or Regular	1200	-	-	-	11,087,725	-	11,087,725
Other	1400	-	-	-	1,376,819	-	1,376,819
Total Noninstructional Salaries		-	-	-	12,464,544	-	12,464,544
Total Academic Salaries		51,052,903	-	51,052,903	63,517,447	-	63,517,447
Classified Salaries							
Noninstructional Salaries							
Regular Status	2100	-	-	-	23,405,914	-	23,405,914
Other	2300	-	-	-	1,041,930	-	1,041,930
Total Noninstructional Salaries		-	-	-	24,447,844	-	24,447,844
Instructional Aides							
Regular Status	2200	1,949,279	-	1,949,279	1,949,279	-	1,949,279
Other	2400	373,255	-	373,255	373,255	-	373,255
Total Instructional Aides		2,322,534	-	2,322,534	2,322,534	-	2,322,534
Total Classified Salaries		2,322,534	-	2,322,534	26,770,378	-	26,770,378
Employee Benefits	3000	12,048,250	-	12,048,250	28,793,209	-	28,793,209
Supplies and Material	4000	-	-	-	1,497,614	-	1,497,614
Other Operating Expenses	5000	-	-	-	11,978,551	-	11,978,551
Equipment Replacement	6420	-	-	-	1,414	-	1,414
Total Expenditures		12,048,250	-	12,048,250	42,270,788	-	42,270,788
Prior to Exclusions		65,423,687	-	65,423,687	132,558,613	-	132,558,613

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION, Continued
 FOR THE YEAR ENDED JUNE 30, 2014**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<u>Exclusions</u>							
Activities to Exclude							
Instructional Staff - Retirees' Benefits and Retirement Incentives	5900	\$ -	\$ -	\$ -	\$ 1,382,227	\$ -	\$ 1,382,227
Student Health Services Above Amount Collected	6441	-	-	-	21,712	-	21,712
Student Transportation	6491	-	-	-	55	-	55
Noninstructional Staff - Retirees' Benefits and Retirement Incentives	6740	-	-	-	1,069,917	-	1,069,917
Objects to Exclude							
Rents and Leases	5060	-	-	-	1,116,330	-	1,116,330
Lottery Expenditures							-
Academic Salaries	1000	-	-	-	-	-	-
Classified Salaries	2000	-	-	-	2,798,920	-	2,798,920
Employee Benefits	3000	-	-	-	233,076	-	233,076
Supplies and Materials	4000	-	-	-	-	-	-
Software	4100	-	-	-	-	-	-
Books, Magazines, and Periodicals	4200	-	-	-	-	-	-
Instructional Supplies and Materials	4300	-	-	-	-	-	-
Noninstructional Supplies and Materials	4400	-	-	-	-	-	-
Total Supplies and Materials		-	-	-	-	-	-

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**RECONCILIATION OF EDUCATION CODE SECTION 84362 (50 PERCENT LAW) CALCULATION, Continued
FOR THE YEAR ENDED JUNE 30, 2014**

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
Other Operating Expenses and Services	5000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay							
Library Books	6000	-	-	-	-	-	-
Equipment	6300	-	-	-	-	-	-
Equipment - Additional	6400	-	-	-	-	-	-
Equipment - Replacement	6410	-	-	-	-	-	-
Total Equipment		-	-	-	-	-	-
Total Capital Outlay							
Other Outgo	7000	-	-	-	-	-	-
Total Exclusions		-	-	-	6,622,237	-	6,622,237
Total for ECS 84362, 50 Percent Law		\$ 65,423,687	\$ -	\$ 65,423,687	\$ 125,936,376	\$ -	\$ 125,936,376
Percent of CEE (Instructional Salary Cost/Total CEE)		51.95%		51.95%	100.00%		100.00%
50% of Current Expense of Education					\$ 62,968,188		\$ 62,968,188

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, 2014**

There were no adjustments to the Annual Financial and Budget Report (CCFS-311) which required reconciliation to the audited financial statements at June 30, 2014.

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**PROPOSITION 30 EDUCATION PROTECTION ACT (EPA) EXPENDITURE REPORT
 FOR THE YEAR ENDED JUNE 30, 2014**

Activity Classification	Object Code				Unrestricted
EPA Proceeds:	8630				\$ 19,665,239
Activity Classification	Activity Code	Salaries and Benefits (Obj 1000-3000)	Operating Expenses (Obj 4000-5000)	Capital Outlay (Obj 6000)	Total
Instructional Activities	1000-5900	\$ 19,665,239			\$ 19,665,239
Total Expenditures for EPA		\$ 19,665,239	-	-	\$ 19,665,239
Revenues Less Expenditures					\$ -

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**RECONCILIATION OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2014**

**Amounts Reported for Governmental Activities in the Statement
of Net Position are Different Because:**

Total Fund Balance and Retained Earnings:

General Funds	\$ 22,322,370
Special Revenue Funds	888,600
Capital Outlay Projects	47,378,289
Debt Service Funds	11,566,842
Proprietary Fund	4,295,536
Fiduciary Funds	1,042,044

Total Fund Balances and Retained Earnings -

All District Funds

\$ 87,493,681

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:	504,372,594	
Accumulated depreciation is:	<u>(121,617,676)</u>	382,754,918

Amounts held in trust on behalf of others (Trust and Agency Funds) (1,007,392)

In governmental funds, unmatured interest on long-term obligations is recognized in the period when it is due. On the government-wide financial statements, unmatured interest on long-term obligations is recognized when it is incurred. (3,927,372)

Governmental funds report deferred cost of refunding associated with the issuance of debt when first issued, whereas the amounts are deferred and amortized in the Statements of Activities.

Deferred charge on refunding at year end amounted to: 8,121,806

Long-term obligations at year end consist of:

Bonds payable	248,640,821	
Capital leases payable	118,547	
Compensated absences	2,450,171	
Load banking	698,837	
Supplementary retirement plan (SRP)	2,130,916	
Other postemployment benefits (OPEB)	7,844,898	
Less compensated absences already recorded in funds	<u>(1,246,628)</u>	<u>(260,637,562)</u>

Total Net Position

\$ 212,798,079

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTE TO SUPPLEMENTARY INFORMATION
 JUNE 30, 2014**

NOTE 1 - PURPOSE OF SCHEDULES

District Organization

This schedule provides information about the District's organization, 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 Position - Primary Government and the related expenditures reported on the Schedule of Expenditures of Federal Awards.

Description	CFDA Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenses, and Changes in Net Position:		\$ 61,721,576
Build America Bonds	N/A	(2,308,240)
Total Expenditures of Federal Awards		<u>\$ 59,413,336</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
National Center of Excellence for Logistics and Supply Chain Technology	47.076	\$ 145,134
Title V - Transdisciplinary Cooperation for Academic and Career Success	84.031S	311,456
Total Pass-Through		<u>\$ 456,590</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2014

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 Chancellor's Office.

Schedule of Workload Measures for State General Apportionment Annual (Actual) Attendance

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 *Education Code Section 84362 (50 Percent Law)* Calculation

ECS 84362 requires the District to expend a minimum of 50 percent of the unrestricted General Fund monies on salaries of classroom instructors. This is reported annually to the State Chancellor's Office. This schedule provides a reconciliation of the amount reported to the State Chancellor's Office and the impact of any audit adjustments and/or corrections noted during the audit.

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.

Proposition 30 Education Protection Act (EPA) Expenditure Report

This schedule provides the District's summary of receipts and uses of the monies received through the EPA.

Reconciliation of Governmental Funds to the Statement of Net Position

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.

INDEPENDENT AUDITOR'S REPORTS



**INDEPENDENT AUDITOR'S 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, 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, the basic financial statements of the business-type activities of Riverside Community College District (the District) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 24, 2014.

Emphasis of Matter - Change in Accounting Principles

As discussed in the Note 17 to the financial statements, the District has elected to change its method of accounting for cost of debt issuance as prescribed by GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

For purposes of this letter, a disagreement with management is 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 December 6, 2013, to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audits, we did not identify any deficiencies in internal control. However, material weaknesses may exist that have not been identified.

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.

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

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.

We noted certain matters that we reported to management of the District in a separate letter dated Other Matters November 24, 2014.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the District's internal control and compliance and the underlying accounting records used to prepare the financial statements or to the financial statements themselves. This report is an integral part of an audit performed in accordance with *Government Auditing*

This information is intended solely for the use of the Governing Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Waviness Time Day & Co., LLP.

Rancho Cucamonga, California
December 6, 2013, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Board of Trustees
Riverside Community College District
Riverside, California

Report on Compliance for Each Major Federal Program

We have audited Riverside Community College District's (the District) compliance with the types of compliance requirements described in OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2014. The District's major Federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major Federal programs based on our audit of the types of compliance requirements referred to above. 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 State, 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 the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2014.

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were noted in completing our audit.

Disagreements With Management
Report on Internal Control Over Compliance

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the effective internal control over auditors' report. We are pleased to report that no such disagreements arose during the course of our audit. In planning and performing our audit of compliance we considered the District's internal control over compliance with the types of requirements that Management Representations could have a direct and material effect on each major Federal program to determine the auditing procedures that we have requested certain representations from management that are included in the management representation letter dated December 6, 2013, to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over Management Consultations With Other Independent Accountants an opinion on the effectiveness of the District's internal control over compliance.

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 their assigned functions, to us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants. material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and 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 occur in the normal course of our professional relationship, and our responses were not a condition to our retention. combination of deficiencies, in internal control over compliance that is less severe than a deficiency or deficiencies, in internal control over compliance that merits attention by those charged with governance.

Other Matters

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph. With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing. This information is intended solely for the use of the Governing Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties. deficiencies in internal control over compliance that might be weaknesses may exist that have not been identified by us. requirements of OMB Circular A-133.

Vauvinez, Time, Day & Co., LLP.
Rancho Cucamonga, California
December 6, 2013, 2014



INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees
Riverside Community College District
Riverside, California

Report on State Compliance

We have audited Riverside Community College District's (the District) compliance with the types of compliance requirements as identified in the California Community Colleges Chancellor's Office *District Audit Manual* issued in December 2013 that could have a direct and material effect on each of the District's programs as noted below for the year ended June 30, 2014.

Management's Responsibility

Management is responsible for compliance with the requirements identified in the California Community Colleges Chancellor's Office *District Audit Manual* issued in December 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the District's State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit 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 the standards and procedures identified in the California Community Colleges Chancellor's Office *District Audit Manual*. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the applicable programs noted below. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such procedures as we consider 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 the District's compliance with those requirements.

Unmodified Opinion for Each of the Programs

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that are applicable to the programs noted below that were audited for the year ended June 30, 2014.

We have requested certain representations from management that are included in the management representation letter dated December 6, 2013.

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.

- Section 424 Apportionment for Instructional Service Agreements/Contracts
- Section 425 State General Apportionment Funding System
- Section 425 Residency Determination for Credit Courses

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.

- Section 431 Gann Limit Calculation
- Section 435 Open Enrollment
- Section 438 Student Fees – Health Fees and Use of Health Fee Funds

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

- Section 490 Proposition 1D State Bond Funded Projects

This information is intended solely for the use of the Governing Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Vaurine, Time, Day & Co., LLP.

Rancho Cucamonga, California
December 6, 2013, 2014

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SUMMARY OF AUDITOR'S RESULTS
 FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL STATEMENTS

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major Federal programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified?	<u>None reported</u>
Type of auditor's report issued on compliance for major Federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	<u>No</u>

Identification of major Federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>84.007, 84.033, 84.063, 84.268</u>	<u>Student Financial Assistance Cluster</u>
	Career and Technical Education, Title I-B Regional Consortia Desert; Career and Technical Education, Title I-C, Career and Technical Education
<u>84.048</u>	<u>Transitions</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 344,685</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

STATE AWARDS

Type of auditor's report issued on compliance for State programs:	<u>Unmodified</u>
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RIVERSIDE COMMUNITY COLLEGE DISTRICT

**FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2014**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATE AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2014

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 Findings and Questioned Costs.

FINANCIAL STATEMENT FINDINGS

None reported.

FEDERAL AWARDS FINDINGS

None reported.

STATE AWARDS FINDINGS

None reported.



To the Board of Trustees
Riverside Community College District
Riverside, California

We have audited the financial statements of the governmental activities and the business-type activities of Riverside Community College District (the District) for the year ended June 30, 2014. 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. 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 District are described in Note 2 to the financial statements. As described in Note 2 and Note 17 to the financial statements, the District changes accounting practices related to the recognition of issuance costs in relation to long term debt by adopting Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2014. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statements of Revenues, Expenses, and Changes in Net Position - Primary Government. We noted no transactions entered into by the District 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. This information is disclosed in Note 5 to the financial statements.

Additionally, the estimate of the future costs of postemployment benefits provided to retirees is based upon current information about the District's employees, benefit plans, and health care rates. These factors are considered by the actuary in determining both the estimated liability and the current year required contribution to the plan. Note 11 to the financial statements provides additional information about the actuarial methods and assumptions used, and the required supplementary information provides the schedule of progress toward funding this liability.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

To the Board of Trustees
Riverside Community College District
Communication With Governance
Page 2 of 3

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's 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 24, 2014.

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 auditor's 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. We have issued a management letter which provides suggestions for improvements in internal control.

Other Matters

We applied certain limited procedures to the Schedule of Other Postemployment Benefits (OPEB) Funding Progress schedule, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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.

Community College District
Communication With Governance
Other Audit Findings or Issues
Page 5 of 5

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 ourf management and evaluated the form, retention, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial

underlying accounting records of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of Board of Trustees and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Vauiney, Time, Day & Co., LLP.

Rancho Cucamonga, California
December 6, 2013, 2014



To the Governing Board and Management
Yucaipa-Calimesa Joint Unified School District
Page 2

Corrected and Uncorrected Misstatements
Board of Trustees and Management

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were noted in completing our audit.

In planning and performing our audit of the financial statements of Riverside Community College District
Disagreements With Management
(the District) for the year ended June 30, 2014, we considered its internal control structure in order to determine

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing financial statements and not to provide 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.

However during our audit, we noted matters that are opportunities for strengthening internal controls and
Management Representations. The following item represents a condition noted by our audit that we consider important

We have requested certain representations from management that are included in the management representation letter dated December 6, 2013, financial statements of the District.

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. In an instance at Norco College and complete the project prior to and Purchase Order. The District issued a "Purchase Order" project (4-11-UCCAP) on February 5, 2014. The award letter explicitly stated "no work may commence until all required documents are returned and a Notice to Proceed Letter is issued by the District". A delay in issuing the Notice to Proceed Letter occurred while the District resolved a question related to labor compliance

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. Under the Construction Cost Accounting Act (CCAA) and Board Policies 6340 and 6345, it could have exposed the District to legal and financial liability as this work was not properly authorized to proceed prior to the start of the work.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Governing Board and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

Vavrinek, Trine, Day & Co., LLP

Rancho Cucamonga, California
December 6, 2014

Agenda Item (IV-D-3)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Resources (IV-D-3)
Subject	2013-2014 Independent Audit Report for the Riverside Community College District Foundation
College/District	District
Funding	N/A
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, 2014 for the permanent file of the District.

Background Narrative:

An independent audit of the Foundation's 2013-2014 financial statements was performed by Ahern, Adcock, Devlin, LLP Certified Public Accountants (AAD). A representative of the firm will be available to present the report. Results of the audit are summarized below.

- Auditor's Opinion – The auditors have issued an unmodified opinion for the financial audit as of June 30, 2014 and 2013.
- Audit Findings – There were no findings or questioned costs.
- Auditor's Required Communication – In accordance with the Statement on Auditing Standards No. 114, at the conclusion of the audit engagement AAD is required to communicate information to the Board of Trustees regarding their responsibility under United States Generally Accepted Auditing Standards. Attached for your information is the required communication.
- The audit report was presented to and accepted by the Foundation's Board of Directors on November 18, 2014.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Amy Cardullo, Director, RCC Foundation and Alumni Affairs
Bill Bogle, Controller

Attachments:

[12022014_2013-2014 Foundation Audit Report and AAD SAS 114 Letter](#)

**RIVERSIDE COMMUNITY
COLLEGE DISTRICT
FOUNDATION**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEARS ENDED
JUNE 30, 2014 AND 2013**



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A California Limited Liability Partnership
Certified Public Accountants



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Certified Public Accountants

Independent Auditors' Report

To the Board of Directors
Riverside Community College District Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Riverside Community College District Foundation (the "Foundation") (a nonprofit organization) which comprise the statements of financial position as of June 30, 2014 and 2013, the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Ahern Adcock Devlin LLP

Riverside, California
October 10, 2014

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION
Statements of Financial Position

	<u>June 30,</u>	<u>2014</u>	<u>2013</u>
ASSETS			
Current assets			
Cash and cash equivalents			
Unrestricted	\$	752,474	\$ 811,446
Restricted		345,660	667,277
Accounts receivable		8,897	33,481
Unconditional promises to give, net of allowance		44,720	72,857
Prepaid expense		2,000	2,500
Total current assets		<u>1,153,751</u>	<u>1,587,561</u>
Noncurrent assets			
Investments - restricted		6,453,838	5,052,870
Beneficial interest in Foundation for California Community Colleges Osher Endowment		365,168	365,168
Long-term unconditional promises to give, net of allowance		50,025	77,875
Total noncurrent assets		<u>6,869,031</u>	<u>5,495,913</u>
Total assets		<u>\$8,022,782</u>	<u>\$7,083,474</u>
LIABILITIES AND NET ASSETS			
Current liabilities			
Accounts payable	\$	180,108	\$ 65,854
Refundable advance		94,677	196,391
Promises to give to others		97,138	155,582
Total current liabilities		<u>371,923</u>	<u>417,827</u>
Total liabilities		<u>371,923</u>	<u>417,827</u>
Net assets			
Unrestricted			
Undesignated		116,115	(1,717)
Board designated		18,952	17,130
Total unrestricted net assets		<u>135,067</u>	<u>15,413</u>
Temporarily restricted		1,234,365	1,047,145
Permanently restricted		6,281,427	5,603,089
Total net assets		<u>7,650,859</u>	<u>6,665,647</u>
Total liabilities and net assets		<u>\$8,022,782</u>	<u>\$7,083,474</u>

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Statements of Activities and Changes in Net Assets

	For the Year Ended June 30, 2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES AND RECLASSIFICATIONS				
Donations	\$ 110,044	\$ 1,197,337	\$ 104,326	\$1,411,707
In-kind donations				
Donated assets	22,997			22,997
Donated material	24,934			24,934
Donated services	438,922			438,922
Total revenues	596,897	1,197,337	104,326	1,898,560
Assets released from restriction	1,223,388	(1,023,238)	(200,150)	-
Total revenues and reclassifications	1,820,285	174,099	(95,824)	1,898,560
EXPENSES				
Operating expenses	309,604			309,604
Program expenses	1,316,591			1,316,591
Fundraising expenses	89,030			89,030
Total expenses	1,715,225	-	-	1,715,225
OTHER INCOME				
Realized gain on sale of investments	1,065	958	56,524	58,547
Unrealized gain on investments	12,487	11,227	662,382	686,096
Interest and dividends income	1,042	936	55,256	57,234
Total other income	14,594	13,121	774,162	801,877
Change in net assets	119,654	187,220	678,338	985,212
Net assets, beginning of year,	15,413	1,047,145	5,603,089	6,665,647
Net assets, end of year	\$ 135,067	\$ 1,234,365	\$6,281,427	\$7,650,859

The accompanying notes are an integral part of these financial statements.

For the Year Ended June 30, 2013			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
\$ 59,830	\$ 776,835	\$ 54,338	\$ 891,003
68,934			68,934
22,783			22,783
517,591			517,591
669,138	776,835	54,338	1,500,311
1,086,526	(978,468)	(108,058)	-
1,755,664	(201,633)	(53,720)	1,500,311
362,631			362,631
1,171,383			1,171,383
82,274			82,274
1,616,288	-	-	1,616,288
1,806	345	19,929	22,080
38,605	7,381	425,991	471,977
9,149	1,749	100,958	111,856
49,560	9,475	546,878	605,913
188,936	(192,158)	493,158	489,936
(173,523)	1,239,303	5,109,931	6,175,711
\$ 15,413	\$ 1,047,145	\$5,603,089	\$6,665,647

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION
Statements of Cash Flows

	For the Years Ended June 30,	2014	2013
Cash flows from operating activities			
Change in net assets		\$ 985,212	\$ 489,936
Adjustments to reconcile change in net assets to net cash provided by operating activities			
Realized and unrealized gain on investments		(744,643)	(494,435)
Provision for doubtful accounts		(2,179)	(3,042)
(Increase) decrease in:			
Accounts receivable		24,584	(31,881)
Prepaid expenses		500	(500)
Unrestricted unconditional promises to give		30,316	472,963
Increase (decrease) in:			
Accounts payable		114,254	(1,685)
Refundable advance		(101,714)	82,799
Net cash provided by operating activities		306,330	514,155
Cash flows from investing activities			
Purchase of investments		(3,132,264)	(119,338)
Proceeds from sale of investments		2,475,939	
Net cash used in investing activities		(656,325)	(119,338)
Cash flows from financing activities			
Change in long-term unconditional promises to give		27,850	13,506
Payments on promises to give to others		(58,444)	(297,197)
Changes in restricted cash		321,617	197,318
Net cash provided by (used in) financing activities		291,023	(86,373)
Net change in cash and cash equivalents		(58,972)	308,444
Cash and cash equivalents			
Balance, beginning of year		811,446	503,002
Balance, end of year		\$ 752,474	\$811,446

The accompanying notes are an integral part of these financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Statements of Functional Expenses

	For the Year Ended June 30, 2014			
	Operating	Program	Fundraising	Total
In-kind distributions				
Donated assets		\$ 22,997		\$ 22,997
Donated materials	\$ 24,934			24,934
Donated services	260,888	93,398	\$84,636	438,922
Support – instructional and student programs		415,069		415,069
Scholarships		504,730		504,730
Printing	4,495	4,495	4,394	13,384
Allowance for uncollected pledges		15,146		15,146
Investment fees		45,404		45,404
Office supplies	400			400
Postage	190			190
Other services	18,697	215,352		234,049
Total expenses	\$309,604	\$1,316,591	\$89,030	\$1,715,225

The accompanying notes are an integral part of these financial statements.

For the Year Ended June 30, 2013			
Operating	Program	Fundraising	Total
	\$ 68,934		\$ 68,934
\$ 22,783			22,783
324,870	121,275	\$71,446	517,591
	312,248		312,248
	521,911		521,911
1,115	2,674	8,845	12,634
310	8,644		8,954
	38,875		38,875
	281		281
200			200
13,353	96,541	1,983	111,877
<u>\$362,631</u>	<u>\$1,171,383</u>	<u>\$82,274</u>	<u>\$1,616,288</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies

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.

Financial Statement Presentation

The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements include the accounts maintained by and directly under the control of the Foundation.

The Foundation reports 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. 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 the Financial Accounting Standards Board (FASB), Accounting Standards Codification 958-20, *Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others* (formerly FAS 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 expenses.

Fair Value Measurements

The fair value of equity and debt securities with readily determinable fair values approximates their respective quoted market prices. All other financial instruments' fair values approximate their carrying amounts due to the short maturities of these instruments.

Net Asset Classifications

Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have expired.

Temporarily restricted net assets contain donor-imposed restrictions that permit the Foundation to use or expend the assets as specified. These restrictions are satisfied either by the passage of time or by actions of the Foundation.

Permanently restricted net assets contain donor-imposed restrictions and stipulate that the resources be maintained permanently, but permit the Foundation to use, or expend part or all of the income derived from the donated assets for either specified or unspecified purposes. 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies (Continued)

Expiration of Donor-Imposed Restrictions

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.

Endowment Funds

The Foundation endowment funds are subject to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) which has been enacted by the State of California. Donations made to the Foundation are classified as permanently restricted if the donor has stipulated the donation is to be held in perpetuity by the Foundation.

The Foundation has a spending policy which governs the funds to be transferred from the endowment. If the donor has provided endowment funds that are permanently restricted, the Foundation will obtain from the donor a description of any further restrictions to be placed on any earnings from the permanently restricted funds. If there are further restrictions, either program or time restrictions, the earnings are considered temporarily restricted until such time as the restrictions are met. Unspent earnings are returned to the corpus if required by the original agreement with the donor.

The Foundation's investment policy for endowment funds is to preserve and enhance the purchasing power while providing a relatively predictable, stable, and constant stream of earnings consistent with the Foundation's spending needs to enable the Foundation to provide scholarships to District students. Investments will be diversified to avoid undue risk and will be sufficiently liquid to meet operating requirements. Annual spending parameters take into consideration the rate of inflation and real growth of the pooled investment fund. Spending percentage will be equal to average earnings of the past three years, less inflation rate, at a maximum of 4.5 percent of a three-year average market value.

The permanently restricted balances at June 30, 2014 and 2013 were \$6,281,427 and \$5,603,089, respectively, and the balances designated by the board for scholarships were \$18,952 and \$17,130, respectively. The endowment funds consist of pooled investment funds. The activity in the permanently restricted net asset class is reflected in the statement of activities and changes in net assets. Amounts appropriated for expenditures and/or reclassification are shown as net assets released from restriction. Board designated balance is included in the unrestricted net asset class.

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 the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as assets are released from restriction between the applicable classes of net assets.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies (Continued)

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.

Donated Assets, Services, 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, if received for the benefit of the Foundation, are capitalized at the stated donated value and depreciated in accordance with Foundation policies, unless they are passed through to the District. During the years ended June 30, 2014 and 2013, all donated assets have been passed through to the District. Donated services are reflected in the accompanying statements when the criteria for recognition have been met and are recorded at fair value.

Use of Estimates

The preparation of financial statements in conformity with United States of America generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period, as well as the disclosure of contingent assets and liabilities at the date of the financial statements and accompanying notes. While management believes that these estimates are adequate, 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, 2014 and 2013. The Foundation is no longer subject to United States federal or state examinations by tax authorities for the years before 2010 and 2009, respectively. During the years ended June 30, 2014 and 2013, the Foundation did not recognize any interest or penalties associated with any tax positions.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

1. Organization and Summary of Significant Accounting Policies (Continued)

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.

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.

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, 2014 and 2013 to be \$4,776 and \$6,955, 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.

2. Concentration of Risk

The Foundation has cash and cash equivalents in financial institutions that may or may not be insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. At various times throughout the year, the Foundation may have cash balances at financial institutions which exceed the FDIC insurance limit. 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, 2014, the balances held in financial institutions of \$670,475 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 and does not believe this concentration of cash results in a high level of risk for the Foundation.

3. Unconditional Promises to Give

Unconditional promises to give at June 30, 2014 and 2013 consist of pledges and are due within the following schedule:

	June 30,	
	2014	2013
Due within one year	\$46,863	\$ 75,713
Due within one to five years	52,658	81,974
Less allowance for uncollectible promises to give	<u>(4,776)</u>	<u>(6,955)</u>
Total	<u>\$94,745</u>	<u>\$150,732</u>

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

4. Investments

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2014:

	2014		
	Adjusted Cost	Fair Market Value	Unrealized Gain
Equities	\$3,775,324	\$4,259,241	\$483,917
Corporate bonds	2,076,709	2,109,511	32,802
Government bonds	82,639	85,086	2,447
	<u>\$5,934,672</u>	<u>\$6,453,838</u>	<u>\$519,166</u>

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2013:

	2013		
	Adjusted Cost	Fair Market Value	Unrealized Gain
Equities	\$2,102,233	\$3,341,691	\$1,239,458
Corporate bonds	998,776	1,141,114	142,338
Government bonds	573,507	570,065	(3,442)
	<u>\$3,674,516</u>	<u>\$5,052,870</u>	<u>\$1,378,354</u>

Market Value of Financial Assets and Liabilities

The Foundation determines the fair market values of certain financial instruments based on the fair value hierarchy established in FASB ASC 820, *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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

4. Investments (Continued)

The following provides a summary of the hierarchical levels 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 asset 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, corporate debt securities, derivative contracts, residential mortgage, and loans held-for-sale.
- 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 using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private equity investments, where independent pricing information was not able to be obtained for a significant portion of the underlying assets.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2014 and 2013:

Equities: Valued at the closing price in the active market on which the individual equities are traded.

Corporate and government bonds: Valued at the closing price reported in the active market on which the individual securities are traded.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

4. Investments (Continued)

The table below presents the balance of assets measured at fair value for 2014. There were no liabilities outstanding and measured at fair value as of June 30, 2014.

	Carrying Value			
	at June 30, 2014	Level 1	Level 2	Level 3
Investments – corporate and government bonds	\$2,194,597	\$2,194,597	\$ -	\$ -
Investments – equities	4,259,241	4,259,241		
	<u>\$6,453,838</u>	<u>\$6,453,838</u>	<u>\$ -</u>	<u>\$ -</u>

The table below presents the balance of assets measured at fair value for 2013. There were no liabilities outstanding and measured at fair value as of June 30, 2013.

	Carrying Value			
	at June 30, 2013	Level 1	Level 2	Level 3
Investments – corporate and government bonds	\$1,711,179	\$ 976,511	\$ 734,668	\$ -
Investments – equities	3,341,691	1,671,645	1,670,046	
	<u>\$5,052,870</u>	<u>\$2,648,156</u>	<u>\$2,404,714</u>	<u>\$ -</u>

There were no changes in the Foundation’s level 3 assets measured at fair value for the years ended June 30, 2014 and 2013.

**5. Beneficial Interest in Foundation for California Community
Colleges Osher Endowment**

The RCCD Foundation is participating in a gift-match program in conjunction with the Foundation for California Community Colleges and the Bernard Osher Foundation. There are two types of Osher Foundation Scholarships that the Foundation for California Community Colleges is managing. The first sets of scholarships were completely funded through an initial donation of \$25,000,000 from the Osher Foundation and were allocated to each of the 112 California Community Colleges. Each year, Riverside Community College District Foundation receives scholarships to award based upon the Osher Foundation criteria. The RCCD Foundation does not include this investment on its financial statements.

The second sets of scholarships are funded through donations received by the RCCD Foundation and are included in the RCCD Foundation’s financial statements with the approval of the Foundation for California Community Colleges. The value stated includes only the actual donation amount and does not include the Osher Foundation gift-match amount. All of the funds are managed by an investment firm hired by the Foundation for California Community Colleges.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

6. Accounts Payable

Accounts payable for the Foundation consisted of the following:

	June 30,	
	2014	2013
Payable to District for program expenses	\$176,177	\$63,999
Vendor payables	<u>3,931</u>	<u>1,855</u>
	<u>\$180,108</u>	<u>\$65,854</u>

7. Refundable Advances

During the year ended June 30, 2012, the Foundation was awarded a \$350,000 grant to develop an education model in conjunction with a local unified school district through the fall of 2014. As of June 30, 2014, \$350,000 of the \$350,000 total grant was received. Of the total received, \$255,323 has been spent on program expenses and thus recognized as revenue in the year ended June 30, 2014. The remaining unspent amount of \$94,677 is included in refundable advance.

8. Net Assets

At June 30, 2014 and 2013, unrestricted net assets included \$18,952 and \$17,130, respectively, designated by the board of directors for scholarships.

At June 30, temporarily restricted net assets were available for the following purposes:

	2014	2013
Scholarships	\$ 354,837	\$ 459,252
Programs	<u>879,528</u>	<u>587,893</u>
	<u>\$1,234,365</u>	<u>\$1,047,145</u>

At June 30, 2014 and 2013, permanently restricted net assets consisted of \$6,281,427 and \$5,603,089, respectively, with investment earnings restricted for scholarships.

9. 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 Foundation has contributed \$390,656 and \$491,720 to the District for student programs for the years ended June 30, 2014 and 2013, respectively. The Foundation has contributed \$504,730 and \$521,911 to the District for student scholarships for the years ended June 30, 2014 and 2013, respectively. Additionally, the Foundation promised to give a total \$5,833,783 of which \$1,700,000 and \$3,054,000 were to be passed through from the County of Riverside and the City of Riverside, respectively, under a memorandum of understanding with the District for construction of the Aquatics Complex. As of June 30, 2014 and 2013, the Foundation owed the District \$97,138 and \$155,582, respectively.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

9. Related Party Transactions (Continued)

The District provides office space and other support to the Foundation. 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 \$463,856 and \$540,374 from the District for the years ended June 30, 2014 and 2013, respectively.

10. Commitments

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, 2014, the Foundation has received a total of \$1,293,212 for years one through five of the five-year grant. At June 30, 2014, 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 \$4,500. The Foundation began distributing the funds in the summer of 2007. During the year ended June 30, 2014, the Foundation has expended \$54,523 in scholarships and expenses related to the program.

11. Risks and Uncertainties

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. The volatility of the market and credit institutions after June 30, 2014 could have a significant, negative effect on the Foundation's investments.

12. Subsequent Events

The Foundation's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through October 10, 2014, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

Michael R. Adcock, CPA
Shannon M. Carlson, CPA
Linda S. Devlin, CPA
Andrew Steinko, CPA

Of Counsel
Thomas E. Ahern, CPA
Nora L. Teasley, CPA

A California Limited Liability Partnership
Certified Public Accountants



AHERN • ADCOCK • DEVLIN • LLP
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

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Certified Public Accountants
Private Companies
Practice Section
Employee Benefit Plan
Audit Quality Center
Governmental Audit
Quality Center
California Society of
Certified Public Accountants

To the Board of Directors
Riverside Community College District Foundation

We have audited the financial statements of Riverside Community College District Foundation (the "Foundation") for the year ended June 30, 2014, and have issued our report thereon dated October 10, 2014. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 5, 2014. 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. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2014. 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 estimates affecting the financial statements were:

- The fair market value of investments is based upon market analysis as of June 30, 2014. We have obtained information from the investment managers in determining the fair presentation of these amounts.
- Management's estimate of the allowance for promises to give is based on an amount determined to be reasonable by management that is at least one percent of total promises to give, or specifically identified past due pledges that are likely to be uncollectible.
- Management's estimate of fair market value of donated services and materials, which is based on the actual cost of donated materials and hours allocated to the Foundation at the prevailing wage rate for the employees involved in the Foundation's activities, and cost of materials which is expected to approximate fair value at the time of donation.

- Management's estimate of the allocation of functional expenses is summarized on a functional basis and allocated among the program, operating, and fundraising activities based on the purpose for purchases and an estimate of employee time for donated services.

We evaluated the key factors and assumptions used to develop the management estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The financial statement disclosures are neutral, consistent, and clear.

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 misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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 October 10, 2014.

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.

This information is intended solely for the use of the Board of Directors of the Foundation and is not intended to be, and should not be, used by anyone other than these specified parties.

Ahern Adeock Devlin LLP

Riverside, California
October 10, 2014

Agenda Item (IV-E-1)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Facilities (IV-E-1)
Subject	Change Order No. 1 for Culinary Arts Academy and District Office Building with Kamran and Co., Inc.
College/District	District
Funding	District Allocated Measure C Funds
Recommended Action	It is recommended that the Board of Trustees approve: 1) project Change Order No.1 with Kamran and Co., Inc. in the amount of \$106,243.18; and 2) the change order in excess of ten percent by a total of \$15,243.18

Background Narrative:

On June 17, 2014 the Board of Trustees approved award of bids for twenty-two (22) scopes of work in the amount of \$50,266,678 for the Culinary Arts Academy & District Offices, Coil School for the Arts, and Parking Structure (Phase 2 Construction Bid Categories 04 through 23 & 25). Included in the award was a contract with Kamran and Co., Inc. in the amount of \$910,000 for Food Services.

At this time it is requested the Board of Trustees approve Change Order No.1 with Kamran and Co., Inc. in the amount of \$106,243.18 amending their contract to \$1,016,243.18, exceeding the allowable change order contingency by a total amount of \$15,243.18. The added costs are for design revisions of kitchen exhaust hoods from CaptiveAire to Halton based on mechanical drawing requirements for airflow and reduced duct sizes for the manifold grease duct system. Detailed costs are listed on the attached Change Order Summary (Exhibit I).

Cost for the requested change order is within the project budget approved by the Board of Trustees and will be paid from project contingency funds.

Prepared By: Wolde-Ab Isaac, Interim President, Riverside
Chris Carlson, Chief of Staff & Facilities Development
Aaron Brown, Vice Chancellor, Business and Financial Services
Bart Doering, Facilities Development Director

Attachments:

[Change Order Summary_ Kamran](#)

Riverside Community College District
Facilities Planning & Development
Culinary Arts Academy and District Office Building

CHANGE ORDER SUMMARY

Change Order: 1

Contractor: **Kamran & Co., Inc.**

<i>Approved Contract Amount:</i>	\$ 910,000.00
<i>Change Order No. 1 Amount:</i>	<u>\$ 106,243.18</u>
<i>Revised Contract Sum:</i>	\$ 1,016,243.18
<i>Original Contract Contingency</i>	\$ 91,000.00
<i>Remaining Project Contingency:</i>	\$ -15,243.18

Change Order Description:

Item No. 1

Design revision of kitchen exhaust hoods from CaptiveAire to Halton based on mechanical drawings requirements for airflow and reduced duct sizes for the manifold grease duct system

\$ 106,243.18

Requested by: Owner/Architect

Accountability: Architect-Mechanical Engineer

TOTAL ADD/CREDIT:

\$ 106,243.18

Agenda Item (IV-E-2)

Meeting	12/2/2014 - Committee
Agenda Item	Committee - Facilities (IV-E-2)
Subject	Change Order No.1 for Coil School for the Arts with Neal Electric Phase I Ground Work
College/District	Riverside
Funding	Riverside City College/Program Reserve Measure C Funds, Redevelopment Funds, and La Sierra Funds
Recommended Action	It is recommended that the Board of Trustees approve: 1) project Change Order No.1 with Neal Electric in the amount of \$35,773.73; and 2) the change order in excess of ten percent by a total of \$6,073.73.

Background Narrative:

On June 17, 2014 the Board of Trustees approved a revised bid award to the second lowest responsible and responsive bidder, Neal Electric, for the Culinary Arts Academy and District Offices, Coil School for the Arts and Parking Structure Phase 1 - Ground Work - Bid Category 24 - Electrical.

At this time it is requested the Board of Trustees approve Change Order No.1 with Neal Electric in the amount of \$35,773.73 amending their contract from \$297,000 to \$332,773.73, exceeding the allowable change order contingency by a total amount of \$6,073.73. The added costs are due to revised Riverside Public Utility (RPU) underground infrastructure requirements that were made available after the bid award. Changes to these requirements include the addition of approximately 1,200 linear feet of spare 4" RPU underground duct bank, impacting both material and labor costs. Exhibit I denotes the Change Order summary.

Cost for the requested change order is within the project budget approved by the Board of Trustees and will be paid from project contingency funds.

Prepared By: Wolde-Ab Isaac, Interim President, Riverside
Chris Carlson, Chief of Staff & Facilities Development
Aaron Brown, Vice Chancellor, Business and Financial Services
Bart Doering, Facilities Development Director

Attachments:

[Change Order Summary_Neal Electric](#)

Exhibit I

Riverside Community College District
Facilities Planning & Development
Coil School for the Arts Building

CHANGE ORDER SUMMARY

Change Order: 1

Contractor: **Neal Electric**

<i>Approved Contract Amount:</i>	\$ 297,000.00
<i>Change Order No. 1 Amount:</i>	<u>\$ 35,773.73</u>
<i>Revised Contract Sum:</i>	\$ 332,773.73
<i>Original Contract Contingency</i>	\$ 29,700.00
<i>Remaining Project Contingency:</i>	\$ -6,073.73

Change Order Description:

Item No. 1

Pursuant to release of CCD#22 Neal Electric has provided the noted additive cost for implementing the revised Riverside Public Utility (RPU) underground infrastructure requirements. Reference Neal Electric COR #3R2 for additive and deductive scopes of work. Bid day site electrical drawings were amended post bid to coordinate with revised RPU drawings. The changes covered within these additive costs include the addition of approximately 1,200LF of spare 4" RPU underground duct bank impacting both material and labor costs to the noted Prime Trade Contractor

\$35,773.33

Requested by: City of Riverside, Riverside Public Utilities

Accountability: Riverside Public Utilities / Riverside Community College District

TOTAL ADD/CREDIT:

\$35,773.73

Agenda Item (IV-E-3)

Meeting 12/2/2014 - Committee

Agenda Item Committee - Facilities (IV-E-3)

Subject Presentation on Project Update for Centennial Plaza

College/District District

Information Only

Background Narrative:

The Board of Trustees approved Coil School of the Arts and the Culinary Arts Academy/District Office projects and budgets June of 2012. These projects will join the Center for Social Justice & Civil Liberties to encompass a significant downtown city block, which is commonly entitled Centennial Plaza.

With the development of the project, its location is considered to be "true redevelopment" in the sense of the projects infrastructure, site improvements and development. The presentation will provide a status update on the Centennial Plaza and include project details; including illustration using Building Information Modeling (BIM) program.

Prepared By: Chris Carlson, Chief of Staff & Facilities Development

Attachments:

[Presentation with BIM](#)



Centennial Plaza

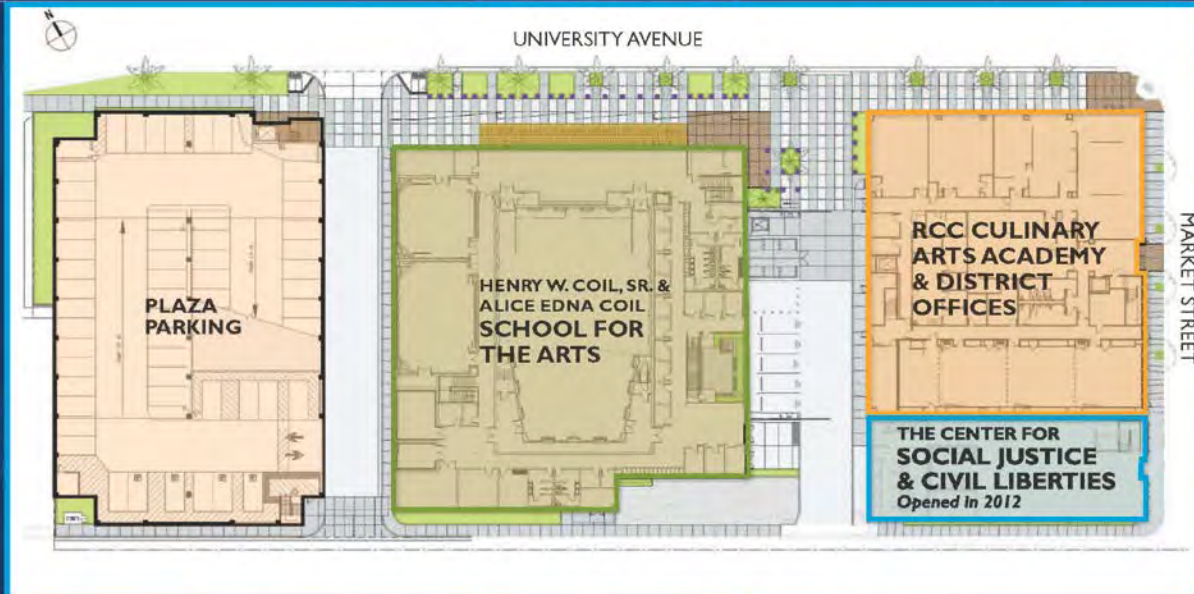
Facilities Committee– Project Status Update

December 2014



Renaissance Block

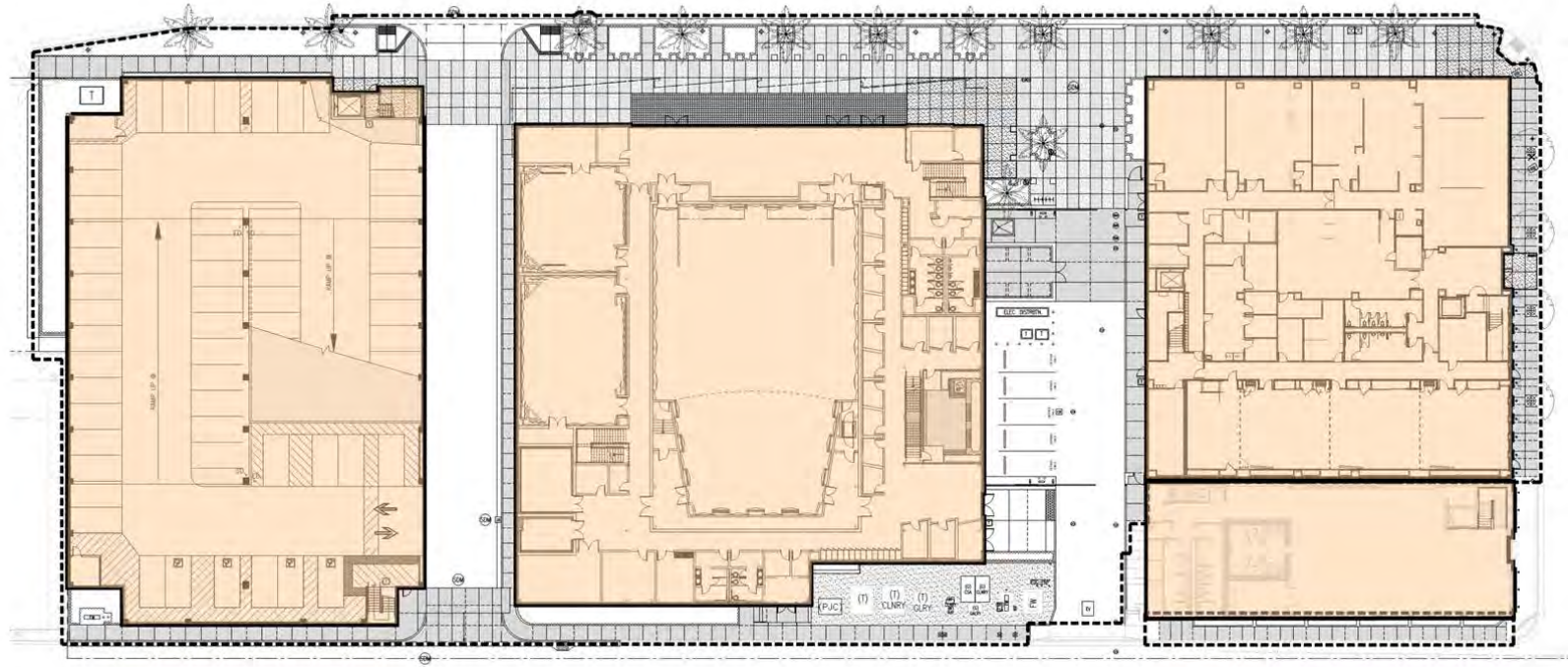
CENTENNIAL PLAZA University Avenue & Market Street



Completion: March 2016

RIVERSIDE CITY COLLEGE
RIVERSIDE COMMUNITY COLLEGE DISTRICT

Arts, Culture & Education



Culinary Arts Academy & District Office: 60,000 sq. ft.

3-levels w/Rooftop Space

Coil School for the Arts: 36,000 sq. ft.

2-levels including 450 seat Performance Concert Hall

Parking Structure: 225 spaces / 4-levels

CAA/DO

Total	\$33,350,761
Interim Housing	\$866,500
Planning	\$2,253,303
Construction	\$21,008,071
Parking Structure	\$2,602,600
Project Oversight	\$2,001,765
Fixtures & Furniture	\$2,535,425
Escalation	\$1,230,483
Sub-Total	\$34,343,964
Concurrent Const.	(\$993,202)

CSA

Total	\$41,138,000
Site Acq./Planning	\$3,384,899
Construction	\$24,590,989
Parking Structure	\$4,608,000
Contingency	\$1,670,661
Project Oversight	\$2,861,511
Fixtures & Furniture	\$2,300,000
Escalation	\$1,721,939

Project Funding from Measure C

CAA/DO: 100%

CSA: 62%

Project Budgets



Ground Breaking March 13, 2014

Site Improvement & Infrastructure Bids

- April 15, 2014
- \$1,965,716

Construction Bids

- June 17, 2014
- \$50,266.678



Construction: Bidding/Awarding

- College Adm., Faculty & Staff
- District Adm. & Staff
- LPA, Inc.
- Tilden-Coil
- RiverCity Testing
- Inland Inspection
- DSA
- City of Riverside
- Utilities
- Fire/HazMat



It takes a Team . . .

Infrastructure:

- Storm Drain
- Electrical
- Water
- Sewer
- Gas
- Telecommunications
- Streets

Site Improvements:

- Demolish basement
- Shoring
- Over excavation
- Building pads



Phase I-Infrastructure & Site Improvements



Coil School for the Arts
4D CONSTRUCTION ANIMATION

BIM – Phase I

[Link to Presentation on Connect Server](#)

Site Improvement

- Shoring
- Removal of basement
- Over excavation/
building pads
- Hidden treasures
 - Interesting &
Challenging



Phase I-Infrastructure & Site Improvements





WHAT'S UNDERGROUND SINCE 1880s

It is anyone's guess

- Underground tanks, despite use of sonar
- Elevator pit removal
- Glass bottles & other artifacts
- Poor soil conditions
- Infrastructure?





INFRASTRUCTURE IN AN OLD TOWN

- Storm Drain:
 - Inverted inclines
 - Tie ins impacted trees in White Park
 - Another led to cavern that had to be filled
- Water: Lines 5' deeper than plans, under storm drain
- Electrical: New and re-routed lines,
 - New transformers placed
- Natural gas: New and re-routed service
- Telecommunications: Re-routing of lines
- Streets:
 - Saving/reusing granite curbs
 - Removal of existing trees
- Street Signals:
 - Modification of existing
 - Installation of new (later in project)

- **CAA/DO:**
 - Building pad
 - Footings with rebar
 - Poured concrete footings
 - Ready for steel
- **CSA:**
 - Building pad
 - Footings with rebar
 - Concrete poured
 - Gray block started
- **Parking Structure**
 - Geopiers Completed (~400)



Site development work

CSA:
Rebar/Footings





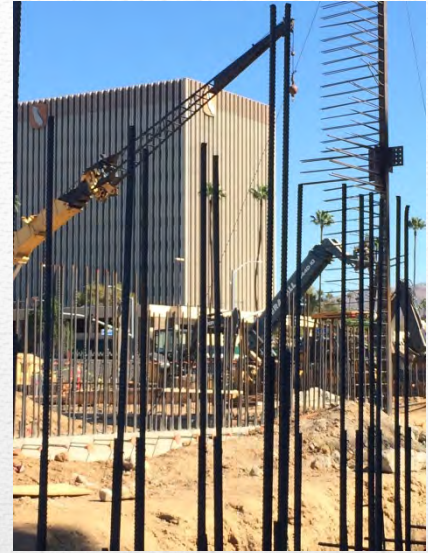
**Concrete Pours
for Footings**
CSA: 1200 CY
CAA/DO: 1000 CY
Parking: 1600 CY



CSA: Preparing Block/Gray Block



CSA:
Architectural
Block





CAA/DO: Shoring/ Footings / Building Infrastructure



Parking Structure: Geopiers/Footings





What's next?

It's Only Up From Here!



Coil School for the Arts
4D CONSTRUCTION ANIMATION

Phase II

[Link to Presentation on Connect Server](#)

