

**Board of Trustees - Regular Meeting
Tuesday, December 10, 2013 6:00 PM
Moreno Valley College, Student Academic
Services, General Assembly Room #121,
16130 Lasselle Street Moreno Valley, CA 92551**

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. Due to the Ralph M. Brown Act, the Board cannot address or respond to comments made under Public Comment.

II. APPROVAL OF MINUTES

A. [Minutes of the Board of Trustees Regular/Committee Meeting of November 5, 2013](#)

Recommend approving the November 5, 2013 Board of Trustees Regular/Committee meeting minutes as prepared.

B. [Minutes of the Board of Trustees Regular Meeting of November 19, 2013](#)

Recommend approving the November 19, 2013 Regular meeting minutes as prepared.

III. PUBLIC HEARING (NONE)

IV. CHANCELLOR'S REPORTS

A. [Chancellor's Communications](#)

Information Only

B. [Presentation of Winter Intersession 2013 Scholarship Award to Student Trustee](#)

Information Only

C. [MVC Student Presentation: Athena Student Leadership Program](#)

Information Only

D. [Five to Thrive Presentation Led by Ms. Ann Pfeifle, Associate Professor of History](#)

Information Only

E. [Health Care Update](#)

Information Only

F. [District Health Care Plans Compliance with the Affordable Care Act](#)

Recommend authorizing the District to proceed with Health Care Plan Compliance with the Affordable Care Act.

G. [Future Monthly Committee Agenda Planner and Annual Master Planning Calendar](#)

Information Only

V. STUDENT REPORT

A. [Student Report](#)

Information Only

VI. CONSENT AGENDA ACTION

A. Diversity/Human Resources

1. **Academic Personnel**
Recommend approving/ratifying academic personnel actions.
2. **Classified Personnel**
Recommend approving/ratifying classified personnel actions.
3. **Other Personnel**
Recommend approving/ratifying other personnel actions.

B. District Business

1. **Purchase Order and Warrant Report – All District Resources**
Recommend approving/ratifying the Purchase Orders and Purchase Order Additions totaling \$1,468,281 and District Warrant Claims totaling \$5,167,123.
2. Budget Adjustments
 - a. **Budget Adjustments**
Recommend approving the budget transfers as presented.
3. Resolution(s) to Amend Budget (None)
4. Contingency Budget Adjustments (None)
5. Bid Awards (None)
6. Grants, Contracts and Agreements
 - a. **Contracts and Agreements Report Less than \$83,400 – All District Resources**
Recommend ratifying contracts totaling \$75,357 for the period November 1, 2013 through November 24, 2013.
7. **Out-of-State Travel**
Recommend approving out-of-state travel.
8. Other Items
 - a. **Notices of Completion**
Recommend accepting the projects listed on the attachment as complete and approving the execution of the Notices of Completion (under Civil Code Section 3093 – Public Works).
 - b. **Surplus Property**
Recommend declaring the property on the attached list to be surplus; finding property does not exceed the total value of \$5,000; and authorizing the property to be consigned to The Liquidation Company to be sold on behalf of the District.
 - c. **Signature Authorization**
Recommend authorizing each Trustee and the designated District administrators on the attached to sign vendor warrant orders, salary payment orders, notices of employment, bank checks, purchase orders, change orders, and grant documents.

VII. CONSENT AGENDA INFORMATION (NONE)

VIII. BOARD COMMITTEE REPORTS

A. Governance (None)

B. Teaching and Learning

1. **Proposed Curricular Changes**
Recommend approving the proposed curricular changes for inclusion in the college catalogs and the schedule of class offerings.
2. **Moreno Valley College Accreditation Self-Evaluation**
Recommend accepting the Institutional Self-Evaluation report of Educational Quality and Institutional Effectiveness for Moreno Valley College.
3. **Norco College Accreditation Self-Evaluation**
Recommend accepting the Norco College Institutional Self Evaluation of Educational Quality and Institutional Effectiveness.
4. **Riverside City College Accreditation Self-Evaluation**
Recommend accepting the Institutional Self-Evaluation Report of Educational Quality and Institutional Effectiveness for Riverside City College.

C. Planning and Operations (None)

D. Resources

1. [2012-2013 Independent Audit Report for the Riverside Community College District](#)
Recommend receiving the Riverside Community College District's independent audit reports for the year ended June 30, 2013 for the permanent file of the District.
 2. [2012-2013 Independent Audit Report for the Riverside Community College District Foundation](#)
Recommend receiving the Riverside Community College District Foundation's independent audit report for the year ended June 30, 2013 for the permanent file of the District.
 3. [Resolution No.08-13/14 Designating Certain Products, Brands, and Services as District Standards](#)
Recommend adopting the resolution designating certain products, brands, and services as District Standards for equipment and installation into District buildings.
- E. Facilities
1. [Firm Selection and Agreement Amendment 3 for the Culinary Arts Academy/District Office Building and Agreement Amendment 3 for the Henry W. Coil, Sr. and Alice Edna Coil School for the Arts Building Projects with LPA, Inc.](#)
Recommend selecting LPA for FF&E consulting services for both projects and approving the agreement amendments with LPA, Inc. in the amounts of \$67,230.50 for the CAA/DO project and \$42,853.50 for the CSA project.
- IX. ADMINISTRATIVE REPORTS
- A. Vice Chancellors
 - B. Presidents
- X. ACADEMIC SENATE REPORTS
- A. Moreno Valley College
 - B. Norco College
 - C. Riverside City College/Riverside Community College District
- XI. BARGAINING UNIT REPORTS
- A. CTA - California Teachers Association
 - B. CSEA - California School Employees Association
- XII. BUSINESS FROM BOARD MEMBERS
- A. [Selection of Community Members for Chancellor's Search Committee](#)
Recommend approving the community member nominations for the Chancellor Search Committee.
 - B. [Board of Trustees Nomination for Association of Community College Trustees 2014 Board of Directors](#)
Recommend approving the nomination of Board Member Mary Figueroa to the Association of Community Colleges Trustees (ACCT) 2014 Regional Board of Directors for a three-year term.
 - C. [Update from Members of the Board of Trustees on Business of the Board Information Only](#)
- XIII. CLOSED SESSION
- A. [Pursuant to Government Code Section 54957, Public Employee Performance Evaluation Title: Interim Chancellor](#)
Recommended Action to be Determined
 - B. [Pursuant to Government Code Section 54957, Public Employee Discipline/Dismissal/Release](#)
Recommended Action to be Determined.
- XIV. ADJOURNMENT



Agenda Item (II-A)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Approval of Minutes (II-A) |
| Subject | Minutes of the Board of Trustees Regular/Committee Meeting of November 5, 2013 |
| College/District | District |
| Funding | n/a |
| Recommended Action | It is recommended that the Board of Trustees review and approve the minutes. |

Background Narrative:

Recommend approving the November 5, 2013 Board of Trustees Regular/Committee meeting minutes as prepared.

Prepared By: Cynthia Azari, Interim Chancellor
Kathy Tizcareno, Administrative Assistant

Attachments:

[110513_MIN](#)

MINUTES OF THE BOARD OF TRUSTEES REGULAR
AND COMMITTEE MEETINGS OF THE GOVERNANCE,
TEACHING AND LEARNING, PLANNING AND OPERATIONS,
RESOURCES, AND FACILITIES COMMITTEES
OF NOVEMBER 5, 2013

President Blumenthal called the Board of Trustees meeting to order at 6:01 p.m., in the Bradshaw Building-Hall of Fame, Riverside City College, 4800 Magnolia Avenue, Riverside, California.

CALL TO ORDER

Trustees Present

Virginia Blumenthal, President
Janet Green, Vice President
Sam Davis, Secretary
Jared Snyder, Student Trustee
Nathan Miller, Board Member

Absent

Mary Figueroa (excused)

Staff Present

Dr. Cynthia E. Azari, Interim Chancellor
Mr. Aaron Brown, Vice Chancellor, Business and Financial Services
Dr. Vicki Nicholson, Interim Vice Chancellor, Diversity and Human Resources
Dr. Wolde-Ab Isaac, Interim President, Riverside City College
Dr. Sandra Mayo, President, Moreno Valley College
Dr. Paul Parnell, President, Norco College
Mr. Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations
Ms. Sylvia Thomas, Associate Vice Chancellor, Educational Services
Dr. Ed Bush, Vice President, Student Services, Riverside City College
Dr. Monica Green, Vice President, Student Services, Norco College
Dr. Greg Sandoval, Vice President, Student Services, Moreno Valley College
Mr. Bart Doering, Director, Construction, Facilities Planning and Development
Mr. Charlie Wyckoff, Associate Professor, Business Administration

Guest Present

Ms. Renee S. Graves, CPA/Partner, Vicenti, Lloyd & Sutzman LLP

Student Trustee Jared Snyder led the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Miller/Green moved that the Board of Trustees approve the absence of Trustee Mary Figueroa from the meeting on Tuesday, November 5, 2013, as provided for in Education Code Section 35120 paragraph (d). Motion carried (4 ayes, 1 absent [Figueroa])

Trustee Compensation

The Teaching and Learning Committee Chair Sam Davis convened the meeting at 6:02 p.m. Committee members in attendance: Dr. Cynthia E. Azari, Interim Chancellor,

TEACHING AND LEARNING

Academic Senate Representatives: Ms. Latonya Parker (Moreno Valley College), Dr. Lynn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); CTA Representative: Rhonda Taube (Riverside City College); and Confidential Representative: Ms. Martha Arellano.

Ms. Sylvia Thomas, Dr. Monica Green, Dr. Greg Sandoval, and Dr. Ed Bush facilitated a presentational overview of the compliance and efforts related to the California DREAM Act for the District and three colleges. Discussion followed.

Presentation on the California DREAM Act with Riverside Community College District

Ms. Sylvia Thomas led the committee review of the proposed curricular changes for inclusion in the college catalogs and schedule of class offerings that will be presented to the Board for approval at the November 19 regular Board meeting. Discussion followed.

Proposed Curricular Changes

The Committee adjourned the meeting at 6:28 p.m.

President Blumenthal convened the meeting at 6:29 p.m. Committee members in attendance: Academic Senate Representatives: Dr. Travis Gibbs (Moreno Valley College), Dr. Lynn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); ASRCCD Representative: Mr. Christian Alejandre; and Confidential Representative: Ms. Martha Arellano.

PLANNING AND OPERATIONS

Dr. Sandra Mayo led the committee review of the revised Mission Statement for Moreno Valley College that will be presented to the Board for approval at the November 19 regular meeting. Discussion followed.

Revision to the Moreno valley College Mission Statement

Chief of Police Jim Miyashiro introduced newly hired sworn personnel: Officer Jorge Brambila, Senior Officer Octavio Rojas, and Reserve Officer Ted Falencki. He provided information on the use of tactical patrol rifles; the weapon of choice by “first responder” officers in active shooter situations. Discussion followed.

Presentation on Tactical Patrol Rifles for RCCD

The committee adjourned the meeting at 6:50 p.m.

Adjourned

The Resources Committee Chair Janet Green convened the meeting at 6:51 p.m. Committee members in attendance: Mr. Aaron Brown, Vice Chancellor, Business and Financial Services, Dr. Vicki Nicholson, Interim Vice Chancellor, Diversity and Human Resources; Academic Senate Representatives: Mr. Sal Soto (Moreno Valley College), Mr. Tom Wagner (Norco College) and Mr. Lee Nelson (Riverside City College); CTA Representative: Mr. Leo

RESOURCES COMMITTEE

Truttmann; Confidential Representative: Ms. Martha Arellano; and Management Association Representative: Ms. Beth Gomez.

Mr. Charlie Wyckoff led the committee review of the project budget in the amount of \$419,408; and Agreement with Community Works Design Group in the amount of \$31,600 for the Courtyard Project at Riverside City College that will be presented to the Board for approval at the November 19 regular meeting. Discussion followed.

Project Budget and Agreement for the Courtyard Project with Community Works Design Groups

Ms. Reneé Graves, Vicenti, Lloyd & Sutzman LLP, led the review of the independent financial and performance audits of the District's Measure C general obligation bonds that the Board will be asked to receive at the regular Board meeting on November 19, 2013. Discussion followed.

2012-2013 Proposition 39 Financial and Performance Audits

The committee adjourned the meeting at 7:05 p.m.

Adjourned

The Facilities Committee Chair Nathan Miller convened the meeting at 7:06 p.m. Committee members in attendance: Academic Senate Representatives: Ms. LaTonya Parker (Moreno Valley College), Dr. Lynn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); ASRCCD Representative: Mr. Brennan Gonerig; CTA Representative: Ms. Rhonda Taube; and Confidential Representative: Ms. Martha Arellano.

FACILITIES COMMITTEE

Mr. Bart Doering led the committee review of an amendment with C.W. Driver in the amount of \$16,704 for construction management services; and request of an additional one month extension of time, for a revised complete date of November 4, 2013 that will be presented to the Board for approval at the November 19 regular meeting. Discussion followed.

Agreement Amendment 2 for MVC Phase III Student Academic Services Facility with C.W. Driver

Mr. Bart Doering led the committee review of an agreement with DUDEK in an amount not to exceed \$135,213 for the five-year groundwater sampling/monitoring program at Norco College that will be presented to the Board for approval at the November 19 regular meeting. Discussion followed

Agreement for the Groundwater Monitoring Wells Compliance Project DUDEK

The committee adjourned the meeting at 7:10 p.m.

Adjourned

OTHER BUSINESS

Green/Miller moved that the Board of Trustees approve the authorization to distribute letters to constituent groups announcing the commencement of the search for Chancellor and requesting nominations for committee members. Motion carried. (4 ayes, 1 absent [Figueroa])

Selection of Search Committee for
Chancellor Search

Green/Blumenthal moved that the Board of Trustees appoint Trustee Miller - Chair and Trustee Figueroa - Co-Chair of the Search Committee for Chancellor Search. Motion carried. (4 ayes, 1 absent [Figueroa])

President Blumenthal noted that the Board will review Administrative Procedure 2431 with regard to student representation from each college, and directed staff to place this item on the Governance Committee agenda at the next Regular/Committee Board meeting on December 3, 2013. Discussion followed.

The Board adjourned the meeting in at 7:20 p.m.

ADJOURNMENT



Agenda Item (II-B)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Approval of Minutes (II-B) |
| Subject | Minutes of the Board of Trustees Regular Meeting of November 19, 2013 |
| College/District | District |
| Funding | |
| Recommended Action | It is recommended that the Board of Trustees review and approve the minutes. |

Background Narrative:

Recommend approving the November 19, 2013 Board of Trustees Regular meeting minutes as prepared.

Prepared By: Cynthia Azari, Interim Chancellor
Michelle Haeckel, Administrative Assistant, Office of the Chancellor

Attachments:

[111913_MIN](#)

MINUTES OF THE REGULAR BOARD OF TRUSTEES MEETING
OF NOVEMBER 19, 2013

President Blumenthal called the regular meeting of the Board of Trustees to order at 6:00 p.m., in the O.W. Noble Administrative Center, Board Room AD 122, Riverside City College, 4800 Magnolia Avenue, Riverside, California 92506

CALL TO ORDER

Trustees Present

Virginia Blumenthal, President
Janet Green, Vice President
Sam Davis, Secretary
Mary Figueroa, Board Member
Nathan Miller, Board Member
Jared Snyder, Student Trustee

Staff Present

Dr. Cynthia Azari, Interim Chancellor
Mr. Aaron Brown, Vice Chancellor, Business and Financial Services
Dr. Vicki Nicholson, Interim Vice Chancellor, Diversity and Human Resources
Dr. Wolde-Ab Isaac, Interim President, Riverside City College
Dr. Sandra Mayo, President, Moreno Valley College
Dr. Paul Parnell, President, Norco College
Mr. Jim Parsons, Associate Vice Chancellor, Strategic Communications and Relations
Ms. Chris Carlson, Chief of Staff and Facilities Development
Dr. Travis Gibbs, Academic Senate Representative, Moreno Valley College
Dr. Lyn Greene, Academic Senate Representative, Norco College
Mr. Lee Nelson, Academic Senate Representative, District and Riverside City College
Dr. Dariush Haghghat, President, CTA
Mr. Eric Muehlebach, President, CSEA

Guests Present

Dr. Heather Smith, Professor, Biology
Ms. Debra Yorba, Vice President, Keenan and Associates

Student Trustee Jared Snyder led the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Student Brennan Gonering requested that all three colleges have student representation on the Chancellor Search Committee.

PUBLIC COMMENT

Green/Davis moved that the Board of Trustees approve the minutes of the Board of Trustees Regular/Committee Meeting of October 1, 2013. Motion carried. (5 ayes)

MINUTES OF THE BOARD OF TRUSTEES REGULAR/COMMITTEE MEETING OF OCTOBER 1, 2013

Green/Davis moved that the Board of Trustees approve the minutes of the Board of Trustees Regular Meeting of October 15, 2013. Motion carried. (4 ayes, 1 abstain [Blumenthal])

MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING OF OCTOBER 15, 2013

CHANCELLOR'S REPORTS

Mr. Brown gave an update on the mass notification testing.

Dr. Smith gave a presentation entitled, "Building Bridges Across Riverside through Nano-Water Research." Dr. Smith, along with two colleagues, got together and came up with an 8-week program involving two RCC students researching the effects of nanoparticles on the environment.

Dr. Nicholson and Ms. Yorba discussed the District's three healthcare plans, grandfathering/non-grandfathered status of the plans, compliance with the Affordable Care Act, and how to best handle issues that have arose with the self-funded RCCD PPO plan relating to language modifications made by different 3rd party administrators over the years.

A committee is in the process of being formed to see exactly what changes in benefits have occurred and what costs may be incurred by the District to correct those changes.

The Board of Trustees received information on documents that are used to monitor and review upcoming action items, information items, and presentations, as well as planning for the monthly committee and Board meetings.

Student Jared Snyder presented the report about recent and future student activities at Moreno Valley, Norco, and Riverside City Colleges and Riverside Community College District.

Presentations

Five to Thrive Presentation Led by Dr. Heather Smith, Professor, Life Sciences

Update on District Healthcare Plan

Future Monthly Committee Agenda Planner and Annual Master Planning Calendar

STUDENT REPORT

CONSENT ITEMS

Figueroa/Miller moved that the Board of Trustees:

Approve/ratify the listed academic appointments, separations, and assignment and salary adjustments;

Academic Personnel

| | |
|--|--|
| Approve/ratify the listed classified appointments, separations, and assignment and salary adjustments; | Classified Personnel |
| Approve/ratify the listed other personnel appointments, and assignment and salary adjustments as amended; | Other Personnel |
| Approve/ratify the Purchase Orders and Purchase Order Additions totaling \$3,418,162 and District Warrant Claims totaling \$5,769,780; | Purchase Order and Warrant Report – All District Resources |
| Approve the budget transfers as presented; | Budget Adjustments |
| Approve the out-of-state travel; | Out-of-State Travel |
| Approve adding the revenue and expenditures of \$5,000 to the budget; | Resolution No. 09-13/14 – 2013-2014 Leadership Academy Program |
| Approve adding the revenue and expenditures of \$16,000 to the budget; | Resolution No. 10-13/14 – 2013-2014 Student Activities Office |
| Approve adding the revenue and expenditures of \$830 to the budget; | Resolution No. 12-13/14 – 2013-2014 Foster and Kinship Care Education Program |
| Approve adding the revenue and expenditures of \$250,272 to the budget; | Resolution No. 13-13/14 – 2013-2014 TANF and CalWORKs Programs |
| Approve adding the revenue and expenditures of \$460,530 to the budget; | Resolution No. 14-13/14 – 2013-2014 Student Financial Assistance Program – Fiscal Coordination |
| Approve adding the revenue and expenditures of \$627,590 to the budget; | Resolution No. 16-13/14 – 2013-2014 State of California Employment Training Panel (ETP) |
| Approve adding the revenue and expenditures of \$15,000 to the budget; | Resolution No. 17-13/14 – 2013-2014 Improving Patient Outcomes through Ambulatory Care in Nursing Program College/District |
| Approve adding the revenue and expenditures of \$2,913 to the budget; | Resolution No. 18-13/14 – 2013-2014 Bulletproof Vest Partnership |

Approve adding the revenue and expenditures of \$200,090 to the budget;

Resolution No. 19-13/14 – 2013-2014 Student Success and Support Program

Approve adding the revenue and expenditures of \$9,500 to the budget;

Resolution No. 15-13/14 – 2013-2014 Foster Youth Support Services Program

Approve adding the revenue and expenditures of \$30,000 to the budget;

Resolution No. 20-13/14 – 2013-2014 Upward Bound Math and Science Program Support

Approve the purchase of janitorial supplies, equipment, maintenance, and repair services from Waxie Enterprises, Inc., utilizing the National Cooperative Purchasing Alliance (NCPA) Contract No. 02-09 through November 30, 2014;

Purchase of Janitorial Supplies, Equipment, Maintenance, and Repair Services Utilizing the National Cooperative Purchasing Alliance (NCPA) Contract

Ratify contracts totaling \$602,515 for the period October 1, 2013 through October 31, 2013;

Contracts and Agreements Report Less than \$83,400 – All District Resources

Approve the amendment to the CORE Contract between Riverside Community College District and Employment Training Panel in the amount of \$628,000.

Amendment to the CORE Contract between Riverside Community College District and Employment Training Panel

Approve the Sub-Contract Agreement for the period of July 1, 2013 through December 31, 2013, not to exceed \$130,000.00, between Riverside Unified School District (RUSD), and Riverside City College.

Sub-Contract Agreement Collaborative Efforts Supporting the Completion Counts-A Riverside Learning Partnership Grant with Riverside Unified School District

Approve the out-of-state travel;

Out-of-State Travel

Accept the projects listed on the attachment as complete and approve the execution of the Notices of Completion (under Civil Code Section 3093 – Public Works);

Notices of Completion

Declare the property on the attached list to be surplus; find that the property does not exceed the total value of \$5,000; and authorize the property to be consigned to The Liquidation Company to be sold on behalf of the District.

Surplus Property

Motion carried. (5 ayes)

Information

Monthly Financial Report for Month Ending - October 31, 2013.

Monthly Financial Report for Month Ending - October 31, 2013

The Board received the quarterly financial status report for the quarter ended September 30, 2013;

CCFS-311Q – Quarterly Financial Status Report for the 1st Quarter Ended

BOARD COMMITTEE REPORTS

Teaching and Learning

Blumenthal/Davis moved that the Board of Trustees approve the proposed curricular changes for inclusion in the college catalogs and the schedule of class offerings. Motion carried. (5 ayes)

Proposed Curricular Changes

Planning and Operations

Blumenthal/Miller moved that the Board of Trustees approve the revised Moreno Valley College Mission Statement. Motion carried. (5 ayes)

Revision to the Moreno Valley College Mission Statement

Resources

Green/Davis moved that the Board of Trustees approve: the project budget of \$419,408 for the Courtyard Project and the agreement with Community Works Design Group for \$31,660 for the project. Motion carried. (5 ayes)

Project Budget and Agreement for the Courtyard Project with Community Works Design Group

Green/Davis moved that the Board of Trustees receive the Proposition 39 independent financial and performance audits of the District's Measure C general obligation bonds for the year ended June 30, 2013 for the permanent file of the District. Motion carried. (5 ayes)

2012-2013 Proposition 39 Financial and Performance Audits

Facilities

Miller/Green moved that the Board of Trustees approve Agreement Amendment 2 for the MVC Phase III Student Academic Services Facility for construction management services with C.W. Driver in the amount of \$16,704. An additional one month extension of time is requested, for a revised completion date of November 4, 2013. Motion carried. (5 ayes)

Agreement Amendment 2 for MVC Phase III Student Academic Services Facility with C.W. Driver

Miller/Davis moved that the Board of Trustees approve an agreement for the five-year groundwater sampling/monitoring program with DUDEK, in an amount not to exceed \$135,213. Motion carried. (5 ayes)

Agreement for the Groundwater Monitoring Wells Compliance Project with DUDEK

ACADEMIC SENATE REPORTS

Dr. Travis Gibbs presented the report on behalf of Moreno Valley College.

Moreno Valley College

Dr. Lyn Greene presented the report on behalf of Norco College.

Norco College

Mr. Lee Nelson presented the report on behalf of the District and Riverside City College.

Riverside City College and Riverside Community College District

BARGAINING UNIT REPORTS

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

CTA – California Teachers Association

Mr. Eric Muehlebach, President, CSEA, presented the report on behalf of the CSEA.

CSEA – California School Employees Association

The Board adjourned the meeting at 8:09 p.m.

ADJOURNED



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[Agenda Item](#)

Agenda Item (IV-A)

Meeting 12/10/2013 - Regular

Agenda Item Chancellor's Reports (IV-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: Cynthia Azari, Interim Chancellor

Attachments:



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[Agenda Item](#)

Agenda Item (IV-B)

Meeting 12/10/2013 - Regular

Agenda Item Chancellor's Reports (IV-B)

Subject Presentation of Winter Intersession 2013 Scholarship Award to Student Trustee

College/District District

Information Only

Background Narrative:

Interim Chancellor will present the Winter Intersession 2013 Scholarship Award to Student Trustee.

Prepared By: Cynthia Azari, Interim Chancellor

Attachments:



Agenda Item (IV-C)

| | |
|------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Chancellor's Reports (IV-C) |
| Subject | MVC Student Presentation: Athena Student Leadership Program |
| College/District | Moreno Valley |
| Information Only | |

Background Narrative:

The ATHENA Student Leadership Program is designed to assist students in developing leadership and career-related skills. With a goal of preparing students for leadership in higher education and beyond, the ATHENA Student Leadership Program aims to enhance and strengthen "transferable skills." The Program provides a foundation for students to become confident, aware, and engaged citizens facilitating academic success, civic responsibility, and the opportunity for achieving career goals.

Prepared By: Sandra Mayo, President, Moreno Valley College

Attachments:

[MVC Student Presentation - ATHENA Leadership Program](#)

MORENO VALLEY COLLEGE

ΑΘΗΝΑ

ATHENA

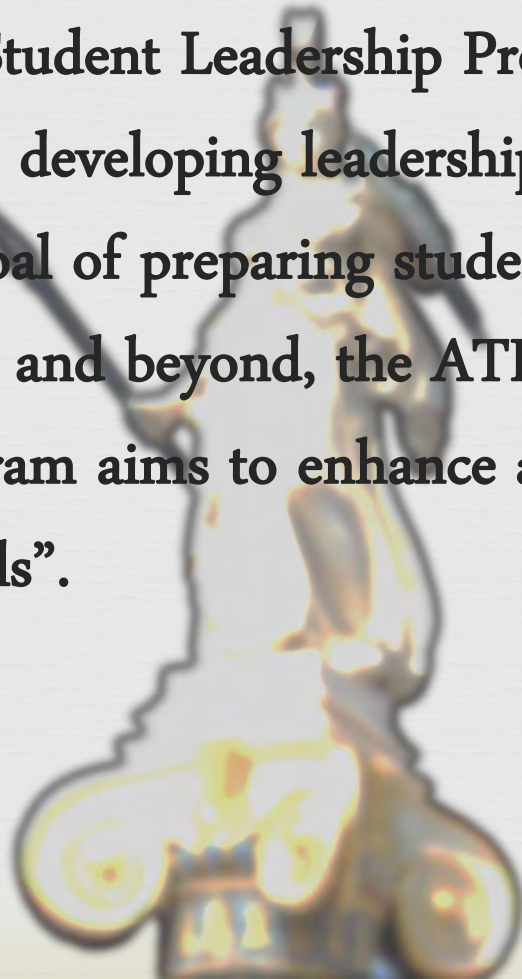


ATHENA Student Leadership Program

Moreno Valley College



☞ The ATHENA Student Leadership Program is designed to assist students in developing leadership and career related skills. With a goal of preparing students for leadership in higher education and beyond, the ATHENA Student Leadership Program aims to enhance and strengthen “transferable skills”.

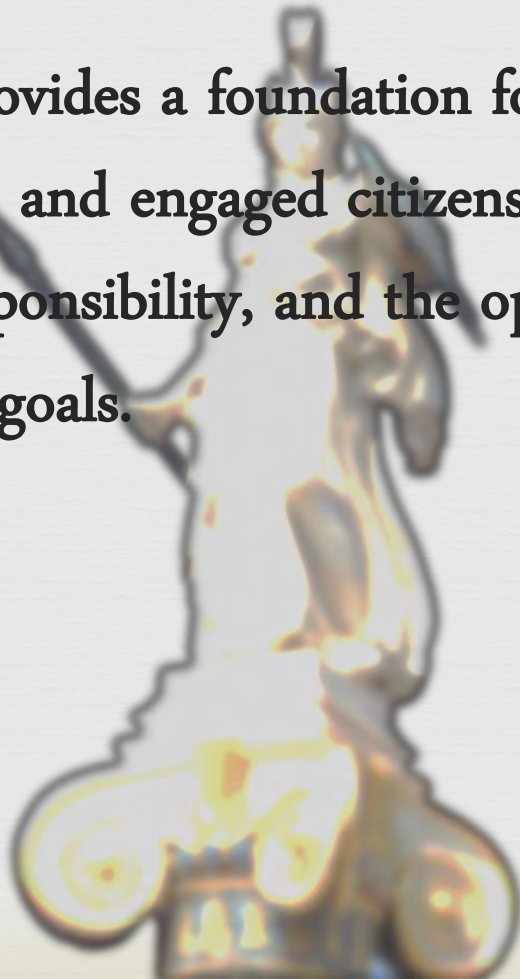


ATHENA Student Leadership Program

Moreno Valley College



☞ The Program provides a foundation for students to become confident, aware, and engaged citizens facilitating academic success, civic responsibility, and the opportunity for achieving career goals.



Learning Outcomes for Students ...



-
- ❧ Learn how to “be” a leader with a focus on quality and character
 - ❧ Gain leadership competence necessary for success in college and beyond
 - ❧ Explore personal leadership attributes relative to the ATHENA Leadership Model
 - ❧ Apply ATHENA leadership principles through experiential learning
 - ❧ Map out a pathway for leadership growth in college and career
 - ❧ Have the opportunity to build bridges across professional sectors and generations

~ ATHENA Principles



- ~ LIVE AUTHENTICALLY
- ~ ADVOCATE FIERCELY
- ~ ACT COURAGEOUSLY
- ~ FOSTER COLLABORATION
- ~ GIVING BACK
- ~ LEARN CONSTANTLY
- ~ BUILD RELATIONSHIPS
- ~ CELEBRATE/LEGACY



Presenter: **Officer Angelo “AJ” Jackson**

College Safety and Police - Moreno Valley College
Topic: **Giving Back and Act Courageously**



Presenter: Ms. Micki Clowney

Topic: Building Relationships and Fostering Collaboration

ℳ



Presenter: Ms. Eugenia Vincent

Dean of Student Services - Moreno Valley College

Topic: Legacy



CELEBRATE!



ATHENA Participants 2013 - 2014

*(from left to right) Front Row: Alexis Amor, Erika Castañeda, Theodore Cubbage, LaShanne Dennis, Reneé Hendrix, Tahndanya Johnson, Chanthon Saway-Jenkins, Steven Tav;
Back Row: Mary Allen, Michelle Christenson, Ron Johnson, Catherine Russo (Program Assistant), Tamia Thompson, Doris Egbo, Regina Miller, and Program Director and Coordinator of Student Activities, Ms. Frankie Moore.*



Agenda Item (IV-D)

| | |
|------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Chancellor's Reports (IV-D) |
| Subject | Five to Thrive Presentation Led by Ms. Ann Pfeifle, Associate Professor of History |
| College/District | Moreno Valley |
| Information Only | |

Background Narrative:

"A Sense of History"

In today's world of smart phones, Twitter and a 24 news cycle, we are often led to believe that technology is the way of the future. While I am certainly a believer that technological changes have dramatically changed the way we live and can teach, there is more to teaching than the bells and whistles that computer technology can provide – at least in the field of history.

History classes are often perceived as boring classes that focus on the memorization of names and dates; however when asked, people tend to like the topics that history covers. This is explained by the success of such programs as Pawn Stars and American Pickers on the History Channel and movies such as Lincoln and 12 Years a Slave. Where is the disconnect? I believe it's in the presentation.

I am a social historian by training. My classes are predominantly lecture (with the exception of my Honors courses) with discussion sessions when it's reasonable. But I attempt to include students on a variety of levels – having them use a variety of senses to understand and experience history.

Let me provide some examples that I use in my various history classes at MVC:

- o Godey's Lady's Book (sight)
- o Stereoscope (sight)
- o Cotton (touch)
- o "Smells" of the West (smell)
- o 1893 World's Fair goodies/Juicy Fruit gum (taste)
- o Jazz Music (sound)
- o Great Depression Cake (taste)
- o WWII ration book (sight)

The presentation of these items is more just than "show and tell." It allows students to touch, taste, smell, hear, and see history. It makes history come alive and the students realize that history, while it might seem intangible, is not so. Students can really get a sense of history.

Prepared By: Cynthia Azari, Interim Chancellor

Attachments:



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[Agenda Item](#)

Agenda Item (IV-E)

Meeting 12/10/2013 - Regular
Agenda Item Chancellor's Reports (IV-E)
Subject Health Care Update
College/District District
Information Only

Background Narrative:

At the November 19, 2013, Regular Board of Trustees Meeting the Board of Trustees requested an update on the Health Care Issue at each Board Meeting.

The Interim Chancellor's Benefits Sub-committee met on Friday, December 6, 2013. This update will be provided by Debra Yorba, Keenan and Associates.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:



Agenda Item (IV-F)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Chancellor's Reports (IV-F) |
| Subject | District Health Care Plans Compliance with the Affordable Care Act |
| College/District | District |
| Funding | General Fund and other funds |
| Recommended Action | It is recommended that the Board of Trustees authorize to proceed with District Health Care Plan Compliance with the Affordable Care Act, by: 1) providing a budget amount of not to exceed \$430,500; 2) authorize a new agreement for the Riverside Community College District Health Plan (PPO, with HealthNow as the 3rd-party administrator) to be effective January 1, 2014; and 3) authorize staff to pursue non-grandfather status with the HMO providers (HealthNet and Kaiser) for board consideration. |

Background Narrative:

Riverside Community College District offers its employees three health care plans; one self-insured PPO plan (RCCD Health Plan, with HealthNow as a Third-Party Administrator), and two HMO plans (Health Net and Kaiser). With the passage and implementation of the Affordable Care Act, the three plans offered by the District were "grandfathered", thereby changing no coverage.

In order to gain compliance of the health care plans with the Affordable Care Act, the "grandfather" status needs to be removed; and coverage changed to comply with the Act. The cost associated is estimated not to exceed \$430,500 for FY2013/14 (with \$378,000 from general fund and the remainder for other funds [ex: enterprise, grant funds]).

With the District self-insured, PPO Health Plan, the necessary changes for compliance with the provisions of the Affordable Care Act can be made for a January 1, 2014 effective date. The District will pursue the compliance provisions requirements with the two, HMO plans; and return to the board for consideration.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:



[e-board](#) › [Agenda Item](#)

[Agenda Item](#)

Agenda Item (IV-G)

Meeting 12/10/2013 - Regular

Agenda Item Chancellor's Reports (IV-G)

Subject Future Monthly Committee Agenda Planner and Annual Master Planning Calendar

College/District District

Information Only

Background Narrative:

Monthly, the Board Committees meet to review upcoming action items or receive information items and presentations. Furthermore, annually the Board sees and takes action on items at the same time each year. For the purposes of planning the monthly committee and Board meetings, the Future Committee Agenda Planner and the Annual Master Planning Calendar are provided for the Board's information.

Prepared By: Cynthia Azari, Interim Chancellor
Michelle Haeckel, Administrative Assistant, Office of the Chancellor

Attachments:

[Future Monthly Committee Agenda Planner and Annual Master Planning Calendar_121013](#)

COMMITTEES OF THE BOARD OF TRUSTEES - PLANNING WORKSHEET

JANUARY 2014

Page 1

| A. Governance | B. Teaching and Learning | C. Planning and Operations | D. Resources | E. Facilities |
|---|---|---|--|---|
| Chancellor | Vice Chancellor, Academic Affairs | Chief of Staff and Facilities Development | Vice Chancellor, Business & Financial Services; Vice Chancellor, Diversity and Human Resources | Chief of Staff and Facilities Development |
| <div data-bbox="128 743 474 1149" style="border: 1px solid black; padding: 5px;"> <ul style="list-style-type: none"> ✓ Board report & backup materials attached for review by the Cabinet. ■ Board report and/or backup not yet complete – review pending. ★ Approved by the Cabinet for placement on the Board agenda. <p style="text-align: center; color: red; font-weight: bold; margin-top: 10px;">ALL FINAL REPORTS DUE TO THE CHANCELLOR'S OFFICE BY &</p> </div> | <ul style="list-style-type: none"> ■ Substantive Change for ACCJC – Intl Rectifier Contract Education (Parnell) ■ | <ul style="list-style-type: none"> ■ | <ul style="list-style-type: none"> ■ | <ul style="list-style-type: none"> ■ |

Updated 12/3/13

RECOMMENDED 2012-13 GOVERNING BOARD AGENDA MASTER PLANNING CALENDAR

| Month | Planned Agenda Item |
|-----------|---|
| August | <ul style="list-style-type: none"> • Proposed Curricular Changes |
| September | <ul style="list-style-type: none"> • CCFS-311Q-Quarterly Financial Status Report for the Quarter Ended June 30 • Budget – Public Hearing |
| October | <ul style="list-style-type: none"> • Annual Master Grant Submission Schedule • Emeritus Awards, Faculty • Presentation of Annual Report by Measure C Citizens’ Bond Oversight Committee |
| November | <ul style="list-style-type: none"> • Annual CCFS-311 Financial and Budget Report • Annual Proposition 39 Financial and Performance Audits |
| December | <ul style="list-style-type: none"> • Organizational Meeting: Elect the President, Vice President and Secretary of the Board of Trustees; Board association and committee appointments. • Annual Board of Trustees Meeting Calendar for January-December • RCCD Report Card on the Strategic Plan • Annual District Academic Calendar • CCFS-311Q-Quarterly Financial Status Report for the Quarter Ended September 30 • RCCD Report Card on the Strategic Plan • Annual Independent Audit Report for the Riverside Community College District • Annual Independent Audit Report for the Riverside Community College District Foundation • Fall Scholarship Award to Student Trustee |
| January | <ul style="list-style-type: none"> • Accountability Reporting for Community Colleges • Grants Office Annual Winter Report • Governor’s Budget Proposal • Federal Legislative Update • Nonresident Tuition and Capital Outlay Surcharge Fees • Proposed Curricular Changes |
| February | <ul style="list-style-type: none"> • CCFS-311Q-Quarterly Financial Status Report for the Quarter Ended December 31 • Recommendation Not to Employ (March 15th Letters) |
| March | <ul style="list-style-type: none"> • |
| April | <ul style="list-style-type: none"> • Academic Rank – Full Professors • Authorization to Encumber Funds • Proposed Curricular Changes • Accountability Reporting for Community Colleges |
| May | <ul style="list-style-type: none"> • CCFS-311Q-Quarterly Financial Status Report for the Quarter Ended March 31 • Summer Workweek • College Closure – Holiday Schedule • Resolution to Recognize Classified School Employee Week • Board of Trustees Annual Self-Evaluation • Chancellor’s Evaluation |
| June | <ul style="list-style-type: none"> • Administration of Oath of Office to Student Trustee • Spring Scholarship Award to Student Trustee • Department Chairs and Stipends, Academic Year • Coordinator Assignments • Extra-Curricular Assignments • Notices of Employment–Tenured Faculty; Contract Faculty; and Categorically Funded • Academic Administrator Employment Contracts • Tentative Budget and Notice and Public Hearing on the Budget • Five-Year Capital Construction Plan, Initial Project Proposals and Final Project Proposals • Moreno Valley College Catalog • Norco College Catalog • Riverside City College Catalog • Board Self Evaluation – Reporting Out |



[e-board](#) › [Agenda Item](#)

[Agenda Item](#)

Agenda Item (V-A)

Meeting 12/10/2013 - Regular

Agenda Item Student Report (V-A)

Subject Student Report

College/District District

Information Only

Background Narrative:

Student Trustee Jared Snyder will be presenting the report about the recent and future student activities at Moreno Valley College, Norco College, and Riverside City College, and Riverside City College District.

Prepared By: Cynthia Azari, Interim Chancellor
Chris Carlson, Chief of Staff & Facilities Development

Attachments:

[Student Report_121013](#)



**MORENO VALLEY COLLEGE
ASSOCIATED STUDENTS
BOARD REPORT
September 2013**

- Moreno Valley College is in the process of preparing upcoming conferences that include a new one called HACU (The Hispanic Association of Colleges and Universities) in October.
- To address and raise awareness for Diabetes, the students of Moreno Valley College are active registering for the upcoming Step Out Diabetes Walk at Castle Park with an event date of Saturday, November 16, 2013.
- The Student Government of Moreno Valley College are continuing its efforts towards a solution between its constituency and RTA. We are working on a new proposal that will accommodate all.
- In continuing with advocacy for the students, Associated Students Moreno Valley College is actively participating with our sister colleges and its Region IX representatives through constant communication and representation at the state level. The next Region IX meeting is on Friday September 13, 2013 at College of the Desert.
- In welcoming the new students and raising Awareness College wide, the student body will be holding an Advisor's Luncheon for new and returning clubs on campus.
- The Student Senate of Moreno Valley College will hold its first meeting Monday September 9, 2013.

Respectfully,
Ronald L Johnson
Associated Students Moreno Valley College
Interim President



Agenda Item (VI-A-1)

Meeting 12/10/2013 - Regular

Agenda Item Consent Agenda Action (VI-A-1)

Subject Academic Personnel

College/District District

Funding

Recommended Action It is recommended that the Board of Trustees approve/ratify the academic personnel actions

Background Narrative:

Riverside Community College District, pursuant to Board Policies, routinely makes academic personnel appointments and takes actions. The attached list of academic personnel actions are for the Board's approval/ratification.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:

[20131210_Academic Personnel](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT
DIVERSITY AND HUMAN RESOURCES

Subject: Academic Personnel

Date: December 10, 2013

1. Appointments

Board Policy 2200 authorizes the Chancellor (or designee) to make an offer of employment to a prospective employee, subject to final approval by the Board of Trustees. It is recommended that the Board of Trustees approve/ratify the employment contracts and authorize the Chancellor to sign the management employment contracts.

a. Management Contracts

| <u>Name</u> | <u>Position</u> | <u>Term of Employment</u> | <u>Contract Salary</u> |
|-------------------|---|---------------------------|------------------------|
| Contreras, Miguel | Interim Project Director, Gateway to College | 12/17/13- 12/16/14 | T-1 |

b. Contract Faculty
(None)

c. Long-Term, Temporary Faculty
(None)

2. Salary Reclassification

Board Policy 7160 establishes the procedures for professional growth and salary reclassification.

It is recommended the Board of Trustees grant a salary reclassification to the following faculty member effective January 1, 2014.

| <u>Name</u> | <u>From Column</u> | <u>To Column</u> |
|------------------|--------------------|------------------|
| Reimer, Kimberly | G | H |

3. Separation(s)

Board Policy 7350 authorizes the Chancellor to officially accept the resignation of an employee and the Chancellor has accepted the following resignation(s).

It is recommended the Board of Trustees approve the resignation of the individual(s) listed below:

| <u>Name</u> | <u>Title</u> | <u>Last Day of Employment</u> | <u>Reason</u> |
|------------------|---|-------------------------------|---------------|
| Marks, Jill | Project Director, Gateway to College | December 16, 2013 | Resignation |
| Martinez, Daniel | Associate Dean, Institutional Research | December 31, 2013 | Resignation |



Agenda Item (VI-A-2)

Meeting 12/10/2013 - Regular

Agenda Item Consent Agenda Action (VI-A-2)

Subject Classified Personnel

College/District District

Funding

Recommended Action It is recommended that the Board of Trustees approve/ratify the classified personnel actions

Background Narrative:

Riverside Community College District, pursuant to Board Policies, routinely makes classified personnel appointments and takes actions. The attached list of classified personnel actions are for the Board's approval/ratification.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:

[20131210_Classified Personnel](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT
DIVERSITY AND HUMAN RESOURCES

Subject: Classified Personnel

Date: December 10, 2013

1. Appointments

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

The Chancellor recommends the Board of Trustees approve/ratify the following appointments:

| <u>Name</u> | <u>Position</u> | <u>Effective Date</u> | <u>Contract/ Salary</u> | <u>Action</u> |
|--|--|-----------------------|-----------------------------|---|
| a. Management/Supervisory | | | | |
| DISTRICT | | | | |
| Herman, Richard | Associate Vice Chancellor Information Technology and Learning Services | 12/11/13 | AB-5 | Promotion |
| MORENO VALLEY COLLEGE | | | | |
| Recinos, Jose | Director, Facilities | 01/06/14 | T-4 | Appointment |
| RIVERSIDE CITY COLLEGE | | | | |
| Rangel, Antoinette | Early Childhood Education Center Manager | 11/20/13 | Q-2* | Appointment (*Correction to salary step) |
| b. Management/Supervisory – Categorically Funded (None) | | | | |
| c. Classified/Confidential | | | | |
| MORENO VALLEY COLLEGE | | | | |
| Hernandez, Julio | Groundsperson | 12/16/13 | E-5 | Appointment |
| RIVERSIDE CITY COLLEGE | | | | |
| Abernathy, Charles | Instructional Media Aide | 12/09/13 | D-LS/2 | Rehire |
| Davila, Michelle | Executive Administrative Assistant | 12/11/13 | M-LS/3 | Promotion |
| Escalera, Anthony | Financial Aid Advisor | 12/09/13 | H-5 | Rehire |
| Reyes, Irene | Administrative Assistant II | 12/09/13 | G-LS/1 | Rehire |
| Valtierra, Stephanie | Admissions and Records Operations Assistant (Part-Time 48.75%) | 12/09/13 | C-1 | Rehire |
| d. Classified/Confidential – Categorically Funded | | | | |
| DISTRICT | | | | |
| Earl, Christopher | Business Development Administrative Specialist | 12/11/13 | K-1 | Appointment |

2. Request to Adjust End Date of Classified Service

At the meeting on September 17, 2013, the Board approved Resolution No. 05-13/14 to eliminate and/or reduce classified service due to lack of funds and/or workload effective November 22, 2013. Due to support needs in an essential function of the District, the District is able to fund and extend the notice for the affected employee from November 22, 2013 through the end of the calendar year, December 31, 2013. This request has the approval of the Interim Vice Chancellor, Diversity and Human Resources.

It is recommended the Board of Trustees adjust the end date of classified service as approved in Resolution No. 05-13/14 to December 31, 2013.

3. Requests for Temporary Increase in Workload

It is recommended the Board of Trustees approve/ratify the temporary increase in workload for the following individual. The request has the approval of the respective College President.

| <u>Name</u> | <u>Title</u> | <u>From/To Workload</u> | <u>Effective Date</u> |
|--|-----------------------------|-------------------------|-----------------------|
| MORENO VALLEY COLLEGE | | | |
| Orta-Perez, Angel | Outreach Specialist | 50% to 100% | 12/01/13-06/30/14 |
| RIVERSIDE CITY COLLEGE | | | |
| Figueroa, Daisy | Student Services Technician | 47.5% to 87.5% | 09/18/13-02/28/14 |
| (The Board of Trustees previously approved an increase in workload for Ms. Figueroa through 12/20/13; this is request for an extension.) | | | |

4. Request to Rescind Resignation

At its meeting of September 17, 2013, the Board of Trustees approved the separation of Ashley Martinez, Educational Advisor. Ms. Martinez has requested to have her separation rescinded and to be reinstated to the position of Educational Advisor (Part-Time, 48.75%) effective December 16, 2013. The department supports her request and the Riverside City College Interim President has approved this request.

It is recommended that the Board of Trustees rescind the separation of Ashley Martinez, Educational Advisor (Riverside City College) and reinstate her to the position of Educational Advisor (Part-Time, 48.75%) effective December 16, 2013.

5. Request for Health Leave Without Pay

In accordance with the CSEA bargaining unit agreement the employee(s) listed below are being placed on an unpaid leave of absence for health reasons for illness or injury which extends beyond the expiration of all other paid leaves.

It is recommended the Board of Trustees approve a health leave without pay for the employee(s) listed below:

| <u>Name</u> | <u>Position</u> | <u>Effective</u> |
|------------------|-------------------------------------|---------------------|
| Gonzales, Vivian | Instructional Department Specialist | 12/19/13 – 06/30/14 |
| Medina, Carmen | Laboratory Technician II | 12/20/13 – 06/30/14 |

6. Request to Change Bumping Due to Election to Not Exercise Bumping Rights

Board Policy and Administrative Procedure 7110 authorizes the Vice Chancellor, Diversity and Human Resources, to conduct certain personnel actions, subject to final approval by the Board of Trustees. On September 17, 2013 the board approved the elimination of the position of Administrative Assistant I. The incumbent of the position has elected not to exercise her bumping rights and has elected to be placed on the 39-Month reemployment list. Given this required action, it is recommended the Board of Trustees approve the changes to those impacted.

Rescind Bumping

Lopez, Linda

From: Administrative Assistant I – 100%
Chancellor’s Office

To: Administrative Assistant I – 48.75%
Academic Affairs – Riverside City College

Rescind Placement on 39-Month Reemployment List

Blessum, Froke Administrative Assistant I

7. Separation(s)

Board policy 7350 authorizes the Chancellor to officially accept the resignation of an employee and the Chancellor has accepted the following resignation(s).

It is recommended the Board of Trustees approve/ratify the resignation of the individual(s) listed below:

| <u>Name</u> | <u>Position</u> | <u>Effective</u> <u>Date</u> | <u>Reason</u> |
|-----------------|-----------------------------|---------------------------------|-----------------------------------|
| Johnson, Jeremy | Student Accounts Specialist | 01/21/14* | Return to 39 Month Rehire List |

*Correction



Agenda Item (VI-A-3)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-A-3) |
| Subject | Other Personnel |
| College/District | District |
| Funding | n/a |
| Recommended Action | It is recommend that the Board of Trustees approve/ratify the other personnel actions |

Background Narrative:

Riverside Community College District Board of Trustees, pursuant to Board policies and education code requirements, routinely makes other personnel appointments such as hiring of non-classified substitute, short-term, professional expert, and student employees. The attached list of other personnel actions are for the Board's approval/ratification.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:

[20131210_Other Personnel](#)
[20131210_Other Personnel_Backup](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT
DIVERSITY AND HUMAN RESOURCES

Subject: Other Personnel

Date: December 10, 2013

1. Substitute Assignments

Pursuant to Ed Code 88003, substitute assignments are made to allow the District time to recruit vacant positions or provide absence coverage. It is recommended that the Board of Trustees approve/confirm the substitute assignments as indicated on the attached list.

2. Short-term Positions

Pursuant to Ed Code 88003, a short-term employee is any person employed to perform a service for the District, upon the completion of which, the service required or similar services will not be extended or needed on a continuing basis. It is recommended that the Board of Trustees approve/confirm the short-term positions as indicated on the attached list.

3. Full-Time Students Employed Part-Time and Part-Time Students Employed Part-Time on Work Study

Pursuant to Ed Code 88003, full-time students employed part-time and part-time students employed part-time on work study are hired on an hourly, as needed basis. It is recommended that the Board of Trustees approve/confirm the student worker positions as indicated on the attached list.

4. Professional Expert

Pursuant to Ed Code 88003, a professional expert is any person employed on a temporary basis for a specific project, regardless of length of employment. It is recommended that the Board of Trustees approve the employment of the following professional expert for Riverside City College and authorize the Interim Vice Chancellor, Diversity and Human Resources to sign the employment agreement.

| <u>Name</u> | <u>Position</u> | <u>Department</u> | <u>Term</u> | <u>Amount</u> |
|---------------------|---|-------------------|----------------------|---------------|
| Carpenter, Courtney | Psychological Health Services Intern/Grant Program Director | Health Services | 10/15/13 06/13/14 | *\$25.00/hr |

SUBSTITUTE ASSIGNMENTS

| <u>NAME</u> | <u>POSITION</u> | <u>DEPARTMENT</u> | <u>DATE</u> | <u>RATE</u> |
|------------------------|----------------------------|-------------------|--------------------|-------------|
| NORCO COLLEGE | | | | |
| Coston Jr., Edward | Custodian | Facilities | 11/04/13-06/30/14 | \$15.45 |
| RIVERSIDE CITY COLLEGE | | | | |
| Navarro, Julian | Certified Athletic Trainer | Athletics | 09/23/13-11/23/13* | \$26.74 |

* Correction To Date

SHORT-TERM POSITIONS

| <u>NAME</u> | <u>POSITION</u> | <u>DEPARTMENT</u> | <u>DATE</u> | <u>RATE</u> |
|-------------------------------|-----------------------|-------------------------------------|-------------------|-------------|
| DISTRICT | | | | |
| Abrahamson, Sheena | Interpreter I | Disable Student Programs & Services | 12/11/13-06/30/14 | \$18.00 |
| King, Tabatha | Interpreter II | Disable Student Programs & Services | 12/11/13-06/30/14 | \$23.00 |
| Rodriguez, Elise | Interpreter III | Disable Student Programs & Services | 12/11/13-06/30/14 | \$27.00 |
| MORENO VALLEY COLLEGE | | | | |
| Mabon, Theo | Facilities Assistant | Facilities | 12/11/13-02/28/14 | \$18.00 |
| Romero, Elizabeth | Office Assistant III | Business Services | 12/11/13-02/28/14 | \$12.50 |
| Wilkinson, Shawn | Facilities Assistant | Facilities | 12/11/13-02/28/14 | \$18.00 |
| RIVERSIDE CITY COLLEGE | | | | |
| Mason-Wright, Shaylla | Box Office Specialist | Landis Performing Arts Center | 12/11/13-06/30/14 | \$13.00 |
| Trainer, Joseph | Registered Nurse II | Health Services | 12/11/13-06/30/14 | \$37.00 |

FULL-TIME STUDENTS EMPLOYED PART-TIME AND
PART-TIME STUDENTS EMPLOYED PART-TIME ON WORK STUDY

Backup Other Personnel
December 10, 2013
Page 1 of 3

| <u>NAME</u> | <u>POSITION</u> | <u>DEPARTMENT</u> | <u>DATE</u> | <u>RATE</u> |
|------------------------|-----------------|--|-------------|-------------|
| <u>DISTRICT FUNDS</u> | | | | |
| MORENO VALLEY COLLEGE | | | | |
| Amor, Alexis | Student Aid V | Student Activites Center | 11/15/13 | \$ 13.75 |
| Christenson, Michelle | Student Aid V | Student Activites Center | 11/15/13 | \$ 12.25 |
| Crane, Joshua | Student Aid II | Tutorial Services | 11/15/13 | \$ 9.00 |
| NORCO COLLEGE | | | | |
| Agustin, Jaclyn | Student Aide V | STEM | 11/14/13 | \$ 12.50 |
| Marashi, Arezoo | Student Aide | STEM | 11/14/13 | \$ 12.50 |
| RIVERSIDE CITY COLLEGE | | | | |
| Alvarez, Daniel | Student Aide I | Performing Arts / Music | 11/20/13 | \$ 8.00 |
| Chang, Bernice | Student Aide V | Academic Support | 09/01/13 | \$ 12.00 |
| Chen, Wenjie | Student Aide I | Tutorial Services | 11/21/13 | \$ 8.00 |
| Collard, Nicole | Student Aide I | Performing Arts / Dance | 11/18/13 | \$ 10.00 |
| Curry, Marina | Student Aide I | Tutorial Services | 11/18/13 | \$ 8.00 |
| Dechert, Elizabeth | Student Aide I | Performing Arts / Music | 11/15/13 | \$ 8.00 |
| Dorado Jr., Noe | Student Aide I | Performing Arts / Music | 11/15/13 | \$ 8.00 |
| Duarte Silva, Claudio | Student Aide I | Tutorial Services | 11/21/13 | \$ 8.00 |
| Eisert, Renzo | Student Aide I | Food Services | 11/22/13 | \$ 8.00 |
| Fike, Wayne | Student Aide I | Tutorial Services | 11/18/13 | \$ 8.00 |
| Garcia, Gladys | Student Aide I | Disabled Student Svcs - Workability II Center for Communication Excellence | 10/01/13 | \$ 8.50 |
| Hecht, Victoria | Student Aide I | Excellence | 11/18/13 | \$ 8.00 |
| Heredia, Victoria | Student Aide I | Early Childhood Educ. | 11/22/13 | \$ 8.00 |
| Jones, Jamaal | Student Aide I | Performing Arts / Music | 11/19/18 | \$ 8.00 |
| Napier, Chelsea | Student Aide I | Performing Arts / Music | 11/19/18 | \$ 8.00 |
| Nguyen, Joshua | Student Aide I | Tutorial Services | 11/15/13 | \$ 8.00 |
| Pun, Jeanette | Student Aide I | Performing Arts / Music | 11/19/18 | \$ 8.00 |
| Ramirez, Samuel | Student Aide I | Tutorial Services | 11/19/13 | \$ 8.00 |
| Reed, Raymond | Student Aide I | Tutorial Services | 11/18/13 | \$ 8.00 |
| Richards, Aaron | Student Aide I | Tutorial Services | 11/19/13 | \$ 8.00 |
| Ruble, Rachelle | Student Aide I | Tutorial Services Center for Communication Excellence | 11/19/13 | \$ 8.25 |
| Wilson, Kaylie | Student Aide I | Excellence | 11/19/13 | \$ 8.00 |
| Zerbo, Minwossi | Student Aide I | Tutorial Services | 11/20/13 | \$ 8.00 |

FULL-TIME STUDENTS EMPLOYED PART-TIME AND
PART-TIME STUDENTS EMPLOYED PART-TIME ON WORK STUDY

Backup Other Personnel
December 10, 2013
Page 2 of 3

| <u>NAME</u> | <u>POSITION</u> | <u>DEPARTMENT</u> | <u>DATE</u> | <u>RATE</u> |
|----------------------------------|-----------------|---|-------------|-------------|
| <u>CATEGORICAL FUNDS</u> | | | | |
| AMERICA READS PROGRAM | | | | |
| Figuroa, Jennifer | Student Aide II | My Learning Studio-RCC | 11/21/13 | \$ 9.00 |
| Garduno Carapia, Javier | Student Aide II | My Learning Studio-RCC | 11/15/13 | \$ 10.00 |
| AMERICA COUNTS PROGRAM | | | | |
| Figuroa, Jennifer | Student Aide II | My Learning Studio-RCC | 11/21/13 | \$ 9.00 |
| Garduno Carapia, Javier | Student Aide II | My Learning Studio-RCC | 11/15/13 | \$ 10.00 |
| CALWORKS WORK STUDY - OFF CAMPUS | | | | |
| Blair, Sean | Student Aide I | Facilities | 11/26/13 | \$ 9.00 |
| Phillips, Irise | Student Aide II | Trax Equestrian Center - RCC | 10/08/13 | \$ 9.00 |
| COMMUNITY SERVICE PROGRAM | | | | |
| Sivitos, Heidi | Student Aid II | Early Childhood Educ. - MVC | 11/19/13 | \$ 9.00 |
| MORENO VALLEY COLLEGE | | | | |
| Akcheralian, Katherine | Student Aid I | Assessment Center | 11/01/13 | \$ 8.75 |
| Aranda, Nick | Student Aid III | Student Activities | 11/18/13 | \$ 10.00 |
| Clarke, Joseph | Student Aid IV | Facilities | 11/18/13 | \$ 11.00 |
| Granados, Jennifer | Student Aid I | Assessment Center | 11/19/13 | \$ 8.00 |
| Gudino, Lourdes | Student Aid II | Student Support Services | 11/19/13 | \$ 10.00 |
| Hernandez, Daisy | Student Aid I | Assessment Center | 11/19/13 | \$ 8.50 |
| Johnson, William | Student Aid IV | Facilities | 11/19/13 | \$ 11.00 |
| Lupercio, Jesus | Student Aid II | Humanities, Arts and Social Sciences/Music | 11/21/13 | \$ 9.00 |
| Melendez, Jerry | Student Aid II | Student Support Services | 11/19/13 | \$ 10.00 |
| Phillips, Vallena | Student Aid III | Admissions and Records | 11/18/13 | \$ 9.00 |
| Richards, Shenise | Student Aid I | Assessment Center | 11/19/13 | \$ 8.00 |
| Rivas, Laura | Student Aid I | Library | 11/19/13 | \$ 8.00 |
| Taylor, Samuel | Student Aid IV | Facilities | 11/04/13 | \$ 11.00 |
| Thacker, Tamara | Student Aid I | Math Science and Kinesiology | 11/15/13 | \$ 9.00 |

FULL-TIME STUDENTS EMPLOYED PART-TIME AND
PART-TIME STUDENTS EMPLOYED PART-TIME ON WORK STUDY

Backup Other Personnel
December 10, 2013
Page 3 of 3

| <u>NAME</u> | <u>POSITION</u> | <u>DEPARTMENT</u> | <u>DATE</u> | <u>RATE</u> |
|------------------------|------------------|---|-------------|-------------|
| NORCO COLLEGE | | | | |
| Ambriz, Karina | Student Aide III | Upward Bound Office Of Economic Development | 11/19/13 | \$ 10.00 |
| Florer, Nicole | Student Aide I | Development | 11/14/13 | \$ 8.00 |
| Galindo, Sarahi | Student Aide III | Upward Bound | 11/19/13 | \$ 10.00 |
| RIVERSIDE CITY COLLEGE | | | | |
| Sandoval, Mathew | Student Aide I | Kinesiology / Football | 11/20/13 | \$ 8.00 |
| Walker, Jermel | Student Aide I | Kinesiology / Football | 11/20/13 | \$ 8.00 |



Agenda Item (VI-B-1)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-1) |
| Subject | Purchase Order and Warrant Report – All District Resources |
| College/District | District |
| Funding | Various Resources |
| Recommended Action | It is recommended that the Board of Trustees approve/ratify the Purchase Orders and Purchase Order Additions totaling \$1,468,281 and District Warrant Claims totaling \$5,167,123. |

Background Narrative:

The attached Purchase Order and Warrant Report – All District Resources is submitted to comply with Education Code Sections 81656 and 85231. The Purchase Orders and Purchase Order Additions totaling \$1,468,281, requested by District staff and issued by the District Business Office, have been reviewed to verify that budgeted funds are available in the appropriate categories of expenditure.

District Warrant Claims (numbers 216807 – 217846) totaling \$5,167,123 have been reviewed by the Business Office to verify that monies are available in the appropriate funds for payment of these warrants. These claims also have been reviewed, on a sample basis, by the Riverside County Office of Education through its claim audit process.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Majd Askar, Purchasing Manager

Attachments:

[12102013_Contracts and Purchase Orders Over \\$83,400 \(November\)](#)

Report of Purchases-All District Resources
 Purchases Over \$83,400
 11/01/13 thru 11/24/13

| PO# | Department | Vendor | Description | Amount |
|--|-----------------------------|-----------------------------------|---|----------------------------|
| P0040197 | Mathematics | Dell Computers | Computer Equipment - WSCA Master Price Agreement | \$ 99,322 |
| P0040331 | Information Services | CDW-G | Computer Equipment - National IPA Agreement | 157,262 |
| P0040342 | Business Operations | Lenovo Direct | Computer Equipment - WSCA Master Price Agreement | 339,422 |
| <u>Additions to Approved/Ratify Purchase Orders of \$83,400 and Over</u> | | | | |
| C0002124 | Academy / Criminal Services | Riverside County Fire Department | Professional Services | 167,000 |
| C0004098 | Human Resources & Diversity | Healthnow Administrative Services | Insurance | 127,000 |
| | | | Total | <u>\$ 890,006</u> |
| | | | | |
| <u>All Purchase Orders, Contracts, and Additions for the Period of 11/01/13 - 11/24/13</u> | | | | |
| | | | | |
| | | | Contracts- C4402 - C4411 | 75,357 |
| | | | Contract Additions- C2124 - C4299 | |
| | | | Purchase Orders- P40135 - P40377 | 361,896 |
| | | | Purchase Order Additions- P38637 - P40004 | |
| | | | Blanket Purchase Orders- B12196 - B12223 | 141,022 |
| | | | Blanket Purchase Order Additions- B11217 - B12181 | |
| | | | Total | <u>\$ 578,275</u> |
| | | | | |
| | | | Grand Total | <u><u>\$ 1,468,281</u></u> |



Agenda Item (VI-B-2-a)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-2-a) |
| Subject | Budget Adjustments |
| College/District | District |
| Funding | Various Resources |
| Recommended Action | It is recommended that the Board of Trustees approve the budget transfers as presented. |

Background Narrative:

The 2013-14 adopted budget represents our best estimates of both income and expenditures. As the year progresses, however, some accounts have surplus funds while others are under budgeted. As provided in Title 5, Section 58307, the Board of Trustees may approve budget transfers between major object code expenditure classifications within the approved budget to allow for needed purchases of supplies, services, equipment and hiring of personnel. Unless otherwise noted, the transfers are within the unrestricted General Fund (Fund 11, Resource 1000).

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

Attachments:

[12102013_Budget Adustments](#)

Budget Adjustments

December 10, 2013

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|--|-----------------------------|---------------|
| <u>Riverside</u> | | |
| R1. Transfer to reallocate the Pathways to Excellence budget. (Fund 12, Resource 1190) | | |
| From: Pathways to Excellence | Consultants | \$ 38,388 |
| To: Pathways to Excellence | Classified FT | \$ 790 |
| | Classified PT Instructional | 100 |
| | Reference Books | 500 |
| | Remodel Project | 15,015 |
| | Remodel Other | 9,631 |
| | Equipment | 12,352 |
| R2. Transfer to provide for conference expenses. (Fund 12, Resource 1190) | | |
| From: @LIKE Career Pathways | Supplies | \$ 500 |
| To: @LIKE Career Pathways | Conferences | \$ 500 |
| R3. Transfer to provide for conference expenses and repairs. (Fund 12, Resource 1190) | | |
| From: Gateway to College | Supplies | \$ 4,100 |
| To: Gateway to College | Conferences | \$ 100 |
| | Repairs | 4,000 |
| R4. Transfer to purchase a welder. | | |
| From: Automotive Technology | Instructional Supplies | \$ 332 |
| To: Automotive Technology | Equipment | \$ 332 |

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|--|--|-------------------|
| R5. Transfer to provide for an academic, non-instructional assignment. (Fund 12, Resource 1190) | | |
| From: Enrollment Growth for ADN-RN | Conferences | \$ 3,264 |
| To: Enrollment Growth for ADN-RN | Academic PT Non-Instr Employee Benefits | \$ 2,915 349 |
| R6. Transfer to purchase monitors, office chairs, and a printer. | | |
| From: Admissions & Records | Supplies | \$ 3,460 |
| To: Admissions & Records | Equipment | \$ 3,460 |
| R7. Transfer to purchase a storage container. | | |
| From: Sports Information | Other Services | \$ 1,028 |
| To: Intercollegiate Athletics | Equipment | \$ 1,028 |
| R8. Transfer to reallocate position savings to a holding account. | | |
| From: Community Outreach | Classified Perm PT Employee Benefits | \$ 15,912 603 |
| To: VP, Business Services | Administrative Contingency | \$ 16,515 |
| R9. Transfer to provide for professional services. | | |
| From: VP, Business Services | Classified FT Employee Benefits | \$ 5,520 1,183 |
| To: VP, Business Services | Professional Services | \$ 6,703 |

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|---|-----------------------------|---------------|
| R10. Transfer to provide for a permanent increase in workload. | | |
| From: VP, Business Services | Administrative Contingency | \$ 56,855 |
| To: Intramural Sports | Classified FT | \$ 27,054 |
| | Employee Benefits | 29,801 |
| R11. Transfer to purchase grounds equipment. | | |
| From: Community Use of Facilities | Supplies | \$ 30,000 |
| To: Grounds Maintenance | Equipment | \$ 30,000 |
| R12. Transfer to provide for memberships, mailing services, and to purchase iPads. | | |
| From: Dance | Theatre Supplies | \$ 3,722 |
| | Copying and Printing | 606 |
| To: Dance | Memberships | \$ 192 |
| | Other Services | 414 |
| | Equipment | 3,722 |
| R13. Transfer to provide for theatre supplies and professional services. | | |
| From: Dean of Instruction | Academic Special Project | \$ 16,298 |
| | Employee Benefits | 1,962 |
| To: Dance | Theatre Supplies | \$ 4,000 |
| Dramatic Arts | Professional Services | 14,260 |
| R14. Transfer to reallocate the Basic Skills grant budget. (Fund 12, Resource 1190) | | |
| From: Basic Skills | Academic FT Non-Instr | \$ 47,710 |
| | Other Services | 4,836 |
| To: Basic Skills | Student Help Instructional | \$ 30,912 |
| | Instructional Aides, Hourly | 19,476 |
| | Employee Benefits | 1,474 |

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|--|-----------------------------|---------------|
| | Supplies | 684 |
| R15. Transfer to provide for office supplies. | | |
| From: Career and Technical Ed | Administrative Contingency | \$ 750 |
| To: Career and Technical Ed | Supplies | \$ 750 |
| R16. Transfer to provide for the construction of the Courtyard/Park project. | | |
| From: President | Administrative Contingency | \$ 33,654 |
| To: VP, Business Services | Construction Contract | \$ 33,654 |
| R17. Transfer to provide for a cell phone. | | |
| From: Dean of Instruction | Administrative Contingency | \$ 274 |
| To: Dean of Instruction | Equipment | \$ 274 |
| R18. Transfer to provide for an academic special project. | | |
| From: Communication Studies | Instructional Aides, Hourly | \$ 1,126 |
| To: Communication Studies | Academic Special Project | \$ 1,043 |
| | Employee Benefits | 83 |
| R19. Transfer to purchase televisions. | | |
| From: Auditorium | Rents and Leases | \$ 3,500 |
| To: Auditorium | Equipment | \$ 3,500 |
| R20. Transfer to provide for classified overtime and copying and printing. | | |
| From: VP, Student Services | Travel Expenses | \$ 802 |
| To: Student Personnel Administration | Classified Overtime | \$ 302 |
| | Copying and Printing | 500 |

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|---|----------------------------|---------------|
| <u>Norco</u> | | |
| N1. Transfer to purchase supplies. | | |
| From: Vice President, Business Services | Administrative Contingency | \$ 1,000 |
| To: Vice President, Business Services | Supplies | \$ 1,000 |
| N2. Transfer to purchase computer equipment. | | |
| From: Dean, Student Services | Supplies | \$ 864 |
| To: Dean, Student Services | Equipment | \$ 864 |
| N3. Transfer to provide for conference expenses. | | |
| From: VP, Academic Affairs | Instructional Supplies | \$ 520 |
| To: VP, Academic Affairs | Conferences | \$ 520 |
| N4. Transfer to purchase supplies for the Honors program. | | |
| From: Dean of Instruction – Honors Prog. | Travel Expenses | \$ 200 |
| To: Dean of Instruction – Honors Prog. | Supplies | \$ 200 |
| N5. Transfer to provide for repairs. | | |
| From: Dean of Instruction | Academic Special Project | \$ 2,500 |
| | Employee Benefits | 300 |
| To: Dean of Instruction | Repairs | \$ 2,800 |

| <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|--|----------------------------|---------------|
| <u>Moreno Valley</u> | | |
| M1. Transfer to purchase ballistic vests. | | |
| From: Safety & Police | Other Services | \$ 189 |
| To: Safety & Police | Equipment | \$ 189 |
| M2. Transfer to reallocate the Basic Skills budget. (Fund 12, Resource 1190) | | |
| From: Basic Skills | Academic Special Project | \$ 6,950 |
| | Employee Benefits | 614 |
| To: Basic Skills | Short-Term Temporary | \$ 5,864 |
| | Supplies | 200 |
| | Comp Software Maint/Lic | 1,500 |
| M3. Transfer to provide for a temporary increase in workload. | | |
| From: VP, Academic Affairs | Academic PT Teaching | \$ 4,327 |
| To: Learning Resource Center | Classified Perm PT | \$ 3,992 |
| | Employee Benefits | 335 |
| M4. Transfer to provide for substitutes. | | |
| From: Library | Repairs | \$ 1,000 |
| To: Library | Classified Substitutes | \$ 963 |
| | Employee Benefits | 37 |
| M5. Transfer to purchase subscriptions, supplies and provide for the installation of a thermostat. | | |
| From: VP, Student Services | Cellular Telephone | \$ 1,003 |
| | Administrative Contingency | 926 |
| To: VP, Student Services | Periodicals/Magazines | \$ 99 |
| | Fixtures & Fixed Equipment | 680 |

| | <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|-----|---|---|----------------|
| | Community Outreach | Supplies | 1,150 |
| M6. | Transfer to provide for conference expenses. (Fund 12, Resource 1190) | | |
| | From: Student Success & Support Program | Student Help – Non Instr Employee Benefits | \$ 2,000 45 |
| | To: Student Success & Support Program | Conferences | \$ 2,045 |

District Office and District Support Services

D1. Transfer to distribute the COLA set-aside budget.

| | | | |
|--|---|-----------------------------|-----------|
| | From: VC, Business & Financial Services | Set-Aside for COLA | \$ 72,078 |
| | To: All Departments | Classified FT Administrator | \$ 22,856 |
| | | Classified FT Supervisor | 1,043 |
| | | Classified FT | 40,172 |
| | | Classified Perm PT | 675 |
| | | Academic FT Non-Instr | 1,375 |
| | | Academic FT Administrator | 5,957 |

D2. Transfer to provide for repairs. (Fund 12, Resource 1050)

| | | | |
|--|--------------------------------|-----------|--------|
| | From: District Safety & Police | Equipment | \$ 750 |
| | Moreno Valley Safety & Police | Equipment | 183 |
| | To: District Safety & Police | Repairs | \$ 933 |

D3. Transfer to provide for additional employee benefits within the VTEA 1B Regional Consortia grant. (Fund 12, Resource 1190)

| | | | |
|--|------------------|----------------------|-------|
| | From: CTE – VTEA | Short-Term Temporary | \$ 36 |
| | To: CTE - VTEA | Employee Benefits | \$ 36 |

D4. Transfer to purchase an office chair. (Fund 61, Resource 6110)

| | | | |
|--|-----------------------|----------|--------|
| | From: Risk Management | Supplies | \$ 344 |
|--|-----------------------|----------|--------|

| | <u>Program</u> | <u>Account</u> | <u>Amount</u> |
|-----|-----------------|----------------|---------------|
| To: | Risk Management | Equipment | \$ 344 |



Agenda Item (VI-B-6-a)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-6-a) |
| Subject | Contracts and Agreements Report Less than \$83,400 – All District Resources |
| College/District | District |
| Funding | Various Resources |
| Recommended Action | It is recommended that the Board of Trustees ratify contracts totaling \$75,357 for the period November 1, 2013 through November 24, 2013. |

Background Narrative:

On September 11, 2007, the Board of Trustees authorized delegating authority to the Chancellor to enter into contractual agreements and the expenditure of funds pursuant to the Public Contract Code Section 20650 threshold, currently set at \$83,400. The attached listing of contracts and agreements under \$83,400 requested by college and District staff has been reviewed and verified that budgeted funds are available in the appropriate categories of expenditure. The contracts and agreements have been executed pursuant to the Board's delegation of authority and are presented on this agenda for ratification.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Majd Askar, Purchasing Manager

Attachments:

[12102013_Contracts and Agreements Less than \\$83,400 Report \(November\)](#)

Contracts and Agreements Report-All District Resources
\$83,000 Under
11/01/13 thru 11/24/13

| PO# | Department | Vendor | | Description | Amount |
|---|-------------------------------------|---|------------------|---------------------------------------|------------------|
| C0004402 | President - Moreno Valley | Garrison Associates | San Francisco | Consulting Services | \$ 2,700 |
| C0004403 | President - Norco | Pro Sound Effects | New York, NY | Sound Library | 5,939 |
| C0004405 | Student Services - Norco | Card Integrators | Los Alamitos | Repairs - Service | 1,386 |
| C0004406 | Business Operations | Card Integrators | Los Alamitos | Computer Software Maint/Lic | 1,490 |
| C0004407 | Human Resources | Professional Personnel Leasing Inc | Lake Tahoe | Professional Services | 7,200 |
| C0004408 | Student Services | Card Integrators | Los Alamitos | Repairs - Service | 3,812 |
| C0004409 | Campus Student Services - Norco | Garrison Associates | San Francisco | Internal Evaluator | 4,500 |
| C0004410 | Dean of Instruction - Moreno Valley | FIA Card Services | Wilmington, DE | Conference Room Rental | 500 |
| C0004411 | Business Operations | Professional Personnel Leasing Inc | Lake Tahoe | Professional Services | 6,703 |
| N/A | Student Services - Moreno Valley | PW Enhancement Center | Moreno Valley | Provides work for FWS Students | No Cost |
| N/A | Workforce & Resource Development | California Community Colleges Chancellor's Office | Sacramento | Fiscal Administration Services | No Cost |
| N/A | Student Services - Moreno Valley | Moreno Valley Unified School District | Moreno Valley | UBMS Program Support | No Cost |
| N/A | Customized Solutions | ARMS Precision, Inc. | Corona | Customized Training | No Cost |
| N/A | Customized Solutions | Pacific Consolidated Industries | Riverside | Customized Training | No Cost |
| N/A | Health Services | Brandman University | Irvine | Supervised Fieldwork | No Cost |
| N/A | Diversity & Human Resources | Keenan & Associates | Torrance | Member Services Agreement | No Cost |
| N/A | Diversity & Human Resources | Keenan & Associates | Torrance | Business Associate Agreement | No Cost |
| N/A | Diversity & Human Resources | Express Scripts | St. Louis, MI | Pharmacy Benefit Management | No Cost |
| N/A | Nursing | Kaplan University | Chicago, IL | Preceptor for BSN/MSN Students | No Cost |
| <u>Additions to Approved/Ratify Contracts of \$83,400 and Under</u> | | | | | |
| C0003748 | Business Services - Moreno Valley | PALid Studios | Fullerton | Amends/Extends Date to 3/31/14 | No Cost |
| C0003809 | Facilities - Moreno Valley | West-Tech Mechanical, Inc | Montclair | Moreno Valley Phase III | 10,881 |
| C0003824 | Facilities - Moreno Valley | Kincaid Industries Inc | Thousand Palms | Moreno Valley Phase III | 9,374 |
| C0004170 | Customized Solutions | DLI & Associates, LLC | Kamuela, HI | Amends/Increases Not to Exceed Amount | No Cost |
| C0004175 | Customized Solutions | Custom Corporate Communications LLC | Redondo Beach | Grant / Contract Sub Agreements | 7,703 |
| C0004177 | Community & Economic Development | The Grove Community Church | Riverside | Food | 669 |
| C0004196 | Customized Solutions | Carlson, Patricia J | Rancho Cucamonga | Grant / Contract Sub Agreements | 12,000 |
| C0004299 | Risk Management | Southern California Schools Risk Management | San Bernardino | Insurance Services | 500 |
| Total | | | | | <u>\$ 75,357</u> |



Agenda Item (VI-B-7)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-7) |
| Subject | Out-of-State Travel |
| College/District | District |
| Funding | n/a |
| Recommended Action | Recommended that the Board of Trustees approve the out-of-state travel. |

Background Narrative:

Board Policy 6900 establishes procedures for reimbursement for out-of-state travel expenses; and the Board of Trustees must formally approve out-of-state travel beyond 500 miles.

Prepared By: Cynthia Azari, Interim Chancellor
Kathy Tizcareno, Administrative Assistant

Attachments:

[Out of State Travel_121013](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT
CHANCELLOR'S OFFICE

Subject: Out-of-State Travel

Date: December 10, 2013

It is recommended that out-of-state travel be granted to:

Retroactive:

None

Revision

- 1) Dr. Thatcher Carter, associate professor, English, to travel to New Orleans, Louisiana, November 6-10, 2013, to attend the National Collegiate Honors Council. Estimated cost: \$1,967.10. Funding source: the general fund. (The estimated cost of travel increased to \$2,309.83.)

Current:

Moreno Valley College:

- 1) Ms. Maureen Chavez, associate dean, grants and college support programs, to travel to Atlanta, Georgia, January 21-25, 2014 to attend the 2014 Mentor-Connect Outreach and Technical Assistance Workshop. Estimated costs: \$1,659.80. Funding source: the general fund.
- 2) Mr. Robert Loya, assistant professor, to travel Atlanta, Georgia, January 21-25, 2014, to attend the 2014 Mentor-Connect Outreach and Technical Assistance Workshop. Estimated costs: \$1,409.80. Funding source: the general fund.

Riverside City College

- 1) Dr. Sandra Baker, dean, school of nursing, to travel to Ogden, Utah, January 20 - 23, 2014, to attend an Accreditation Commission for Education in Nursing site visit. There is no cost to the District.
- 2) Dr. Sandra Baker, dean, school of nursing, to travel to Atlanta, Georgia, January 26 – 31, 2014, to attend the Evaluation Review Panel meeting to discuss recent School of Nursing Accreditation. Estimated costs: \$1,220.60. Funding source: the general fund.
- 3) Ms. Jo Scott-Coe, associate professor, English, to travel to Seattle, WA, February 26-March 2, 2014, to present as a panelist at the Association of Writers and Writing Programs. Estimated cost: \$1,413.00. Funding source: the general fund.

RIVERSIDE COMMUNITY COLLEGE DISTRICT
CHANCELLOR'S OFFICE

Subject: Out-of-State Travel

Date: December 10, 2013

Riverside Community College District:

- 1) Interim Chancellor Cynthia E. Azari to travel to Washington DC, February 9-14, 2014, to attend the 2014 Community College National Legislative Summit. Estimated cost: \$3,007.00. Funding source: the general fund.
- 2) Ms. Rachelle Fawcett, associate faculty, athletics, to travel to Orlando, Florida, January 16-20, 2014, to accompany 12 students participating in the Universal Cheer Association/Universal Dance Association Nationals Cheer & Dance Competition. There is no cost to the District.
- 3) Ms. Sherry Stone, coordinator, district safety and emergency planning, travel to Atlanta, Georgia, January 21-25, 2014, to attend the 2014 Mentor-Connect Outreach and Technical Assistance Workshop. Estimated cost: \$1,409.80. Funding source: the general fund.



Agenda Item (VI-B-8-a)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-8-a) |
| Subject | Notices of Completion |
| College/District | District |
| Funding | N/A |
| Recommended Action | It is recommended that the Board of Trustees 1) accept the projects listed on the attachment as complete, and 2) approve the execution of the Notices of Completion (under Civil Code Section 3093 – Public Works). |

Background Narrative:

Facilities Planning & Development staff reports that the projects listed on the attachment are now complete.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Chris Carlson, Chief of Staff & Facilities Development
Dale Adams, Project Manager
Majd Askar, Purchasing Manager

Attachments:

[12102013_Notices of Completion](#)

COMPLETED PROJECTS

December 10, 2013

Project

MLK Teaching & Learning Center Interior Alterations
Lovekin Complex Tennis Courts

Contractor

IBN Construction, Inc.
Malibu Pacific Tennis Courts, Inc.

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

Name **Aaron S. Brown**
Business and Financial Services
Street Address **4800 Magnolia Avenue**
City & State **Riverside, CA 92506**

| | | | | | | | | | |
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SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

NOTICE OF COMPLETION

Notice is hereby given that:

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

| | |
|-------------|-----------|
| NAMES | ADDRESSES |
| <u>None</u> | |
- A work of improvement on the property hereinafter described was completed on 12/10/2013. The work done was:
MLK Teaching & Learning Center Interior Alterations DSA #04-112723
- The name of the contractor, if any, for such work of improvement was IBN Construction, Inc.
(If no contractor for work of improvement as a whole, insert "none")
- The property on which said work of improvement was completed is in the city of Riverside, County of Riverside, State of California, and is described as follows: Community College
- The street address of said property is 4800 Magnolia, Riverside CA, 92506
(If no street address has been officially assigned, insert "none")

Dated: 12/10/2013

Riverside Community College District
President, Board of Trustees

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

VERIFICATION

I, the undersigned, say: I am the Vice Chancellor, Business & Financial Services, Aaron S. Brown the declarant of the foregoing notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

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

Executed on _____, 20____, at Riverside, California.

(Date of signature)

(City where signed)

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

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

Name Aaron S. Brown
Business and Financial Services
Street Address 4800 Magnolia Avenue
City & State Riverside, CA 92506

| | | | | | | | | | |
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SPACE ABOVE THIS LINE FOR RECORDER'S USE ONLY

NOTICE OF COMPLETION

Notice is hereby given that:

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

| | |
|-------------|-----------|
| NAMES | ADDRESSES |
| <u>None</u> | |
- A work of improvement on the property hereinafter described was completed on 12/10/2013. The work done was:
Lovekin Complex Tennis Courts DSA #04-113129
- The name of the contractor, if any, for such work of improvement was Malibu Pacific Tennis Courts, Inc.
(If no contractor for work of improvement as a whole, insert "none")
- The property on which said work of improvement was completed is in the city of Riverside,
County of Riverside, State of California, and is described as follows: Community College
- The street address of said property is 4800 Magnolia, Riverside CA, 92506
(If no street address has been officially assigned, insert "none")

Dated: 12/10/2013

Riverside Community College District
President, Board of Trustees

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

VERIFICATION

I, the undersigned, say: I am the Vice Chancellor, Business & Financial Services, Aaron S. Brown the declarant of the foregoing
("President of," "Manager of," "A partner of," "Owner of," etc.)
notice of completion; I have read said notice of completion and know the contents thereof; the same is true of my own knowledge.

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

Executed on _____, 20____, at Riverside, California.
(Date of signature) (City where signed)

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



Agenda Item (VI-B-8-b)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-8-b) |
| Subject | Surplus Property |
| College/District | District |
| Funding | N/A |
| Recommended Action | It is recommended that the Board of Trustees by unanimous vote: (1) declare the property on the attached list to be surplus; (2) find property does not exceed the total value of \$5,000; and (3) authorize the property to be consigned to The Liquidation Company to be sold on behalf of the District. |

Background Narrative:

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

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

Attachments:

[12102013_Surplus Property List](#)

**SURPLUS PROPERTY
 DECEMBER 10, 2013**

| QUANTITY | BRAND | DESCRIPTION | MODEL # | SERIAL # | ASSET TAG # |
|----------|----------|-----------------------|---------------|-----------------|-------------|
| 1 | DELL | CPU | DHM | 343YN71 | 31207 |
| 1 | GATEWAY | CPU | E4100 | 31807954 | 22583 |
| 1 | HP | PRINTER | 1300 | CNBB180060 | 22438 |
| 1 | GATEWAY | MONITOR | FPD1730 | MUL0077A0056646 | 23235 |
| 1 | GATEWAY | CPU | E SERIES | 29227994 | 20478 |
| 1 | SAMSUNG | MONITORY | 193S | GY9H9NX333339 | 23484 |
| 1 | HP | PRINTER | LJ4500N | JPHAE08559 | 16002 |
| 1 | GATEWAY | CPU | E4000 | 29227994 | 19948 |
| 1 | GATEWAY | MONITOR | FPD1530 | MUL5022B0018148 | 22518 |
| 1 | DELL | DELL | PRECISION 530 | BH2KH11 | 19005 |
| 1 | DELL | CPU | DHM | JVT2P71 | 13308 |
| 1 | DELL | CPU | DHM | 1VQQM71 | 30179 |
| 1 | GATEWAY | CPU | E6300 | 36041314 | 32427 |
| 1 | GATEWAY | CPU | E4500D | 36363987 | 31630 |
| 1 | GATEWAY | CPU | E6500 | 36439825 | 31732 |
| 1 | GATEWAY | CPU | E6300 | 36041312 | 32392 |
| 1 | GATEWAY | LAPTOP | SOLO9500 | 25564327 | 18465 |
| 1 | MUSTEK | SCANNER | 1200PRO | B82821D00018 | 39353 |
| 1 | GATEWAY | CPU | E4300 | 34956358 | 25393 |
| 1 | GATEWAY | CPU | E4300 | 35001829 | 25381 |
| 1 | GATEWAY | CPU | FPD1530 | MUL5022J0004887 | 25361 |
| 1 | GATEWAY | CPU | E4300 | 35001830 | 25380 |
| 1 | APPLE | CPU | A1186 | G87192BJUPZ | 36035 |
| 1 | SAMSUNG | MONITORY | NEK3 | ZXREWUJH7654 | NONE |
| 1 | HP | PRINTER | 4215 | LKJUHYHCNN6 | NONE |
| 1 | BROTHER | PRINTER/FAX | FAXPRO | DKDIEDKEI888 | NONE |
| 1 | APC | POWER SUPPLY | NONE | NONE | NONE |
| 1 | NONE | MISC. HARDWARE | NONE | NONE | NONE |
| 1 | HP | CPU | COMPACT | NONE | NONE |
| 1 | HP | TONER | MISC | NONE | NONE |
| 1 | COMPAQ | MONITOR | NONE | NONE | NONE |
| 1 | COMPAQ | MONITOR | 412 | 041BB65NRL63 | NONE |
| 1 | GATEWAY | MONITOR | EV7008 | 97369 | NONE |
| 1 | APC | POWER SUPPLY | NONE | NONE | NONE |
| 1 | HP | PRINTER | Q5607A | G10WR | NONE |
| 1 | CANNON | SCANNER | LID20 | NONE | NONE |
| 1 | REQ | DESK KEYBOARD HOLDER | NONE | NONE | NONE |
| 1 | HP | PRINTER | CN43899 | NONE | NONE |
| 1 | DELL | CPU | GX110 | 380 | NONE |
| 1 | INFOBLOX | INFO STORGE | 550 | NONE | NONE |
| 1 | PALLET | MISC. HARDWARE | NONE | NONE | NONE |
| 1 | IBM | SERVER | NONE | NONE | NONE |
| 1 | IBM | SERVER | NONE | NONE | NONE |
| 1 | 3M | AIR PURIFIER | AIR650 | NONE | NONE |
| 1 | NONE | PALLET MISC. HARDWARE | NONE | NONE | NONE |
| | | | | | |



Agenda Item (VI-B-8-c)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Consent Agenda Action (VI-B-8-c) |
| Subject | Signature Authorization |
| College/District | District |
| Funding | N/A |
| Recommended Action | It is recommend that the Board of Trustees authorize each Trustee and the designated District administrators on the attached to sign vendor warrant orders, salary payment orders, notices of employment, bank checks, purchase orders, change orders, and grant documents. |

Background Narrative:

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

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

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

Attachments:

[12102013_Signature Authorization](#)

SIGNATURE AUTHORIZATION

December 10, 2013

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

| | |
|--------------------|--|
| Cynthia E. Azari | Interim Chancellor |
| Aaron S. Brown | Vice Chancellor, Business and Financial Services |
| Vicki B. Nicholson | Interim Vice Chancellor, Diversity and Human Resources |
| Bill J. Bogle, Jr. | Controller |
| Michael W. Simmons | Director, Risk Management |

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

| | |
|--|--|
| Chris Carlson Chief of Staff and Facilities Development | Change Orders |
| Arturo Alcaraz Director, Diversity and Human Resources | Self-Insurance Funds and Section 125 Plan – Wire Transfer Documents |
| Khaled Khalil Payroll Manager | Salary Payment Orders, Notices of Employment, Vendor Warrant Orders, and Purchase Orders |
| Majd Askar Purchasing Manager | Purchase Orders |
| John Tillquist Associate Vice Chancellor, Economic Development | Customized Solutions and Community Education Professional Services Agreements |



Division of Administration and Business Services
 District Fiscal Services

County Use Only:
 Date Received: _____
 Approved By: _____

Certification of Signatures

District: _____

Date of Meeting: _____

Please Check: Newly Elected Governing Board Addition in Column(s) _____ Replacement in Column(s) _____

| Column I | Column II | Column III |
|---|--|---|
| <i>Signatures of Members of the Governing Board</i> | <i>Signatures of Personnel Authorized to Sign Warrant Orders and Orders for Salary Payments*</i> | <i>Signatures of Personnel Authorized to Sign Notices of Employment</i> |
| _____ President of the Board | _____ | _____ |
| _____ Clerk or Vice President of the Board | _____ | _____ |
| _____ Member of the Board | _____ | _____ |
| _____ Member of the Board | _____ | _____ |
| _____ Member of the Board | _____ | _____ |

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

Number of signatures district requires for: Orders of Salary Payments : _____ "B" Warrant Orders: _____

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

Signature: _____



District: _____

Date of Meeting: _____

| Column I | Column II | Column III |
|---|--|---|
| <i>Signatures of Members of the Governing Board</i> | <i>Signatures of Personnel Authorized to Sign Warrant Orders and Orders for Salary Payments*</i> | <i>Signatures of Personnel Authorized to Sign Notices of Employment</i> |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |
| Member of the Board | | |



Agenda Item (VIII-B-1)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Teaching and Learning (VIII-B-1) |
| Subject | Proposed Curricular Changes |
| College/District | District |
| Funding | N/A |
| Recommended Action | It is recommended that the Board of Trustees approve the proposed curricular changes for inclusion in the college catalogs and the schedule of class offerings. |

Background Narrative:

Presented for the Board's review and approval 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: Ray Maghroori, Provost/Vice Chancellor, Educational Services
Sylvia Thomas, Associate Vice Chancellor, Educational Services

Attachments:

[Proposed Curricular Changes_backup 120213](#)

| Course | Title | Location |
|---|---|----------|
| 1. New Stand Alone Courses: | | |
| This course is proposed to replace DAN-200 in the Pilates certificate since it will more accurately meet certification requirements for students to complete observation and supervised teaching: | | |
| DAN-14 | Internship in Pilates Education and Teaching | R |
| This course is proposed to prepare students to make informed financial decisions in their personal life as well as provide them with the economic rationale for doing so: | | |
| ECO-10 | Economics and Personal Decision-Making | R |
| This course is based on and helps prepare students for certification through the Manufacturing Skill Standards Council (MSSC): | | |
| SCT-1 | Introduction to Automated Warehousing | N |
| 2. Major Course Modifications: | | |
| The following modification is proposed to update Student Learning Outcomes (SLOs), course content, and course materials to be compliant with the Course Identification Number (C-ID) descriptor: | | |
| ADJ-1 | Introduction to the Administration of Justice | MNR |
| The following modification is proposed to update the course materials: | | |
| ADJ-4 | Legal Aspects of Evidence | MNR |
| The following modification is proposed to link the SLOs to the new General Education Student Learning Outcomes (GESLOs) and update the advisory skills: | | |
| AML-11 | Interpreting I | R |
| The following modification is proposed to link the SLOs to the new GESLOs: | | |
| AML-12 | Interpreting II | R |
| The following modification is proposed to link the SLOs to the new GESLOs and update the course description and advisory skills: | | |
| AML-13 | Interpreting III | R |
| The following modification is proposed to link the SLOs to the new GESLOs and update the advisory skills: | | |
| AML-14 | Interpreting IV/Practicum | R |
| The following modification is proposed to update the SLOs, Methods of Instruction (MOI), Methods of Evaluation (MOE), course materials and to add sample assignments: | | |
| BUS-18B | Business Law II | MNR |
| The following modification is proposed to update the SLOs, course content, MOI, MOE, course materials and to add sample assignments: | | |
| BUS-53 | Introduction to Personal Finance | MNR |
| The following modifications are proposed to tie the SLOs to the new GESLOs and update the course materials: | | |
| CHI-1 | Mandarin Chinese 1 | MNR |
| CHI-2 | Mandarin Chinese 2 | NR |
| CHI-11 | Culture and Civilization | NR |

| Course | Title | Location |
|--------|-------|----------|
|--------|-------|----------|

The following modification is proposed to change the prerequisite to remove KIN-30 and to add a limitation on enrollment of “Proof of current CPR/First Aid certification,” and to tie the SLOs to the new GESLOs:

| | | |
|--------|-------------------------------|---|
| DAN-12 | Kinesiology for Pilates/Dance | R |
|--------|-------------------------------|---|

The following modifications are proposed to match the C-ID descriptor by adding a prerequisite of “ENG-50 or 80 or eligibility for ENG-1A” and clarification in methods of evaluation language for this course to continue to be accepted as part of AA-T in English. It also establishes the necessary communication skills to complete the required method of evaluation: essay writing:

| | | |
|--------|---|-----|
| ENG-6 | British Literature I: Anglo-Saxon through Eighteenth Century | MNR |
| ENG-7 | British Literature II: Romanticism through Modernism/Post-Modernism | MNR |
| ENG-14 | American Literature I: Pre-Contact through Civil War | MNR |
| ENG-15 | American Literature II: 1860 to the Present | MNR |
| ENG-30 | Children’s Literature | MNR |

The following modification is proposed to update the SLO and course content in order to be compliant with the C-ID descriptor:

| | | |
|--------|-------------------------------|-----|
| GEG-1L | Physical Geography Laboratory | MNR |
|--------|-------------------------------|-----|

The following modifications are proposed to tie the SLOs to the new GESLOs and update the course materials:

| | | |
|--------|--------------------------|----|
| GER-1 | German 1 | R |
| GER-2 | German 2 | R |
| GER-3 | German 3 | R |
| GER-11 | Culture and Civilization | R |
| ITA-1 | Italian 1 | R |
| ITA-2 | Italian 2 | R |
| ITA-3 | Italian 3 | R |
| ITA-11 | Culture and Civilization | R |
| JPN-1 | Japanese 1 | NR |
| JPN-2 | Japanese 2 | NR |
| JPN-3 | Japanese 3 | NR |
| JPN-4 | Japanese 4 | NR |
| JPN-11 | Culture and Civilization | NR |
| KOR-1 | Korean 1 | R |
| KOR-2 | Korean 2 | R |
| KOR-11 | Culture and Civilization | R |
| LAT-1 | Latin 1 | R |
| LAT-2 | Latin 2 | R |

The following modifications are proposed to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor:

| | | |
|--------|------------------------------|----|
| MUS-28 | Riverside Community Symphony | R |
| MUS-29 | Concert Choir | MR |

| Course | Title | Location |
|--|--------------------------------|----------|
| The following modification is proposed to remove the advisory of “Concurrent enrollment in MUS-29, 41, 51, 69 or 81” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-33 | Vocal Jazz Ensemble | NR |
| The following modification is proposed to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-35 | Vocal Music Ensembles | NR |
| The following modification is proposed to remove from the Limitation on enrollment “The ability to sight-read and perform music on a wind, percussion, string, or keyboard instrument” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-36 | Instrumental Chamber Ensembles | MR |
| The following modification is proposed to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-41 | Chamber Singers | R |
| The following modification is proposed to remove from the Limitation on enrollment “Previous experience in performance of instrumental music “ and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-42 | Wind Ensemble | R |
| The following modification is proposed to remove the Advisory of “MUS-42 recommended concurrent enrollment” and to remove from the Limitation on enrollment “Previous experience in performance of jazz literature” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-44 | Jazz Ensemble | R |
| The following modification is proposed to change the Limitation on enrollment from “Basic instrumental skills on a band instrument. Rehearsal and performance of music suitable for marching band. Marching skills emphasized” to “Audition on or before the first class meeting” and to update the course description, SLOs, content, MOI, MOE, and sample assignments to align with the C-ID descriptor: | | |
| MUS-48 | Marching Band | R |
| The following modification is proposed to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-50 | Master Chorale | R |
| The following modification is proposed to remove from the limitation on the enrollment the wording “Ability to sightread and perform music on either a wind or percussion instrument” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-55 | Community Concert Band | R |
| The following modification is proposed to remove from the limitation on enrollment the wording “Previous experience with classical guitar” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-77 | Guitar Ensemble | MNR |

| Course | Title | Location |
|--|--------------------------|----------|
| The following modification is proposed to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-P36 | Piano Ensemble | R |
| The following modification is proposed to remove from the limitation on enrollment the wording “ Designing for students who are beginning or intermediate jazz performers” and to update the course description, SLOs, content, MOI, MOE, sample assignments and course materials to align with the C-ID descriptor: | | |
| MUS-P44 | Jazz Lab Band | NR |
| The following modification is proposed to update the course description, SLOs, course content, MOI, MOE, course materials and to add sample assignments: | | |
| PHI-19 | Native American Thought | R |
| The following is proposed to update the course description, course content, MOI, course materials and add sample assignments: | | |
| PHY-4C | Heat, Light and Waves | MNR |
| The following modifications are proposed to tie the SLOs to the new GESLOs and update the course materials: | | |
| POR-1 | Portuguese 1 | R |
| POR-2 | Portuguese 2 | R |
| RUS-1 | Russian 1 | R |
| RUS-3 | Russian 3 | R |
| RUS-11 | Culture and Civilization | R |

3. Course Deletions:

Program has been dormant for several years and prior enrollment has not been within minimum requirements:

| | | |
|--------|--|---|
| BUS-61 | Introduction to Insurance | R |
| BUS-62 | Personal Insurance Principles | R |
| BUS-63 | Principles of Property and Liability Insurance | R |
| BUS-64 | Commercial Insurance Principles | R |
| BUS-65 | Insurance Code and Ethics | R |
| BUS-66 | Insurance Internship | R |

4. New State Approved Degree:

| | |
|--|-----|
| Associate in Arts in Psychology for Transfer Degree (see attachment A) | MNR |
|--|-----|

5. Modification to State/Locally Approved Certificates/Degrees:

The following is being modified to replace DAN-200 with DAN-14 (see attachment B):

| | |
|---|---|
| Pilates/Dance Conditioning Instructor Certificate | R |
|---|---|

ATTACHMENT A
PROGRAM OUTLINE OF RECORD
NEW DEGREE

Associate in Arts in Psychology for Transfer Degree

College: MNR

The Associate in Arts in Psychology for Transfer degree is designed to prepare students who wish to transfer for the purposes of pursuing studies in psychology. Specifically, this degree allows students to complete various lower division courses in preparation for obtaining a baccalaureate degree in psychology at a California State University.

Program Learning Outcomes:

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

- Apply the basic tenets of psychology to the study of more in depth topics in upper division courses
- Distinguish between the main theoretical perspectives in psychology
- Analyze the primary subfields of psychology and gauge their contributions to the understanding of behavior, cognition, and emotion

| <u>Required Courses (20 units)</u> | | <u>Units</u> |
|------------------------------------|-----------------------------------|--------------|
| PSY-1* | General Psychology | 3 |
| PSY-2* | Biological Psychology | 3 |
| PSY-9* | Developmental Psychology | 3 |
| PSY-50* | Research Methods | 4 |
| MAT-12/12H* | Statistics | 4 |
| Electives | List A | 3 |
| <u>LIST A (3 units)</u> | | |
| PSY-8* | Introduction to Social Psychology | 3 |
| PSY-33* | Theories of Personality | 3 |
| PSY-35* | Abnormal Psychology | 3 |

*Courses may be double counted within CSUGE/IGETC.

Associate in Arts

The Associate in Arts in Psychology for Transfer degree will be awarded upon completion of coursework totaling 60 California State University (CSU) transferable units including the major requirements 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.

ATTACHMENT B
PROGRAM OUTLINE OF RECORD
Certificate Modification

Pilates Dance/Conditioning Instructor Certificate

College: Riverside City College

The Pilates/Dance Conditioning Instructor certificate is designed to prepare individuals to teach the Pilates Method of body conditioning using the full-range of Pilates apparatus as well as the mat work repertoire, the foundation of the Pilates Method. Individuals will be trained to work with beginning to advanced level students as well as with special populations including dancers and athletes.

Emphasis is on both academic and practical experience. Taught by certified Pilates instructors, students completing the certificate will be trained to teach at privately-owned Pilates and dance studios, fitness/health clubs as well as physical therapy settings where Pilates is offered.

Program Learning Outcomes:

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

- Demonstrate and/or identify beginning to advance Pilates exercises for mat and apparatus.
- Describe the principles as developed by Joseph H. Pilates and their relevance to a Pilates program.
- Design a lesson plan for mat work and apparatus.
- Teach a properly constructed Pilates class using appropriate cueing and demonstration.
- Identify common alignment problems and teach proper modifications and/or solutions.
- Identify kinesiological principles of correct biomechanics for all Pilates exercises.

| Required Courses: | | Units |
|-------------------|---|-------|
| DAN-12 | Kinesiology for Pilates Instructors/Dancers | 3 |
| DAN-13 | Pilates Methodology | 2 |
| DAN-14 | Internship in Pilates Education and Teaching | 4 |
| DAN-D46 | Pilates Mat Work | 1 |
| DAN-D48 | Reformer Technique | 1 |
| DAN-D49 | Intermediate Pilates | 1 |
| DAN-D50 | Pilates for Dancers | 1 |
| DAN-D51 | Advanced Pilates | 1 |
| Electives | (Select 3 units from one of the emphases below) | |

| Dance/Athletes Emphasis (3 units) | | Units |
|-----------------------------------|-----------------------------------|-------|
| DAN-D21 | Ballet, Beginning | 1 |
| DAN-D22 | Ballet, Intermediate | 1 |
| DAN-D32 | Jazz, Beginning | 1 |
| DAN-D33 | Jazz, Intermediate | 1 |
| DAN-D37 | Modern Dance, Beginning | 1 |
| DAN-D38 | Modern Dance, Intermediate | 1 |
| KIN-16 | Introduction to Athletic Training | 3 |
| KIN-43 | Personal Training | 3 |

| General Lifestyle Management Emphasis (3 units) | | Units |
|---|-------------------------------------|-------|
| KIN-4 | Nutrition | 3 |
| KIN-35 | Foundation for Fitness and Wellness | 3 |
| KIN-36 | Wellness: Lifestyle Choices | 3 |

Total Units

17

This certificate may lead to employment competency, but does not lead to an Associate in Science Degree.



Agenda Item (VIII-B-2)

Meeting 12/10/2013 - Regular

Agenda Item Committee - Teaching and Learning (VIII-B-2)

Subject Moreno Valley College Accreditation Self-Evaluation

College/District Moreno Valley

Funding

Recommended Action It is recommended that the Board of Trustees accept the Institutional Self-Evaluation report of Educational Quality and Institutional Effectiveness for Moreno Valley College.

Background Narrative:

Presented for the Board's review and consideration is the Institutional Self-Evaluation Report of Educational Quality and Institutional Effectiveness for Moreno Valley College in support of the reaffirmation of the college's accreditation. The report will be submitted to the Accrediting Commission for Community and Junior Colleges (ACCJC) in December 2013.

Prepared By: Sandra Mayo, President, Moreno Valley College
Robin Steinback, Vice President, Academic Affairs

Attachments:

[Moreno Valley College Self-Evaluation Report](#)

Moreno Valley College Self-Evaluation Report 12-2013



Agenda Item (VIII-B-3)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Teaching and Learning (VIII-B-3) |
| Subject | Norco College Accreditation Self-Evaluation |
| College/District | Norco |
| Funding | N/A |
| Recommended Action | It is recommended that the Board of Trustees accept the Norco College Institutional Self Evaluation of Educational Quality and Institutional Effectiveness. |

Background Narrative:

Presented for the Board acceptance is the Institutional Self Evaluation of Educational Quality and Institutional Effectiveness in support of the reaffirmation of the College's accreditation. The report will be submitted to the Accrediting Commission for Community and Junior Colleges in December 2013 in preparation for a site visit in March 2014.

Prepared By:

Attachments:

[Norco College Accreditation Self-Evaluation Report](#)

Norco College Accreditation Self-Evaluation Report



Agenda Item (VIII-B-4)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Teaching and Learning (VIII-B-4) |
| Subject | Riverside City College Accreditation Self-Evaluation |
| College/District | Riverside |
| Funding | |
| Recommended Action | It is recommended that the Board of Trustees accept the Institutional Self-Evaluation Report of Educational Quality and Institutional Effectiveness for Riverside City College. |

Background Narrative:

Presented for the Board's review and consideration is the Institutional Self-Evaluation Report of Educational Quality and Institutional Effectiveness for Riverside City College in support of the reaffirmation of the college's accreditation. The report will be submitted to the Accrediting Commission for Community and Junior Colleges (ACCJC) in December 2013.

Prepared By: Wolde-Ab Isaac, Interim President, Riverside
Susan Mills, Interim Vice President, Academic Affairs (Riverside)

Attachments:

[Riverside City College Self-Evaluation Report](#)

Riverside City College Self-Evaluation Report



Agenda Item (VIII-D-1)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Resources (VIII-D-1) |
| Subject | 2012-2013 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 reports for the year ended June 30, 2013 for the permanent file of the District. |

Background Narrative:

In accordance with Education Code Section 84040(b), an independent audit of the District's 2012-2013 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 auditor has issued an unqualified opinion for the financial audit; an excerpt of which follows:

Financial Audit – "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, 2013 and 2012, and the changes in net financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America."

Current Year Audit Findings

There is no current year audit finding as shown on pages 79 through 82 of the accompanying audit report.

Prior Year Audit Findings

The recommendations for the prior year audit findings have been implemented, these are discussed on pages 83 through 94.

Auditor's Required Communication – Audit Completion

In accordance with Statement on Auditing Standards No. 114, at the conclusion of the audit engagement VTD is required to communicate information to the Board of Trustees regarding their responsibility under United States Generally Accepted Auditing Standards and OMB Circular A-133, significant accounting policies, accounting estimates, significant audit adjustments and uncorrected misstatements, disagreements with management, consultation with other independent accountants, issues discussed prior to retention of independent auditors and difficulties encountered in performing the audit. Attached for your information is the required communication issued by VTD.

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

Attachments:

[12102013_RCCD Annual Financial Report FY12-13](#)
[12102013_VTD SAS 114 Letter](#)



RIVERSIDE COMMUNITY
COLLEGE DISTRICT

ANNUAL FINANCIAL REPORT

JUNE 30, 2013 AND 2012

RIVERSIDE COMMUNITY COLLEGE DISTRICT

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FINANCIAL SECTION



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' 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, 2013 and 2012, 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 opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinions.

Opinions

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, 2013 and 2012, 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.

Changes in Accounting Principles

As discussed in the Notes to the basic financial statements, the accompanying financial statements reflect certain changes required as a result of the implementation of GASB Statement No. 62 for the year ended June 30, 2013. These changes require a restatement of the beginning net position of the District as discussed in Note 17. 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 4 through 11 and the Schedule of Other Postemployment Benefits (OPEB) Funding Progress on page 55 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 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 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 audit 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Vaurine, Time, Day & Co., LLP

Riverside, California
November 18, 2013



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, 2013. 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, 2013. 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 2012-2013 fiscal year, total reported resident FTES were 25,119 as compared to 25,858 in the 2011-2012 fiscal year. Total unfunded credit FTES was 9 for fiscal year 2012-2013 and 983 for fiscal year 2011-2012.
- Several construction and modernization projects at the District's three colleges resulted in completed buildings, building improvements, and improvements to sites totaling \$27,476,535 in the 2012-2013 fiscal year. The projects, listed below, are funded through the District's voter approved General Obligation Bond, Measure C.

Alumni Carriage House Restoration – District
Mechanical Upgrades – Moreno Valley
Network Operations Center – Norco

Emergency Phones – Moreno Valley
HVAC Retrofit – Moreno Valley
Secondary Effects - Norco

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013 AND 2012

- Employee salaries decreased by 2.86 percent or \$3.0 million from the 2011-2012 fiscal year and employee benefits decreased by 1.38 percent or \$.5 million. The decrease in salaries is primarily due to a District-wide hiring freeze for full-time employees, employee layoffs, and a supplementary retirement plan (SRP) offer enacted in fiscal year 2011-2012. In addition, the District reduced the number of sections offering to realize net budget reductions resulting in a decrease in the use of associate faculty. The decrease in benefit costs is primarily due to the aforementioned hiring freeze, layoffs, and SRP offered in addition to an increase in health and welfare benefits.
- During the 2012-2013 fiscal year, the District provided over \$65.4 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) | \$ 38,040,410 |
| Federal Supplement Education Opportunity Grant (FSEOG) | 980,884 |
| Federal Direct Student Loans (Direct Loans) | 4,235,107 |
| Federal Work Study Program (FWS) | 1,015,681 |
| State of California Cal Grant B (CALG-B) | 1,845,632 |
| State of California Cal Grant C (CALG-C) | 73,564 |
| California Community College Board of Governor's Fee Wavier | 19,192,627 |
| Total Financial Aid Provided to Students | <u>\$ 65,383,905</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013 AND 2012

THE DISTRICT AS A WHOLE

Net Position

Table 1

(Amounts in thousands)

| | 2013 | 2012* | Change | 2011 | Change |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| ASSETS | | | | | |
| Current Assets | | | | | |
| Cash and investments | \$ 96,506 | \$ 110,626 | \$ (14,120) | \$ 161,776 | \$ (65,270) |
| Accounts receivable (net) | 44,588 | 48,244 | (3,656) | 52,590 | (8,002) |
| Other current assets | 351 | 265 | 86 | 236 | 115 |
| Total Current Assets | <u>141,445</u> | <u>159,135</u> | <u>(17,690)</u> | <u>214,602</u> | <u>(73,157)</u> |
| Other noncurrent assets | 1,415 | 1,541 | (126) | 1,623 | (208) |
| Capital assets (net) | 369,636 | 352,225 | 17,411 | 301,606 | 68,030 |
| Total Assets | <u>\$ 512,496</u> | <u>\$ 512,901</u> | <u>\$ (405)</u> | <u>\$ 517,831</u> | <u>\$ (5,335)</u> |
| LIABILITIES | | | | | |
| Current Liabilities | | | | | |
| Accounts payable and accrued liabilities | 43,548 | 35,100 | 8,448 | 42,785 | 763 |
| Current portion of long-term obligations | 5,592 | 8,592 | (3,000) | 7,101 | (1,509) |
| Total Current Liabilities | <u>49,140</u> | <u>43,692</u> | <u>5,448</u> | <u>49,886</u> | <u>(746)</u> |
| Long-Term Obligations | 248,847 | 250,264 | (1,417) | 250,959 | (2,112) |
| Total Liabilities | <u>297,987</u> | <u>293,956</u> | <u>4,031</u> | <u>300,845</u> | <u>(2,858)</u> |
| NET POSITION | | | | | |
| Net investment in capital assets | 189,182 | 196,848 | (7,666) | 181,872 | 7,310 |
| Restricted | 22,018 | 21,943 | 75 | 27,176 | (5,158) |
| Unrestricted | 3,309 | 154 | 3,155 | 7,938 | (4,629) |
| Total Net Position | <u>\$ 214,509</u> | <u>\$ 218,945</u> | <u>\$ (4,436)</u> | <u>\$ 216,986</u> | <u>\$ (2,477)</u> |

* As restated.

The District's components of assets, liabilities, and net position are noted on page 13.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013 AND 2012

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 14.

Table 2

(Amounts in thousands)

| | 2013 | 2012 | Change | 2011 | Change |
|--|-------------------|--------------------|------------------|------------------|--------------------|
| Operating Revenues | | | | | |
| Tuition and fees (net) | \$ 15,255 | \$ 13,820 | \$ 1,435 | \$ 14,248 | \$ 1,007 |
| Other operating revenues | - | 3 | (3) | 2 | (2) |
| Total Operating Revenues | 15,255 | 13,823 | 1,432 | 14,250 | 1,005 |
| Operating Expenses | | | | | |
| Salaries and benefits | 134,462 | 137,923 | (3,461) | 146,574 | (12,112) |
| Supplies and maintenance | 33,531 | 41,668 | (8,137) | 31,623 | 1,908 |
| Student financial aid | 46,767 | 45,575 | 1,192 | 51,888 | (5,121) |
| Depreciation | 18,593 | 11,833 | 6,760 | 11,095 | 7,498 |
| Total Operating Expenses | 233,353 | 236,999 | (3,646) | 241,180 | (7,827) |
| Loss on Operations | (218,098) | (223,176) | 5,078 | (226,930) | 8,832 |
| Nonoperating Revenues | | | | | |
| State apportionments | 84,732 | 88,517 | (3,785) | 100,149 | (15,417) |
| Property taxes | 37,187 | 36,803 | 384 | 36,033 | 1,154 |
| State revenues | 5,604 | 4,814 | 790 | 5,078 | 526 |
| Federal and State grants and contracts | 69,029 | 67,186 | 1,843 | 74,535 | (5,506) |
| Net investment income | 950 | 1,331 | (381) | 1,622 | (672) |
| Net interest expense | (13,785) | (15,265) | 1,480 | (12,287) | (1,498) |
| Other nonoperating revenues | 20,800 | 12,174 | 8,626 | 12,877 | 7,923 |
| Loss on disposal of assets | (584) | (10) | (574) | (22) | (562) |
| Total Nonoperating Revenue | 203,933 | 195,550 | 8,383 | 217,985 | (14,052) |
| Other Revenues | | | | | |
| State capital income | 9,729 | 12,941 | (3,212) | 30,377 | (20,648) |
| Net Increase (Decrease) in Net Position | \$ (4,436) | \$ (14,685) | \$ 10,249 | \$ 21,432 | \$ (25,868) |

The District's primary revenue sources are local property taxes, student enrollment fees, and State apportionment, which increased in fiscal year 2012-2013. 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 2012-2013, the District's interest income was \$1.0 million and interest expense was \$13.8 million. Interest income is primarily derived from cash held in the Riverside County Treasury. Interest income has decreased approximately \$.4 million from the 2011-2012 fiscal year due to significantly lower interest rates and the State's apportionment deferral strategy passed along to community colleges. A decrease of \$1.5 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, 2013 AND 2012**

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, 2013:

(Amounts in thousands)

| | Salaries and Employee Benefits | Supplies, Material, and Other 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> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013 AND 2012

Year ended June 30, 2012:

| | Salaries and Employee Benefits | Supplies, Material, and Other Expenses and Services | Student Financial Aid | Depreciation | Total |
|--|--------------------------------------|--|--------------------------|------------------|-------------------|
| Instructional activities | \$ 64,973 | \$ 4,532 | \$ - | \$ - | \$ 69,505 |
| Academic support | 36,714 | 16,669 | - | - | 53,383 |
| Student services | 16,514 | 2,855 | - | - | 19,369 |
| Plant operations and maintenance | 6,674 | 5,212 | - | - | 11,886 |
| Instructional support services | 5,232 | 659 | - | - | 5,891 |
| Community services and economic development | 1,239 | 523 | - | - | 1,762 |
| Ancillary services and auxiliary operations | 6,193 | 2,993 | - | - | 9,186 |
| Student aid | - | - | 45,575 | - | 45,575 |
| Physical property and related acquisitions | 385 | 8,225 | - | - | 8,610 |
| Unallocated depreciation | - | - | - | 11,833 | 11,833 |
| Total | \$ 137,924 | \$ 41,668 | \$ 45,575 | \$ 11,833 | \$ 237,000 |

Changes in Cash Position

Table 4

(Amounts in thousands)

| | 2013 | 2012 | Change | 2011 | Change |
|---------------------------------|--------------|--------------|-------------|--------------|-------------|
| Cash Provided by (Used in) | | | | | |
| Operating activities | \$ (191,018) | \$ (211,183) | \$ 20,165 | \$ (210,238) | \$ 19,220 |
| Noncapital financing activities | 207,545 | 201,311 | 6,234 | 212,464 | (4,919) |
| Capital financing activities | (31,613) | (42,709) | 11,096 | 72,875 | (104,488) |
| Investing activities | 966 | 1,431 | (465) | 1,505 | (539) |
| Net Increase (Decrease) in Cash | (14,120) | (51,150) | 37,030 | 76,606 | (90,726) |
| Cash, Beginning of Year | 110,626 | 161,776 | (51,150) | 85,170 | 25,456 |
| Cash, End of Year | \$ 96,506 | \$ 110,626 | \$ (14,120) | \$ 161,776 | \$ (65,270) |

The Statement of Cash Flows on pages 15 and 16 provides information about our cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and its need for external financing. The District's primary operating receipts are student tuition and fees and Federal, State, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to faculty, administrators, and classified staff.

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, 2013 AND 2012

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the District had \$475.4 million in a broad range of capital assets, including land, buildings, and furniture and equipment. At June 30, 2013, the District's net capital assets were \$369.6 million. Major capital improvement projects are ongoing throughout the college campuses. These projects are primarily funded through State Construction Revenues and District General Obligation Bonds. Projects are accounted for within our Construction in Progress account until the project is completed at which time the cost of the buildings and/or improvements will be recorded to the depreciable Buildings and Improvement category.

Table 5

(Amounts in thousands)

| | Balance Beginning of Year, as Restated | Additions | Deletions | Balance End of Year |
|-----------------------------------|---|------------------|--------------------|---------------------------|
| Land and construction in progress | \$ 59,427 | \$ 32,726 | \$ (25,562) | \$ 66,591 |
| Buildings and land improvements | 347,313 | 27,477 | (2,353) | 372,437 |
| Equipment and vehicles | 34,809 | 1,948 | (359) | 36,398 |
| Subtotal | <u>441,549</u> | <u>62,151</u> | <u>(28,274)</u> | <u>475,426</u> |
| Accumulated depreciation | (89,325) | (18,593) | 2,128 | (105,790) |
| | <u>\$ 352,224</u> | <u>\$ 43,558</u> | <u>\$ (26,146)</u> | <u>\$ 369,636</u> |

Obligations

At the end of the 2012-2013 fiscal year, the District had \$241.5 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.

Table 6

(Amounts in thousands)

| | Balance Beginning of Year | Additions | Deletions | Balance End of Year |
|-----------------------------|---------------------------------|-----------------|-------------------|---------------------------|
| General obligation bonds | \$ 243,149 | \$ 1,399 | \$ (3,032) | \$ 241,516 |
| Other liabilities | 12,567 | 3,406 | (3,049) | 12,924 |
| Total Long-Term Obligations | <u>\$ 255,716</u> | <u>\$ 4,805</u> | <u>\$ (6,081)</u> | <u>\$ 254,440</u> |
| Amount due within one year | | | | <u>\$ 5,592</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2013 AND 2012

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 2012-2013 fiscal year on June 18, 2013.

The District's final revised budget for the unrestricted General Fund anticipated that expenditures would exceed revenue by \$2.3 million. The actual results for the year showed revenues exceeded expenditures by \$4.3 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 62.19 percent. The District reported a decrease of 739 FTES during fiscal year 2012-2013 which resulted from the District budget strategy to offer fewer course sections to reduce costs and the number of unfunded FTES. The District's fiscal year 2013-2014 adopted budget incorporated the following budget strategies among others: imposed a District office and support services budget reduction of \$.74 million; reduced the off-year election budget by \$.30 million; and a Board-approved contingency reduction from 5 percent to 3.8 percent to help mitigate an initial projected budget shortfall of \$4.1 million. The District continues to monitor enrollment and operating costs to ensure ongoing financial stability and retain the 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 4800 Magnolia Avenue, Riverside, California 92506.

BASIC FINANCIAL STATEMENTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF NET POSITION - PRIMARY GOVERNMENT
JUNE 30, 2013 AND 2012**

| | <u>2013</u> | <u>2012</u> |
|---|-----------------------|-----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 872,926 | \$ 1,243,741 |
| Investments - unrestricted | 12,424,343 | 1,333,557 |
| Investments - restricted | 83,208,895 | 108,048,997 |
| Accounts receivable | 44,143,201 | 47,912,606 |
| Student accounts receivable, net | 445,158 | 331,086 |
| Due from fiduciary funds | 94,410 | 28,742 |
| Prepaid expenses | 102,801 | 107,561 |
| Deferred cost on issuance | 125,978 | 99,156 |
| Inventories | 27,367 | 29,791 |
| Total Current Assets | <u>141,445,079</u> | <u>159,135,237</u> |
| Noncurrent Assets | | |
| Deferred cost on issuance - noncurrent portion | 1,414,748 | 1,541,226 |
| Nondepreciable capital assets | 66,590,738 | 59,426,570 |
| Depreciable capital assets, net of depreciation | 303,045,236 | 292,797,687 |
| Total Noncurrent Assets | <u>371,050,722</u> | <u>353,765,483</u> |
| TOTAL ASSETS | <u>512,495,801</u> | <u>512,900,720</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | 10,270,030 | 15,032,228 |
| Short-term borrowing | 19,805,000 | 8,960,000 |
| Accrued interest payable | 5,412,174 | 6,371,623 |
| Due to fiduciary funds | 57,584 | 38,159 |
| Deferred revenue | 4,802,660 | 4,698,014 |
| Claims liability | 3,200,000 | 3,140,000 |
| Compensated absences payable - current portion | 1,299,513 | 1,498,186 |
| Bonds payable - current portion | 2,960,000 | 2,635,000 |
| Lease obligations - current portion | 47,578 | 33,913 |
| Other long-term obligations - current portion | 1,284,856 | 1,284,856 |
| Total Current Liabilities | <u>49,139,395</u> | <u>43,691,979</u> |
| Noncurrent Liabilities | | |
| Compensated absences payable - noncurrent portion | 1,249,300 | 1,090,966 |
| Bonds payable - noncurrent portion | 231,327,828 | 232,889,196 |
| Net debt premium | 7,227,791 | 7,624,866 |
| Lease obligations - noncurrent portion | 118,548 | 108,593 |
| Other long-term obligations - noncurrent portion | 8,924,218 | 8,550,056 |
| Total Noncurrent Liabilities | <u>248,847,685</u> | <u>250,263,677</u> |
| TOTAL LIABILITIES | <u>297,987,080</u> | <u>293,955,656</u> |
| NET POSITION | | |
| Net investment in capital assets | 189,182,238 | 196,848,316 |
| Restricted for: | | |
| Debt service | 5,811,860 | 5,279,651 |
| Capital projects | 6,716,128 | 7,891,527 |
| Educational programs | 9,489,127 | 8,771,829 |
| Unrestricted | 3,309,368 | 153,741 |
| TOTAL NET POSITION | <u>\$ 214,508,721</u> | <u>\$ 218,945,064</u> |

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, 2013 AND 2012**

| | 2013 | 2012 |
|--|-----------------------|-----------------------|
| OPERATING REVENUES | | |
| Student Tuition and Fees | \$ 34,447,543 | \$ 28,691,148 |
| Less: Scholarship discount and allowance | (19,192,627) | (14,870,480) |
| Net tuition and fees | 15,254,916 | 13,820,668 |
| Other Operating Revenues | 296 | 2,794 |
| TOTAL OPERATING REVENUES | 15,255,212 | 13,823,462 |
| OPERATING EXPENSES | | |
| Salaries | 102,014,682 | 105,022,839 |
| Employee benefits | 32,447,122 | 32,900,152 |
| Supplies, materials, and other operating expenses and services | 32,151,415 | 31,269,625 |
| Student financial aid | 46,767,408 | 45,575,301 |
| Equipment, maintenance, and repairs | 1,380,028 | 10,397,955 |
| Depreciation | 18,592,580 | 11,833,261 |
| TOTAL OPERATING EXPENSES | 233,353,235 | 236,999,133 |
| OPERATING LOSS | (218,098,023) | (223,175,671) |
| NONOPERATING REVENUES (EXPENSES) | | |
| State apportionments, noncapital | 84,731,624 | 88,517,209 |
| Federal grants | 58,614,887 | 57,390,248 |
| State grants | 10,414,479 | 9,795,854 |
| Local property taxes levied for general purposes | 24,675,519 | 24,351,264 |
| Local property taxes levied for capital debt | 12,511,382 | 12,451,654 |
| State taxes and other revenues | 5,604,071 | 4,814,300 |
| Investment income | 923,765 | 1,292,122 |
| Interest expense on capital related debt | (13,784,557) | (15,264,865) |
| Investment income on capital related debt, net | 25,705 | 38,544 |
| Loss on disposal of capital assets | (584,330) | (10,513) |
| Other nonoperating revenue | 20,800,350 | 12,174,187 |
| TOTAL NONOPERATING REVENUES (EXPENSES) | 203,932,895 | 195,550,004 |
| LOSS BEFORE OTHER REVENUES | (14,165,128) | (27,625,667) |
| OTHER REVENUES | | |
| State revenues, capital | 9,728,785 | 12,940,526 |
| CHANGE IN NET POSITION | (4,436,343) | (14,685,141) |
| NET POSITION, BEGINNING OF YEAR | 218,945,064 | 216,986,120 |
| PRIOR PERIOD RESTATEMENT (see Note 17) | - | 16,644,085 |
| NET POSITION, END OF YEAR | \$ 214,508,721 | \$ 218,945,064 |

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, 2013 AND 2012**

| | <u>2013</u> | <u>2012</u> |
|--|----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Tuition and fees | \$ 15,076,347 | \$ 14,054,074 |
| Short-term borrowings | 10,845,000 | (2,750,000) |
| Payments to vendors for supplies and services | (36,093,864) | (39,968,023) |
| Payments to or on behalf of employees | (134,078,075) | (136,946,669) |
| Payments to students for Federal direct student aid | (44,272,080) | (43,696,556) |
| Payments to students for State direct student aid | (1,919,196) | (1,878,745) |
| Payments to students for Local direct student aid | (576,132) | - |
| Other operating receipts | 296 | 2,794 |
| Net Cash Flows From Operating Activities | <u>(191,017,704)</u> | <u>(211,183,125)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| State apportionments | 88,194,864 | 81,559,205 |
| Federal grants and contracts | 60,563,696 | 59,575,682 |
| State grants and contracts | 10,826,447 | 8,852,242 |
| Property taxes - non-debt related | 24,735,651 | 24,513,244 |
| State taxes and other apportionments | 2,387,405 | 12,722,803 |
| Other nonoperating | 20,836,563 | 14,087,527 |
| Net Cash Flows From Noncapital Financing Activities | <u>207,544,626</u> | <u>201,310,703</u> |
| CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES | | |
| Purchase of capital assets | (38,584,131) | (51,625,122) |
| Proceeds from issuance of capital leases | 68,256 | - |
| State revenue, capital projects | 9,728,785 | 12,940,526 |
| Property taxes - related to capital debt | 12,511,382 | 12,451,654 |
| Principal paid on capital debt | (3,076,711) | (2,769,555) |
| Interest paid on capital debt | (13,784,557) | (15,264,865) |
| Interest received on capital related debt | 25,705 | 38,544 |
| Accreted interest on general obligation bonds | 1,398,632 | 1,435,921 |
| Deferred cost on issuance | 99,656 | 84,487 |
| Net Cash Flows From Capital Financing Activities | <u>(31,612,983)</u> | <u>(42,708,410)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received from investments | 965,930 | 1,430,940 |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (14,120,131) | (51,149,892) |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 110,626,295 | 161,776,187 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | <u>\$ 96,506,164</u> | <u>\$ 110,626,295</u> |

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, 2013 AND 2012**

| | <u>2013</u> | <u>2012</u> |
|---|-------------------------|-------------------------|
| RECONCILIATION OF NET OPERATING LOSS TO NET CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Operating Loss | \$ (218,098,023) | \$ (223,175,671) |
| Adjustments to Reconcile Operating Loss to Net Cash Flows From Operating Activities: | | |
| Depreciation | 18,592,580 | 11,833,261 |
| Changes in Operating Assets and Liabilities: | | |
| Student receivables, net | (114,072) | 34,282 |
| Inventories | 2,424 | 1,545 |
| Prepaid expenses | 4,760 | (34,211) |
| Accounts payable and other accrued liabilities | (2,275,028) | 1,240,905 |
| Deferred revenue | (309,168) | 520,453 |
| Compensated absences | (44,424) | (99,672) |
| Supplementary Retirement Plan (SRP) | (1,284,856) | 202,782 |
| Other postemployment benefits (OPEB) | 1,663,103 | 1,043,201 |
| Short-term borrowings | 10,845,000 | (2,750,000) |
| Total Adjustments | <u>27,080,319</u> | <u>11,992,546</u> |
| Net Cash Flows From Operating Activities | <u>\$ (191,017,704)</u> | <u>\$ (211,183,125)</u> |
| CASH AND CASH EQUIVALENTS CONSIST OF THE FOLLOWING: | | |
| Cash in banks | \$ 872,926 | \$ 1,243,741 |
| Unrestricted cash in county treasury | 12,424,343 | 1,333,557 |
| Restricted cash in county treasury | 83,208,895 | 108,048,997 |
| Total Cash and Cash Equivalents | <u>\$ 96,506,164</u> | <u>\$ 110,626,295</u> |
| NON CASH TRANSACTIONS | | |
| On behalf payments for benefits | \$ 3,301,204 | \$ 3,132,192 |
| Loss on disposal of capital assets | 584,330 | 10,513 |
| | <u>\$ 3,885,534</u> | <u>\$ 3,142,705</u> |

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

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATEMENTS OF FIDUCIARY NET POSITION
 JUNE 30, 2013 AND 2012**

| | 2013 | 2012 |
|-----------------------------------|-------------------|-------------------|
| | Trust | Trust |
| ASSETS | | |
| Cash and cash equivalents | \$ 2,041,953 | \$ 1,877,595 |
| Accounts receivable, net | 13,137 | 1,171 |
| Due from primary government funds | 57,584 | 38,159 |
| Total Assets | 2,112,674 | 1,916,925 |
| LIABILITIES | | |
| Accounts payable | 97,560 | 48,474 |
| Due to primary government funds | 94,410 | 28,742 |
| Due to student groups | 1,114,982 | 991,095 |
| Total Liabilities | 1,306,952 | 1,068,311 |
| NET POSITION | | |
| Unreserved | 805,722 | 848,614 |
| Total Net Position | \$ 805,722 | \$ 848,614 |

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, 2013 AND 2012**

| | 2013 | 2012 |
|---|-------------------|-------------------|
| | Trust | Trust |
| ADDITIONS | | |
| Local revenues | \$ 594,712 | \$ 614,011 |
| DEDUCTIONS | | |
| Books and supplies | 388,447 | 371,377 |
| Services and operating expenditures | 335,812 | 245,507 |
| Capital outlay | 3,991 | 111,896 |
| Total Deductions | 728,250 | 728,780 |
| OTHER FINANCING SOURCES (USES) | | |
| Other sources | 90,646 | - |
| Other uses | - | (31,178) |
| Total Other Financing Sources (Uses) | 90,646 | (31,178) |
| Change in Net Position | (42,892) | (145,947) |
| Net Position - Beginning | 848,614 | 994,561 |
| Net Position - Ending | \$ 805,722 | \$ 848,614 |

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, 2013 AND 2012

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, investments held at June 30, 2013 and 2012, 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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 \$111,289 and \$82,771 for the years ended June 30, 2013 and 2012, 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.

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.

Deferred Issuance Costs, Premiums, and Discounts

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method.

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

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

Deferred Revenue

Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Deferred revenues include (1) amounts received for tuition and fees prior to the end of the fiscal year that are related to the subsequent fiscal year and (2) amounts received from Federal and State grants received before the eligibility requirements are met are recorded as deferred revenue.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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 \$22,017,115 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.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

Changes in Accounting Principles

In March 2012, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre November 30, 1989 FASB and AICPA Pronouncements*. GASB Statement No. 62 establishes standards of financial accounting and reporting for capitalizing interest cost as a part of the historical cost of acquiring certain assets. For the purposes of applying this Statement, interest cost includes interest recognized on obligations having explicit interest rates and interest imputed on certain types of payables, as well as interest related to capital leases.

The District has implemented the provisions of this Statement for the year ended June 30, 2013. See Note 17 for more information.

In June 2011, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, *Elements of Financial Statements*, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

Concepts Statement No. 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The District has implemented the provisions of this Statement for the year ended June 30, 2013.

New Accounting Pronouncements

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 No. 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 No. 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 provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Early implementation is encouraged.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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.

Comparative Financial Information

Comparative financial information for the prior year has been presented for additional analysis; certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

NOTE 3 - DEPOSITS AND INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Investment in County Treasury - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section (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, 2013 AND 2012

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

| <u>Authorized Investment Type</u> | <u>Maximum Remaining Maturity</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in One Issuer</u> |
|---|---|--|---|
| Local Agency Bonds, Notes, Warrants | 5 years | None | None |
| Registered State Bonds, Notes, Warrants | 5 years | None | None |
| U.S. Treasury Obligations | 5 years | None | None |
| U.S. Agency Securities | 5 years | None | None |
| Banker's Acceptance | 180 days | 40% | 30% |
| Commercial Paper | 270 days | 25% | 10% |
| Negotiable Certificates of Deposit | 5 years | 30% | None |
| Repurchase Agreements | 1 year | None | None |
| Reverse Repurchase Agreements | 92 days | 20% of base | None |
| Medium-Term Corporate Notes | 5 years | 30% | None |
| Mutual Funds | N/A | 20% | 10% |
| Money Market Mutual Funds | N/A | 20% | 10% |
| Mortgage Pass-Through Securities | 5 years | 20% | None |
| County Pooled Investment Funds | N/A | None | None |
| Local Agency Investment Fund (LAIF) | N/A | None | None |
| Joint Powers Authority Pools | N/A | None | None |

Summary of Deposits and Investments

Deposits and investments as of June 30, 2013, consist of the following:

| | |
|--------------------------------|-------------------------------|
| | <u>Primary Government</u> |
| Cash on hand and in banks | \$ 822,926 |
| Cash in revolving | 50,000 |
| Investments | <u>95,633,238</u> |
| Total Deposits and Investments | <u><u>\$ 96,506,164</u></u> |
| | <u>Fiduciary Funds</u> |
| Cash on hand and in banks | <u><u>\$ 2,041,953</u></u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool and County Pooled Investment Fund.

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>\$ 95,354,669</u> | *1.41 |

*Weighted average of maturity in years.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County pool are rated AAA/V1 by Fitch Ratings Ltd. as of June 30, 2013.

| <u>Investment Type</u> | <u>Minimum Legal Rating</u> | <u>Rating June 30, 2013</u> | <u>Fair Market Value</u> |
|----------------------------------|-----------------------------|-----------------------------|--------------------------|
| Riverside County Investment Pool | Not Required | AAA/V1 | <u>\$ 95,354,669</u> |

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. 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, 2013, the District and fiduciary funds had bank balances of \$869,711 and \$2,034,722, respectively, totaling \$2,904,433 of which \$1,950,063 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, 2013 AND 2012

NOTE 5 - CAPITAL ASSETS

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 End 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 was \$13,784,557. Of this amount, \$1,375,826 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, 2013, the District has not recorded a value for the collection in the financial statements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

Capital asset activity for the District for the fiscal year ended June 30, 2012, was as follows:

| | Balance Beginning of Year | Additions | Deductions | *GASB Statement No. 62 Restatement | Balance End of Year, as Restated |
|---|---------------------------------|---------------|--------------|--|---|
| Capital Assets Not Being Depreciated | | | | | |
| Land | \$ 32,502,697 | \$ - | \$ - | \$ - | \$ 32,502,697 |
| Construction in progress | 79,011,622 | 42,736,962 | 96,291,533 | 1,466,822 | 26,923,873 |
| Total Capital Assets Not Being Depreciated | 111,514,319 | 42,736,962 | 96,291,533 | 1,466,822 | 59,426,570 |
| Capital Assets Being Depreciated | | | | | |
| Land improvements | 11,598,766 | 489,309 | - | 331,115 | 12,419,190 |
| Buildings and improvements | 223,391,830 | 94,919,467 | - | 16,583,341 | 334,894,638 |
| Furniture and equipment | 31,046,995 | 3,963,888 | 201,981 | - | 34,808,902 |
| Total Capital Assets Being Depreciated | 266,037,591 | 99,372,664 | 201,981 | 16,914,456 | 382,122,730 |
| Total Capital Assets | 377,551,910 | 142,109,626 | 96,493,514 | 18,381,278 | 441,549,300 |
| Less Accumulated Depreciation | | | | | |
| Land improvements | 5,773,770 | 402,927 | - | 94,264 | 6,270,961 |
| Buildings and improvements | 45,251,975 | 8,364,149 | - | 1,642,929 | 55,259,053 |
| Furniture and equipment | 24,920,312 | 3,066,185 | 191,468 | - | 27,795,029 |
| Total Accumulated Depreciation | 75,946,057 | 11,833,261 | 191,468 | 1,737,193 | 89,325,043 |
| Net Capital Assets | \$301,605,853 | \$130,276,365 | \$96,302,046 | \$ 16,644,085 | \$352,224,257 |

* As restated. See Note 17 for more information.

Depreciation expense for the year was \$11,833,261.

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable for the District consisted of the following:

| | Primary Government | |
|------------------------------|--------------------|---------------|
| | 2013 | 2012 |
| Accrued payroll and benefits | \$ 803,980 | \$ 754,074 |
| Apportionment | 1,466,897 | 2,838,589 |
| Student financial aid grants | 1,636,868 | 1,518,294 |
| State categorical programs | 99,031 | 131,712 |
| Construction payables | 3,642,338 | 5,637,842 |
| Vendor payables | 2,620,916 | 4,151,717 |
| Total | \$ 10,270,030 | \$ 15,032,228 |
| | Fiduciary Funds | |
| | 2013 | 2012 |
| Vendor payables | \$ 97,560 | \$ 48,474 |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 AND 2012**

NOTE 7 - DEFERRED REVENUE

Deferred revenue consisted of the following:

| | Primary Government | |
|-------------------------------------|---------------------|---------------------|
| | 2013 | 2012 |
| Federal financial assistance | \$ 1,063 | \$ 2,909 |
| State categorical aid | 1,548,578 | 1,130,669 |
| Other State aid | 262,516 | 505,609 |
| Enrollment fees | 1,741,830 | 1,625,671 |
| Theater subscriptions | 27,076 | 168,849 |
| Health and liability self-insurance | 1,050,581 | 1,008,832 |
| Summer community education fees | 17,911 | 56,794 |
| Other local | 153,105 | 198,681 |
| Total | <u>\$ 4,802,660</u> | <u>\$ 4,698,014</u> |

NOTE 8 - TAX AND REVENUE ANTICIPATION NOTES

At June 30, 2012, the District had outstanding Tax and Revenue Anticipation Notes in the amount of \$8,960,000 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 2012 until 100 percent of the total principal and interest is due at maturity on December 31, 2012. The total outstanding Tax and Revenue Anticipation Notes of \$8,960,000 was paid in full to the fiscal agent on July 31, 2012.

On July 1, 2012, the District issued \$5,000,000 Tax and Revenue Anticipation Notes bearing interest at two percent. The notes were issued to supplement cash flows. Interest and principal were due and payable on March 1, 2013. The total outstanding Tax and Revenue Anticipation Notes of \$5,000,000 was paid in full to the fiscal agent on January 31, 2013.

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. As of June 30, 2013, the Tax and Revenue Anticipation Notes of \$19,805,000, 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 |
|---------------------------------|-------------------------------------|----------------------|----------------------|-------------------------------|
| 2011-2012 2.00% TRANS, Series T | \$ 8,960,000 | \$ - | \$ 8,960,000 | \$ - |
| 2012-2013 2.00% TRANS, Series A | - | 5,000,000 | 5,000,000 | - |
| 2012-2013 2.00% TRANS, Series T | - | 19,805,000 | - | 19,805,000 |
| Total | <u>\$ 8,960,000</u> | <u>\$ 24,805,000</u> | <u>\$ 13,960,000</u> | <u>\$ 19,805,000</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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, 2013, the amounts owed between the government and the fiduciary funds were \$94,410 and \$57,584, 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.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

NOTE 10 - LONG-TERM OBLIGATIONS

Long-Term Obligations Summary

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

| | Balance Beginning of Year | Additions | Deductions | Balance End of Year | 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 |
| Net unamortized debt premium | 4,054,425 | - | 162,837 | 3,891,588 | - |
| General obligation bonds, Series 2007 C | 68,510,000 | - | - | 68,510,000 | - |
| Net 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 | - |
| Net unamortized debt premium | 1,633,775 | - | 58,176 | 1,575,599 | - |
| Total Bonds Payable | 243,149,062 | 1,398,632 | 3,032,075 | 241,515,619 | 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 | \$ 4,805,407 | \$ 6,081,407 | \$ 254,439,632 | \$ 5,591,947 |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

The changes in the District's long-term obligations during the 2012 fiscal year consisted of the following:

| | Balance Beginning of Year | Additions | Deductions | Balance End of Year | Due in One Year |
|--|---------------------------------|---------------------|---------------------|---------------------------|---------------------|
| Bonds Payable | | | | | |
| General obligation bonds, Series A | \$ 3,475,000 | \$ - | \$ 500,000 | \$ 2,975,000 | \$ 620,000 |
| General obligation bonds, Refunding Bond 2005 | 54,314,469 | 877,697 | 1,830,000 | 53,362,166 | 2,015,000 |
| Net unamortized debt premium | 4,217,262 | - | 162,837 | 4,054,425 | - |
| General obligation bonds, Series 2007 C | 68,510,000 | - | - | 68,510,000 | - |
| Net unamortized debt premium | 2,112,726 | - | 176,060 | 1,936,666 | - |
| General obligation bonds, Series 2010 D/D-1 | 110,118,806 | 558,224 | - | 110,677,030 | - |
| Net unamortized debt premium | 1,691,951 | - | 58,176 | 1,633,775 | - |
| Total Bonds Payable | 244,440,214 | 1,435,921 | 2,727,073 | 243,149,062 | 2,635,000 |
| Other Liabilities | | | | | |
| Compensated absences | 2,614,358 | - | 25,206 | 2,589,152 | 1,498,186 |
| Capital leases | 184,988 | - | 42,482 | 142,506 | 33,913 |
| Supplementary Retirement Plan (SRP) | 4,497,847 | 1,940,014 | 1,737,232 | 4,700,629 | 1,284,856 |
| Load banking | 827,220 | 204,024 | 278,490 | 752,754 | - |
| Other postemployment benefits (OPEB) | 3,338,328 | 2,242,316 | 1,199,115 | 4,381,529 | - |
| Total Other Liabilities | 11,462,741 | 4,386,354 | 3,282,525 | 12,566,570 | 2,816,955 |
| Total Long-Term Obligations | \$ 255,902,955 | \$ 5,822,275 | \$ 6,009,598 | \$ 255,715,632 | \$ 5,451,955 |

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, 2013, the principal outstanding was \$2,355,000.

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, 2013 AND 2012

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, 2024. Principal and interest on the refunded debt will be paid until such time as they can be redeemed on August 1, 2014. At June 30, 2013, the principal outstanding was \$52,140,578, and net unamortized debt premium was \$3,891,588.

The bonds are being used to advance refund all or a portion of the outstanding principal amount of the District's General Obligation Bonds, Election of 2004, Series 2004A (the Refunding Bonds). The refunded bonds were the Series A general obligation bonds including the cost of issuance of the bonds except for \$3,745,000 of the debt. The refunded bonds are considered defeased. The bonds were issued as current interest bonds and capital appreciation bonds. Interest with respect to the current interest bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year.

Net debt premium consists of the following:

| | |
|------------------------------|----------------------|
| | <u>June 30, 2013</u> |
| Deferred loss on refunding | \$ (1,686,893) |
| Debt issue costs | (532,783) |
| Debt premium | 6,111,264 |
| Net unamortized debt premium | <u>\$ 3,891,588</u> |

2007 General Obligation Bonds

During June 2007, the District issued the 2007 General Obligation Bonds in the amount of \$90,000,000. The bonds mature beginning on August 1, 2007 through August 1, 2032, with interest yields ranging from 3.62 to 4.47 percent. At June 30, 2013, the principal outstanding was \$68,510,000 and unamortized premium and issuance costs of \$1,760,604 and \$678,019, respectively. Premium and issuance costs are amortized over the life of the bonds as a component of interest expense on the bonds.

The bonds are being used for the purposes of financing the repair, acquisition, construction, and equipping of certain District facilities, and to pay all legal, financial, and contingent costs in connection with the issuance of the bonds. The bonds are general obligations of the District payable solely from the proceeds of ad valorem property taxes. Interest with respect of the bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2007.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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, 2013, the principal balance outstanding was \$111,282,250 and unamortized premium and issuance cost of \$1,575,599 and \$862,707, respectively. Premium and issuance 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.

The outstanding general obligation bonded debt is as follows:

| Issue Date | Maturity Date | Interest Rate | Original Issue | Bonds | | Accreted Interest | | Bonds |
|------------|---------------|---------------|----------------|--------------------------|-------------|---------------------|---------------------|---------------------------|
| | | | | Outstanding July 1, 2012 | Issued | Addition | Redeemed | Outstanding June 30, 2013 |
| 2004 | 2030 | 4.00%-5.25% | \$ 55,205,000 | \$ 2,975,000 | \$ - | \$ - | \$ 620,000 | \$ 2,355,000 |
| 2005 | 2025 | 3.00%-5.00% | 58,386,109 | 53,362,166 | - | 793,412 | 2,015,000 | 52,140,578 |
| 2007 | 2033 | 3.62%-4.47% | 90,000,000 | 68,510,000 | - | - | - | 68,510,000 |
| 2010 | 2041 | 2.36%-5.53% | 109,999,278 | 110,677,030 | - | 605,220 | - | 111,282,250 |
| | | | | <u>\$ 235,524,196</u> | <u>\$ -</u> | <u>\$ 1,398,632</u> | <u>\$ 2,635,000</u> | <u>\$ 234,287,828</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013 AND 2012**

The General Obligation Bonds, Series A mature through 2030 as follows:

| <u>Fiscal Year</u> | <u>Principal</u> | <u>Interest to Maturity</u> | <u>Total</u> |
|--------------------|---------------------|---------------------------------|---------------------|
| 2014 | \$ 795,000 | \$ 85,375 | \$ 880,375 |
| 2015 | 1,000,000 | 49,475 | 1,049,475 |
| 2016 | 15,000 | 29,156 | 44,156 |
| 2017 | 15,000 | 28,462 | 43,462 |
| 2018 | 20,000 | 27,588 | 47,588 |
| 2019-2023 | 135,000 | 120,157 | 255,157 |
| 2024-2028 | 240,000 | 71,663 | 311,663 |
| 2029-2030 | 135,000 | 7,562 | 142,562 |
| Total | <u>\$ 2,355,000</u> | <u>\$ 419,438</u> | <u>\$ 2,774,438</u> |

The General Obligation Bonds, 2005 Refunding Bonds mature through 2025 as follows:

| <u>Fiscal Year</u> | <u>Principal (Including accreted interest to date)</u> | <u>Accreted Interest</u> | <u>Current Interest to Maturity</u> | <u>Total</u> |
|--------------------|--|------------------------------|---|----------------------|
| 2014 | \$ 2,042,439 | \$ 122,561 | \$ 2,298,250 | \$ 4,463,250 |
| 2015 | 1,943,696 | 371,304 | 2,298,250 | 4,613,250 |
| 2016 | 2,189,443 | 740,557 | 2,298,250 | 5,228,250 |
| 2017 | 3,165,000 | - | 2,219,125 | 5,384,125 |
| 2018 | 3,570,000 | - | 2,050,750 | 5,620,750 |
| 2019-2023 | 25,090,000 | - | 6,933,750 | 32,023,750 |
| 2024-2025 | 14,140,000 | - | 723,750 | 14,863,750 |
| Total | <u>\$ 52,140,578</u> | <u>\$ 1,234,422</u> | <u>\$ 18,822,125</u> | <u>\$ 72,197,125</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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

| Fiscal Year | Principal | Interest to Maturity | Total |
|-------------|----------------------|-------------------------|-----------------------|
| 2014 | \$ - | \$ 3,425,500 | \$ 3,425,500 |
| 2015 | - | 3,425,500 | 3,425,500 |
| 2016 | - | 3,425,500 | 3,425,500 |
| 2017 | - | 3,425,500 | 3,425,500 |
| 2018 | - | 3,425,500 | 3,425,500 |
| 2019-2023 | - | 17,127,500 | 17,127,500 |
| 2024-2028 | 24,080,000 | 15,392,250 | 39,472,250 |
| 2029-2033 | 44,430,000 | 4,796,750 | 49,226,750 |
| Total | <u>\$ 68,510,000</u> | <u>\$ 54,444,000</u> | <u>\$ 122,954,000</u> |

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 |
|-------------|---|----------------------|------------------------------------|-----------------------|
| 2014 | \$ - | \$ - | \$ 7,164,193 | \$ 7,164,193 |
| 2015 | - | - | 7,164,193 | 7,164,193 |
| 2016 | 280,219 | 94,781 | 7,322,979 | 7,697,979 |
| 2017 | 379,078 | 190,922 | 7,441,698 | 8,011,698 |
| 2018 | 452,795 | 312,205 | 7,579,817 | 8,344,817 |
| 2019-2023 | 3,894,659 | 2,945,340 | 39,354,169 | 46,194,168 |
| 2024-2028 | 3,975,499 | 3,394,501 | 39,656,567 | 47,026,567 |
| 2029-2033 | 8,165,000 | - | 35,483,394 | 43,648,394 |
| 2034-2038 | 51,670,000 | - | 24,554,544 | 76,224,544 |
| 2039-2041 | 42,465,000 | - | 4,623,856 | 47,088,856 |
| Total | <u>\$ 111,282,250</u> | <u>\$ 6,937,749</u> | <u>\$ 180,345,410</u> | <u>\$ 298,565,409</u> |

Capital Leases

The District has utilized capital leases purchase agreements to primarily purchase equipment. The current lease purchase agreement in the amount of \$166,126 will be paid through 2017.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013 AND 2012**

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

| Year Ending June 30, | Lease Payment |
|---|-------------------|
| 2014 | \$ 57,941 |
| 2015 | 57,940 |
| 2016 | 54,612 |
| 2017 | 18,003 |
| Total | 188,496 |
| Less: Amount Representing Interest | 22,370 |
| Present Value of Minimum Lease Payments | <u>\$ 166,126</u> |

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

| | |
|--------------------------------|------------------|
| Equipment | \$ 266,105 |
| Less: Accumulated depreciation | (172,306) |
| Total | <u>\$ 93,799</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, 2013, the outstanding balance was \$3,415,733. See Note 14 for additional information regarding the SRP obligation.

| Fiscal Year | SRP Payment |
|-------------|---------------------|
| 2014 | \$ 1,284,856 |
| 2015 | 1,284,857 |
| 2016 | 846,060 |
| Total | <u>\$ 3,415,773</u> |

Compensated Absences

Compensated absence obligations for the District at June 30, 2013, amounted to \$2,548,813 of which \$1,299,513 is considered current.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

Other Postemployment Benefits Obligation

The District's annual required contribution for the year ended June 30, 2013, was \$2,925,208, and contributions made by the District during the year were \$1,209,729. Interest on the net OPEB obligation and adjustments to the annual required contribution were \$219,076 and \$(271,452), respectively, which resulted in an increase to the net OPEB obligation of \$1,663,103. As of June 30, 2013, the net OPEB obligation was \$6,044,632. 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, 2013, amounted to \$748,669.

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.

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 94 retirees and beneficiaries currently receiving benefits and 883 active Plan members.

Funding Policy

The contribution requirements of Plan members and the District are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements with an additional amount to prefund benefits as determined annually through agreements between the District and the bargaining units. For fiscal year 2012-2013, the District contributed \$1,209,729 to the Plan, all of which was used for current premiums.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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 | \$ 2,925,208 |
| Interest on net OPEB obligation | 219,076 |
| Adjustment to annual required contribution | <u>(271,452)</u> |
| Annual OPEB cost (expense) | 2,872,832 |
| Contributions made | <u>(1,209,729)</u> |
| Increase in net OPEB obligation | 1,663,103 |
| Net OPEB obligation, beginning of year | <u>4,381,529</u> |
| Net OPEB obligation, end of year | <u><u>\$ 6,044,632</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 |
|------------------------|---------------------|------------------------|---------------------------|------------------------|
| 2011 | \$ 2,262,462 | \$ 577,224 | 26% | \$ 3,338,328 |
| 2012 | 2,242,316 | 1,199,115 | 53% | 4,381,529 |
| 2013 | 2,872,832 | 1,209,729 | 42% | 6,044,632 |

Funding Status and Funding Progress

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

| | |
|---|-----------------------------|
| Actuarial Accrued Liability (AAL) | \$ 24,642,278 |
| Actuarial Value of Plan Assets | <u>-</u> |
| Unfunded Actuarial Accrued Liability (UAAL) | <u><u>\$ 24,642,278</u></u> |
| Funded Ratio (Actuarial Value of Plan Assets/AAL) | 0.00% |
| Covered Payroll | <u>N/A</u> |
| UAAL as Percentage of Covered Payroll | <u><u>N/A</u></u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

The above noted actuarial accrued liability was based on the July 1, 2011, 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, 2011, 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 rates ranged from an initial eight percent to an ultimate rate of five percent. The UAAL is being amortized at a level dollar method. The remaining amortization period at June 30, 2013, was 25 years. The actuarial value of assets was not determined in this actuarial valuation. As of June 30, 2013, the District finances its OPEB contributions using a pay-as-you-go method. The District has not established a plan or equivalent arrangement that contains an irrevocable trust.

NOTE 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 \$20,000,000 for liability and tort risks. This coverage is subject to a \$100,000 self-insured retention. The District carries replacement coverage on its buildings and furniture and equipment with limits of \$295,277,000 and a \$100,000 deductible. Employee health benefits are covered by the employees enrolling in either one of two health maintenance organizations or in the District's self-insured health plan. The District's self-insured limit for the self-insured plan is \$100,000, and it purchases insurance coverage for the excess claims. The District purchases coverage for the dental benefits from a joint powers authority.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

Joint Powers Authority Risk Pools

During fiscal year ended June 30, 2013, the District contracted with the Alliance of Schools for Cooperative Insurance Program Joint Powers Authority for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

For fiscal year 2012-2013, 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> |
|---|-------------------------|---------------|
| Schools Excess Liability Fund (SELF) | Workers' Compensation | \$ 2,000,000 |
| Schools Excess Liability Fund (SELF) | Excess Liability | \$ 20,000,000 |
| Alliance of Schools for Cooperative Insurance Program (ASCIP) | Property and Liability | \$ 1,000,000 |

Employee Medical Benefits

The District has contracted with Kaiser Permanente, Health Net, and the RCCD Plan to provide employee medical benefits. The District provides health and welfare benefits to all full-time and permanent part-time employees (20 hours or more) and their dependents. Those employees working less than full-time will receive a pro-rata share of the benefit package. Employees in positions less than 20 hours per week do not receive any fringe benefits.

If the employee elects not to enroll for health insurance coverage from one of the carriers provided by the District, such employee must provide evidence of other health insurance coverage.

- Medical - The employee has a choice of Kaiser Permanente, Health Net, or the RCCD Plan. The employee may elect to change carriers once per year during open enrollment. Normally, such election shall be effective October 1 of each year.
- Dental - Delta insurance coverage for employees and dependents shall be provided by the District. All employees shall participate in the program.
- Life Insurance - The District provides a \$50,000 life insurance policy by a carrier designated by the District. All employees shall participate in this life insurance program.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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, 2011 to June 30, 2013:

| | |
|---|---------------------|
| | Self- Insurance |
| Liability Balance, July 1, 2011 | \$ 2,156,829 |
| Claims and changes in estimates | 6,485,852 |
| Claims payments | <u>(5,502,681)</u> |
| Liability Balance, June 30, 2012 | 3,140,000 |
| Claims and changes in estimates | 8,517,537 |
| Claims payments | <u>(8,457,537)</u> |
| Liability Balance, June 30, 2013 | <u>\$ 3,200,000</u> |
| Assets available to pay claims at June 30, 2013 | <u>\$ 6,491,992</u> |

The District records an estimated liability for indemnity health care, workers' compensation, torts, and other claims against the District. Claims liabilities are based on estimates of the ultimate cost of the reported claims including future claim adjustment expenses and an estimate for claims incurred, but not reported based on historical experience. The estimated liabilities are calculated using 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).

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

CalSTRS

Plan Description

The District contributes to CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, CA 95605.

Funding Policy

Active members of the DB Plan are required to contribute 8.0 percent of their salary, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2012-2013 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, 2013, 2012, and 2011, were \$4,744,140, \$4,995,773, and \$5,263,423, respectively, and equal 100 percent of the required contributions for each year.

CalPERS

Plan Description

The District contributes to the School Employer Pool under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to plan members and beneficiaries. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

Funding Policy

Active plan members are required to contribute 7.0 percent of their salary, and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2012-2013 was 11.417 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, 2013, 2012, and 2011, were \$3,975,690, \$3,827,482, and \$3,960,411, respectively, and equal 100 percent of the required contributions for each year.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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, 2013, 2012, and 2011, which amounted to \$3,301,204, \$3,132,192, and \$3,029,760, respectively, (5.176 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, 2013, 2012, and 2011. 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.

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, 2013. Total contributions to the plan amounted to \$541,744.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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 (RCCCSSIPE), the Riverside Employers/Employees Plan (REEP), and the Alliance of Schools for Cooperative Insurance Programs (ASCIP) Joint Powers Authorities (JPAs). The District pays annual premiums for its property liability, health, and workers' compensation coverage. The relationship between the District and the JPAs is such that they are not component units of the District for financial reporting purposes.

The JPAs have budgeting and financial reporting requirements independent of member units and their financial statements are not presented in these financial statements; however, transactions between the JPAs and the District are included in these statements. Audited financial statements are available from the respective entities.

The District's share of year-end assets, liabilities, or fund equity has not been calculated.

During the year ended June 30, 2013, the District made payments of \$46,607, \$17,995, \$1,115,691, and \$571,766 to SELF, RCCCSSIPE, REEP, and ASCIP, 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, 2013.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2013 AND 2012

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, 2013.

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 |
|-------------------------|---------------------|
| 2014 | \$ 795,222 |
| 2015 | 751,610 |
| 2016 | 8,811 |
| Total | <u>\$ 1,555,643</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013 AND 2012**

Construction Commitments

As of June 30, 2013, 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 | \$ 2,932,599 | 53.89% | FY 14/15 |
| District - IT Upgrade (Includes Audit) | 4,130,249 | 29.28% | FY 14/15 |
| District - Swing Space - Market Street Properties | 118,310 | 75.58% | FY 15/16 |
| District - Utility Infrastructure | 4,599,283 | 30.16% | FY 14/15 |
| Moreno Valley - Network Operations Center | 2,914,448 | 3.63% | FY 13/14 |
| Moreno Valley - Physicians Assistant Laboratory Remodel | 109,838 | 8.47% | FY 13/14 |
| Moreno Valley - Science Laboratories Remodel Project | 3,197,458 | 8.64% | FY 14/15 |
| Moreno Valley - Student/Academic Services Facility Project | 7,259,278 | 67.22% | FY 13/14 |
| Norco - Groundwater Monitoring Wells | 396,465 | 23.40% | FY 15/16 |
| Norco - Self Generation Incentive Program | 2,164,739 | 30.39% | FY 13/14 |
| Riverside City College Coil School for the Arts | 33,438,587 | 8.46% | FY 15/16 |
| Riverside City College Culinary Arts and District Office Building | 12,781,700 | 22.22% | FY 15/16 |
| Riverside City College Lovekin Parking/Tennis Project | 1,995,140 | 40.94% | FY 13/14 |
| Riverside City College Student Services Building | 27,458,797 | 0.98% | FY 15/16 |
| | <u>\$ 103,496,891</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 Agency funding.

NOTE 17 - RESTATEMENT OF PRIOR YEAR FUND BALANCES

The District's prior year beginning net position has been restated as of June 30, 2013.

Effective in fiscal year 2012-2013, the District was required to capitalize interest as part of the historical cost of constructing certain business-type activity assets. The implementation of this standard required a change in accounting principle and restatement of the beginning net position of the District by \$16,644,085.

| <u>Primary Government</u> | |
|---|-----------------------|
| Net Position - Beginning | \$ 216,986,120 |
| Restatement of capital assets for implementation of GASB Statement No. 62 | <u>16,644,085</u> |
| Net Position - Beginning, as Restated | <u>\$ 233,630,205</u> |

REQUIRED SUPPLEMENTARY INFORMATION

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF OTHER POSTEMPLOYMENT BENEFITS (OPEB) FUNDING
 PROGRESS
 FOR THE YEAR ENDED JUNE 30, 2013**

| 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 |

SUPPLEMENTARY INFORMATION

RIVERSIDE COMMUNITY COLLEGE DISTRICT

DISTRICT ORGANIZATION JUNE 30, 2013

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 |
| Samuel Davis | Secretary | December 2014 |
| Mary Figueroa | Member | December 2016 |
| Nathan Miller | Member | December 2016 |

DISTRICT ADMINISTRATION

| | |
|-------------------|--|
| Dr. Gregory Gray | Chancellor |
| Mr. Aaron Brown | Vice Chancellor, Business and Financial Services |
| Dr. Ray Maghroori | Provost/Vice Chancellor, Educational Services |
| Ms. Melissa Kane | Vice Chancellor, Diversity and Human Resources |

COLLEGE ADMINISTRATION

| | |
|-------------------|-----------------------------------|
| Dr. Cynthia Azari | President, Riverside City College |
| Dr. Sandra Mayo | President, Norco College |
| Dr. Paul Parnell | President, Moreno Valley College |

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2013

| 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 Water Quality Research | 10.223 | 2010-38422-21220 | \$ 26,350 |
| U.S. DEPARTMENT OF DEFENSE | | | |
| Procurement Assistance Center (PAC) | 12.002 | | 288,246 |
| U.S. DEPARTMENT OF JUSTICE | | | |
| Bulletproof Vest Partnership | 16.607 | | 24 |
| U.S. DEPARTMENT OF LABOR | | | |
| WORKFORCE INVESTMENT ACT | | | |
| Pass through from Riverside County Economic Development Agency (EDA) CalGrip: California Gang Reduction, Intervention, and Prevention | 17.259 | [1] | 8,642 |
| Pass through from San Bernardino Community College District ARRA - Southern CA Logistics Technology Collaborative | 17.275 | GJ-20040-10-60-A-6 | 152,257 |
| Total U.S. Department of Labor | | | <u>160,899</u> |
| NATIONAL SCIENCE FOUNDATION | | | |
| National Center of Excellence for Logistics and Supply Chain Technology * | 47.076 | | 877,019 |
| 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-12-B-0072 | 239,070 |
| Tri-Tech Small Business Jobs Act | 59.037 | 1-603001-Z-0111 | 218,562 |
| Pass through from California Community Colleges Chancellor's Office CA State Trade Export | 59.061 | F12-0057 | 211,816 |
| Total Small Business Administration | | | <u>669,448</u> |
| U.S. DEPARTMENT OF VETERANS AFFAIRS | | | |
| Veteran Outreach Program - Administration | 64.000 | | 15,125 |
| U.S. DEPARTMENT OF EDUCATION | | | |
| TRIO Cluster: | | | |
| Student Support Services Program | 84.042A | | 1,045,783 |
| Upward Bound Program | 84.047A | | 1,022,718 |
| Upward Bound Program - Math and Science | 84.047M | | 137,469 |
| Subtotal TRIO Cluster | | | <u>2,205,970</u> |
| Student Financial Assistance Cluster: | | | |
| Federal Supplement Education Opportunity Grant (FSEOG) | 84.007 | | 980,884 |
| FSEOG Administrative | 84.007 | | 65,627 |
| Federal Direct Student Loans (Direct Loans) | 84.268 | | 4,235,107 |
| Federal Work Study Program (FWS) | 84.033 | | 1,015,681 |
| Federal Work Study Administrative | 84.033 | | 60,566 |
| Federal Pell Grants (PELL) | 84.063 | | 38,040,410 |
| Federal Pell Administrative | 84.063 | | 57,638 |
| Subtotal Student Financial Assistance Cluster | | | <u>44,455,913</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, 2013

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | CFDA Number | Pass-Through Identifying Number | Federal Expenditures |
|---|----------------|------------------------------------|--------------------------------------|
| HIGHER EDUCATION ACT | | | |
| Pass through from University of California, Riverside Strengthening Institutions - Hispanic Serving Institutions | 84.031S | [1] | \$ 32,763 |
| Pass through from California State University, San Bernardino Strengthening Institutions - Hispanic Serving Institutions | 84.031S | [1] | 707,617 |
| Title V - HIS Pathways to Excellence | 84.031S | | 616,934 |
| Title V - Higher Education Institutional Aid | 84.031S | | 571,344 |
| Title V - Answering the Call | 84.031S | | 393,363 |
| Title V - HIS Stem and Articulation | 84.031C | | 700,910 |
| MVC Technology Access Project | 84.031C | | 604,374 |
| Subtotal Higher Education - Institutional Aid | | | <u>3,627,305</u> |
| Fund for Improvement of Post-Secondary Education (FIPSE) | 84.116Z | | 224,234 |
| 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] | 132,926 |
| Career and Technical Education, Title I-C | 84.048 | 12-C01-45 | 1,258,609 |
| Career and Technical Education Transitions | 84.048 | 12-112-960 | 136,963 |
| REHABILITATION ACT | | | |
| Pass through from California Department of Rehabilitation (DOR) Workability | 84.126A | 26958 | 215,732 |
| ELEMENTARY AND SECONDARY EDUCATION ACT | | | |
| FIE Earmark Grant Awards Total U.S. Department of Education | 84.215K | | <u>118,385</u> <u>52,376,037</u> |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| Nurse Education, Practice, and Retention | 93.359 | | 327,958 |
| Health Care and Other Facilities - HRSA | 93.887 | | 70,456 |
| Pass through from California Community Colleges Chancellor's Office Temporary Assistance to Needy Families (TANF) | 93.558 | [1] | 159,432 |
| Foster and Kinship Care Education Program (FKCE) | 93.658 | [1] | 52,964 |
| Pass through from Yosemite Community College District Early Childhood Study - Consortium Grant | 93.575 | 12-13-4165 | 18,742 |
| Pass through from Riverside County Superintendent of Schools Independent Living Skills - Emancipation Services | 93.674 | C-1003585 | 605,600 |
| Pass through from California Department of Health Services Medical Assistance Program | 93.778 | [1] | 50,976 |
| AFFORDABLE CARE ACT Expansion of Physical Assistant Training Program Total U.S. Department of Health and Human Services | 93.514 | | <u>413,424</u> <u>1,699,552</u> |
| DEPARTMENT OF HOMELAND SECURITY | | | |
| Pass through from the City of Riverside Office of Emergency Management Riverside Urban Area Security Initiative (Public Assistance Grants) Total Expenditures of Federal Awards | 97.008 | 2010-0085 | <u>1,806</u> <u>\$ 56,114,506</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, 2013**

| Program | Program Entitlements | | |
|--|----------------------|------------|-------------------|
| | Current Year | Prior Year | Total Entitlement |
| GENERAL FUND | | | |
| Board Financial Assistance Program (BFAP) - unrestricted | \$ 451,525 | \$ - | \$ 451,525 |
| Board Financial Assistance Program (BFAP) - restricted | 1,451,205 | - | 1,451,205 |
| Basic Skills/ESL 2010-2011 | - | 6,291 | 6,291 |
| Basic Skills/ESL 2011-2012 | - | 166,868 | 166,868 |
| Basic Skills/ESL 2012-2013 | 337,604 | - | 337,604 |
| Part-Time Faculty Insurance | 7,700 | - | 7,700 |
| Part-Time Faculty Office Hours | 54,000 | - | 54,000 |
| Part-Time Faculty Compensation | 568,878 | - | 568,878 |
| Educational Protection Act | - | - | - |
| Homeowner Property Tax Relief | 480,000 | - | 480,000 |
| State Tax Subventions | - | - | - |
| State Lottery - Non-Proposition 20 | 3,000,000 | - | 3,000,000 |
| State Mandated Costs | 695,660 | - | 695,660 |
| CTE Community Collaborative Project 2010-2011 | - | 311,679 | 311,679 |
| CTE Community Collaborative Project Supplement 2010-2011 | - | 46,176 | 46,176 |
| CTE Enrollment Growth and Retention ADN-RN 2010-2011 | - | 278,258 | 278,258 |
| CTE Enrollment Growth and Retention ADN-RN 2011-2012 | - | 258,421 | 258,421 |
| CTE Enrollment Growth and Retention ADN-RN 2012-2013 | 350,374 | - | 350,374 |
| CTE Community Collaborative Pathways Initiative 2011-2012 | - | 411,350 | 411,350 |
| CTE Community Collaborative Pathways Initiative 2012-2014 | 387,023 | - | 387,023 |
| Responsive Training Fund | - | 182,663 | 182,663 |
| Responsive Training Fund 2012-2013 | 204,256 | - | 204,256 |
| Song Brown PA Mental Health Special Program 11-12 | - | 120,348 | 120,348 |
| Song Brown PA Mental Health Special Program 12-13 | 70,299 | - | 70,299 |
| Song Brown RN 12-13 | 80,000 | - | 80,000 |
| Extended Opportunity Program and Service (EOPS) | 1,120,648 | - | 1,120,648 |
| Cooperative Agencies Resources for Education (CARE) | 138,046 | - | 138,046 |
| Matriculation Grant | 862,228 | - | 862,228 |
| Staff Development | - | 7,049 | 7,049 |
| Foster Care Education Program | 59,796 | - | 59,796 |
| Middle College High School | 84,153 | - | 84,153 |
| Economic Development - CITD State Leadership | 172,500 | - | 172,500 |
| Staff Diversity | 11,079 | 30,675 | 41,754 |
| Community Emergency Response Team | - | 278 | 278 |
| Student Financial Assistance Program - Fiscal Coordination | 513,150 | - | 513,150 |

See accompanying note to supplementary information.

| Program Revenues | | | | | | Program Expenditures |
|------------------|---------------------|------------------|------------------|---------------|------------|----------------------|
| Cash Received | Accounts Receivable | Accounts Payable | Deferred Revenue | Total Revenue | | |
| \$ 451,525 | \$ - | \$ - | \$ - | \$ 451,525 | \$ 451,525 | |
| 1,451,205 | - | 340 | - | 1,450,865 | 1,450,865 | |
| 6,291 | - | 89 | - | 6,202 | 6,202 | |
| 166,868 | - | - | 37,586 | 129,282 | 129,282 | |
| 337,604 | - | - | 186,800 | 150,804 | 150,804 | |
| 7,794 | - | - | - | 7,794 | 7,794 | |
| 54,269 | - | - | - | 54,269 | 54,269 | |
| 568,878 | - | - | - | 568,878 | 568,878 | |
| 19,925,546 | - | - | - | 19,925,546 | 19,925,546 | |
| 462,342 | 2 | - | - | 462,344 | 462,344 | |
| 622 | - | - | - | 622 | 622 | |
| 1,739,710 | 1,741,451 | - | - | 3,481,161 | 3,481,161 | |
| 695,647 | - | - | - | 695,647 | 695,647 | |
| 311,680 | - | 22,118 | - | 289,562 | 289,562 | |
| 46,176 | - | 6,840 | - | 39,336 | 39,336 | |
| 278,258 | - | - | - | 278,258 | 278,258 | |
| 216,711 | 16,906 | - | - | 233,617 | 233,617 | |
| 294,314 | - | - | 231,270 | 63,044 | 63,044 | |
| 370,215 | - | - | 189,128 | 181,087 | 181,087 | |
| 290,267 | - | - | 241,175 | 49,092 | 49,092 | |
| 81,021 | 97,328 | - | - | 178,349 | 178,349 | |
| 122,554 | - | - | 82,994 | 39,560 | 39,560 | |
| - | 582 | - | - | 582 | 582 | |
| - | 3,240 | - | - | 3,240 | 3,240 | |
| 39,984 | 37,984 | - | - | 77,968 | 77,968 | |
| 1,120,648 | - | 19,164 | - | 1,101,484 | 1,101,484 | |
| 138,046 | - | 2,814 | - | 135,232 | 135,232 | |
| 862,228 | - | - | - | 862,228 | 862,228 | |
| 7,049 | - | - | 4,187 | 2,862 | 2,862 | |
| 53,377 | 8,613 | - | - | 61,990 | 61,990 | |
| 33,661 | 50,492 | - | - | 84,153 | 84,153 | |
| 47,610 | 123,783 | - | - | 171,393 | 171,393 | |
| 41,754 | - | - | 14,751 | 27,003 | 27,003 | |
| 278 | - | - | - | 278 | 278 | |
| 513,150 | - | - | 438,329 | 74,821 | 74,821 | |

(Continued)

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF EXPENDITURES OF STATE AWARDS
 FOR THE YEAR ENDED JUNE 30, 2013**

| Program | Program Entitlements | | |
|---|----------------------|------------|-------------------|
| | Current Year | Prior Year | Total Entitlement |
| GENERAL FUND, Continued | | | |
| Faculty Entrepreneurship Project | \$ - | \$ 4,271 | 4,271 |
| Youth Entrepreneurship Program 11/12 | - | 5,381 | 5,381 |
| Disabled Student Program and Services - DSPTS | 1,587,008 | - | 1,587,008 |
| First 5 Riverside Access and Quality Initiative | 75,635 | - | 75,635 |
| CalWORKS | 489,044 | - | 489,044 |
| CalWORKS Community College Set-Aside | 80,000 | 43,071 | 123,071 |
| State Transition to Nursing Practice | 5,000 | 10,679 | 15,679 |
| State Lottery - Proposition 20 | 875,197 | - | 875,197 |
| California Community Colleges Student Mental Health Program | 133,327 | - | 133,327 |
| 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 | Deferred Revenue | Total Revenue | Program Expenditures |
| \$ 4,271 | \$ - | \$ - | \$ 767 | \$ 3,504 | \$ 3,504 |
| 5,381 | - | - | 87 | 5,294 | 5,294 |
| 1,587,008 | - | - | - | 1,587,008 | 1,587,008 |
| 37,818 | - | - | 797 | 37,021 | 37,021 |
| 489,044 | - | 2,458 | - | 486,586 | 486,586 |
| 131,009 | - | 7,937 | 66,622 | 56,450 | 56,450 |
| 15,679 | - | - | 2,249 | 13,430 | 13,430 |
| 234,422 | 640,775 | - | 51,836 | 823,361 | 823,361 |
| 36,381 | 56,832 | - | - | 93,213 | 93,213 |
| 70,348 | - | - | - | 70,348 | 70,348 |
| 1,955,120 | - | 37,271 | - | 1,917,849 | 1,917,849 |
| <u>\$ 35,303,763</u> | <u>\$ 2,777,988</u> | <u>\$ 99,031</u> | <u>\$ 1,548,578</u> | <u>\$ 36,434,142</u> | <u>\$ 36,434,142</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL
APPORTIONMENT ANNUAL (ACTUAL) ATTENDANCE
FOR THE YEAR ENDED JUNE 30, 2013**

| CATEGORIES | <u>Reported Data</u> | <u>Audit Adjustments</u> | <u>Audited Data</u> |
|---|--------------------------|------------------------------|-------------------------|
| A. Summer Intersession (Summer 2012 only) | | | |
| 1. Noncredit | 22 | - | 22 |
| 2. Credit | 1,642 | - | 1,642 |
| B. Summer Intersession (Summer 2013 - Prior to July 1, 2013) | | | |
| 1. Noncredit | - | - | - |
| 2. Credit | 292 | - | 292 |
| C. Primary Terms (Exclusive of Summer Intersession) | | | |
| 1. Census Procedure Courses | | | |
| (a) Weekly Census Contact Hours | 16,012 | - | 16,012 |
| (b) Daily Census Contact Hours | 1,789 | - | 1,789 |
| 2. Actual Hours of Attendance Procedure Courses | | | |
| (a) Noncredit | 44 | - | 44 |
| (b) Credit | 2,077 | - | 2,077 |
| 3. Alternative Attendance Accounting Procedure | | | |
| (a) Weekly Census Contact Hours | 2,216 | - | 2,216 |
| (b) Daily Census Contact Hours | 1,025 | - | 1,025 |
| D. Total FTES | <u>25,119</u> | <u>-</u> | <u>25,119</u> |
| SUPPLEMENTAL INFORMATION (Subset of Above Information) | | | |
| E. In-Service Training Courses (FTES) | 546 | - | 546 |
| H. Basic Skills Courses and Immigrant Education | | | |
| 1. Noncredit | 20 | - | 20 |
| 2. Credit | 2,203 | - | 2,203 |

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, 2013**

| | 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>Academic Salaries</u> | | | | | | | |
| Instructional Salaries | | | | | | | |
| Contract or Regular | 1100 | \$ 25,703,276 | \$ - | \$ 25,703,276 | \$ 25,703,276 | \$ - | \$ 25,703,276 |
| Other | 1300 | 20,962,017 | - | 20,962,017 | 20,962,017 | - | 20,962,017 |
| Total Instructional Salaries | | 46,665,293 | - | 46,665,293 | 46,665,293 | - | 46,665,293 |
| Noninstructional Salaries | | | | | | | |
| Contract or Regular | 1200 | - | - | - | 10,949,462 | - | 10,949,462 |
| Other | 1400 | - | - | - | 1,311,454 | - | 1,311,454 |
| Total Noninstructional Salaries | | - | - | - | 12,260,916 | - | 12,260,916 |
| Total Academic Salaries | | 46,665,293 | - | 46,665,293 | 58,926,209 | - | 58,926,209 |
| <u>Classified Salaries</u> | | | | | | | |
| Noninstructional Salaries | | | | | | | |
| Regular Status | 2100 | - | - | - | 23,387,453 | - | 23,387,453 |
| Other | 2300 | - | - | - | 486,323 | - | 486,323 |
| Total Noninstructional Salaries | | - | - | - | 23,873,776 | - | 23,873,776 |
| Instructional Aides | | | | | | | |
| Regular Status | 2200 | 2,023,740 | - | 2,023,740 | 2,023,740 | - | 2,023,740 |
| Other | 2400 | 203,904 | - | 203,904 | 203,904 | - | 203,904 |
| Total Instructional Aides | | 2,227,644 | - | 2,227,644 | 2,227,644 | - | 2,227,644 |
| Total Classified Salaries | | 2,227,644 | - | 2,227,644 | 26,101,420 | - | 26,101,420 |
| Employee Benefits | 3000 | 11,758,419 | - | 11,758,419 | 28,519,717 | - | 28,519,717 |
| Supplies and Material | 4000 | - | - | - | 1,462,418 | - | 1,462,418 |
| Other Operating Expenses | 5000 | - | - | - | 11,081,522 | - | 11,081,522 |
| Equipment Replacement | 6420 | - | - | - | 978 | - | 978 |
| Total Expenditures Prior to Exclusions | | 60,651,356 | - | 60,651,356 | 126,092,264 | - | 126,092,264 |

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, 2013**

| | 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 | \$ - | \$ - | \$ - | \$ 1,366,316 | \$ - | \$ 1,366,316 |
| Student Health Services Above Amount Collected | 6441 | - | - | - | - | - | - |
| Student Transportation | 6491 | - | - | - | 1,283 | - | 1,283 |
| Noninstructional Staff - Retirees' Benefits and Retirement Incentives | 6740 | - | - | - | 1,120,580 | - | 1,120,580 |
| Objects to Exclude | | | | | | | |
| Rents and Leases | 5060 | - | - | - | 1,028,385 | - | 1,028,385 |
| Lottery Expenditures | | | | | | | |
| Academic Salaries | 1000 | - | - | - | - | - | - |
| Classified Salaries | 2000 | - | - | - | 2,658,437 | - | 2,658,437 |
| Employee Benefits | 3000 | - | - | - | 822,724 | - | 822,724 |
| 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, 2013**

| | 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 | | - | - | - | 6,997,725 | - | 6,997,725 |
| Total for ECS 84362, 50 Percent Law | | \$ 60,651,356 | \$ - | \$ 60,651,356 | \$ 119,094,539 | \$ - | \$ 119,094,539 |
| Percent of CEE (Instructional Salary Cost/Total CEE) | | 50.93% | | 50.93% | 100.00% | | 100.00% |
| 50% of Current Expense of Education | | | | | \$ 59,547,270 | | \$ 59,547,270 |

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, 2013**

There were no adjustments to the Annual Financial and Budget Report (CCFS-311) which required reconciliation to the audited financial statements at June 30, 2013.

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**PROPOSITION 30 EDUCATION PROTECTION ACT (EPA) EXPENDITURE REPORT
 FOR THE YEAR ENDED JUNE 30, 2013**

| Activity Classification | Object Code | | | | Unrestricted |
|-----------------------------------|----------------------|--|---|--------------------------------------|---------------------|
| EPA Proceeds: | 8630 | | | | \$ 19,925,546 |
| Activity Classification | Activity Code | Salaries and Benefits (Obj 1000-3000) | Operating Expenses (Obj 4000-5000) | Capital Outlay (Obj 6000) | Total |
| Instructional Activities | 1000-5900 | \$ 19,925,546 | | | \$ 19,925,546 |
| Total Expenditures for EPA | | \$ 19,925,546 | - | - | \$ 19,925,546 |
| 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, 2013**

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

Total Fund Balance and Retained Earnings:

| | | |
|---|----------------|-----------------------|
| General Funds | \$ 20,415,833 | |
| Special Revenue Funds | 541,389 | |
| Capital Outlay Projects | 66,403,411 | |
| Debt Service Funds | 11,224,034 | |
| Proprietary Fund | 3,291,992 | |
| Fiduciary Funds | <u>813,377</u> | |
| Total Fund Balances and Retained Earnings - All District Funds | | \$ 102,690,036 |

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: | 475,426,041 | |
| Accumulated depreciation is: | <u>(105,790,067)</u> | 369,635,974 |

Amounts held in trust on behalf of others (Trust and Agency Funds) (805,722)

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. (5,412,174)

Governmental funds report cost of issuance associated with the issuance of debt when first issued, whereas the amounts are deferred and amortized in the Statements of Activities.
Cost of issuance at year end amounted to: 1,540,726

| | | |
|---|--------------------|-------------------------------------|
| Long-term obligations at year end consist of: | | |
| Bonds payable | 241,515,619 | |
| Capital leases payable | 166,126 | |
| Compensated absences | 2,548,813 | |
| Load banking | 748,669 | |
| Supplementary retirement plan (SRP) | 3,415,773 | |
| Other postemployment benefits (OPEB) | 6,044,632 | |
| Less compensated absences already recorded in funds | <u>(1,299,513)</u> | <u>(253,140,119)</u> |
| Total Net Position | | <u><u>\$ 214,508,721</u></u> |

See accompanying note to supplementary information.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2013

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 Assets: | | \$ 58,614,887 |
| Build America Bonds | N/A | (2,505,442) |
| Disaster Grants - Public Assistance | 97.036 | 5,061 |
| Total Expenditures of Federal Awards | | <u>\$ 56,114,506</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 | \$ 219,660 |
| Title V Higher Education - Institutional Aid | 84.031S | 200,694 |
| Independent Living Skills - Emancipation Services | 93.674 | 39,884 |
| Total Pass-Through | | <u>\$ 460,238</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

NOTE TO SUPPLEMENTARY INFORMATION JUNE 30, 2013

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 AUDITORS' REPORTS



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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, 2013 and 2012, 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 18, 2013.

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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed 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 that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audits and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vauriney, Time, Day & Co., LLP.

Riverside, California
November 18, 2013



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

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**INDEPENDENT AUDITORS' 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, 2013. The District's major Federal programs are identified in the Summary of Auditors' 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, 2013.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and 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 compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A 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 corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Vaurinek, Time, Day & Co., LLP.

Riverside, California
November 18, 2013



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' 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 April 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, 2013.

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 April 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the District's 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 on 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, 2013.

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with State laws and regulations applicable to the following:

- Section 421 Salaries of Classroom Instructors (50 Percent Law)
- Section 423 Apportionment for Instructional Service Agreements/Contracts
- Section 424 State General Apportionment Funding System
- Section 425 Residency Determination for Credit Courses
- Section 426 Students Actively Enrolled
- Section 427 Concurrent Enrollment of K-12 Students in Community College Credit Courses
- Section 431 Gann Limit Calculation
- Section 433 CalWORKS
- Section 435 Open Enrollment
- Section 437 Student Fees – Instructional and Other Materials
- Section 438 Student Fees – Health Fees and Use of Health Fee Funds
- Section 474 Extended Opportunity Programs and Services (EOPS) and Cooperative Agencies Resources for Education (CARE)
- Section 475 Disabled Student Programs and Services (DSPS)
- Section 479 To Be Arranged (TBA) Hours
- Section 490 Proposition 1D State Bond Funded Projects
- Section 491 Proposition 30 Education Protection Account Funds

The District reports no Instructional Service Agreements/Contracts for Apportionment Funding; therefore, the compliance tests within this section were not applicable.

Vaurinek, Time, Day & Co., LLP.

Riverside, California
November 18, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SUMMARY OF AUDITORS' RESULTS FOR THE YEAR ENDED JUNE 30, 2013

FINANCIAL STATEMENTS

| | |
|---|----------------------|
| Type of auditors' 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 programs: | |
| Material weaknesses identified? | <u>No</u> |
| Significant deficiencies identified? | <u>None reported</u> |
| Type of auditors' report issued on compliance for major programs: | <u>Unmodified</u> |

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? No

Identification of major 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> |
| <u>84.042A, 84.047A, 84.047M</u> | <u>TRIO Cluster</u> |
| <u>47.076</u> | <u>National Science Foundation</u> |
| <u>93.514</u> | <u>Expansion of Physical Assistant Training Program</u> |

Dollar threshold used to distinguish between Type A and Type B programs: \$ 349,758
 Auditee qualified as low-risk auditee? Yes

STATE AWARDS

| | |
|---|----------------------|
| Internal control over State programs: | |
| Material weaknesses identified? | <u>No</u> |
| Significant deficiencies identified? | <u>None reported</u> |
| Type of auditors' report issued on compliance for State programs: | <u>Unmodified</u> |

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**FINANCIAL STATEMENT FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2013**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

**STATE AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013**

None reported.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2013

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.

FEDERAL AWARD FINDINGS

2012-1 SUBRECIPIENT MONITORING

Federal Program Affected

National Science Foundation, National Center of Excellence for Logistics and Supply Chain Technology (CFDA #47.076) Award Number: DUE-1104176

Criteria or Specific Requirement

OMB Circular A-133 Compliance Supplement, Audits of State and Local Governments and Not-for-Profit Organizations, subpart D - Federal agencies and pass-through entities states the following regarding pass-through entity responsibilities:

A pass-through entity is responsible for: Award Identification - At the time of subaward, identifying to the subrecipient the Federal award information, which include CFDA title and number, award name and number, name of the Federal awarding agency, and applicable compliance requirements.

Condition

In our sample of subrecipient contracts, we noted two contracts that did not identify the CFDA title or number to the subawardee.

Questioned Costs

No questioned costs. See Context.

Context

We noted two of the subawards did not meet the minimum contents as required by OMB Circular A-133. The required elements were not included in all of the subawards reviewed for this program.

Effect

Subrecipients could be incorrectly reporting expenditures on the Schedule of Expenditures of Federal Awards and/or not complying with applicable compliance requirements.

Cause

The District has not implemented procedures to ensure the compliance with Federal requirements.

RIVERSIDE COMMUNITY COLLEGE DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2013

Recommendation

We recommend the District strengthen control procedures over its subaward contracts to ensure award information has been properly identified to the subrecipient which includes the CFDA title and number.

Current Status

Implemented.

STATE AWARD FINDINGS

2012-2 CARE ADVISORY COMMITTEE MEETING

Criteria or Specific Requirement

Education Code Section 79150-79155
CARE Program Guidelines
Information System's Data Element Dictionary (data elements SE01-SE10)

Condition

Required CARE advisory committee meetings at Moreno Valley College were held only one time during the year. The CARE Program guidelines note the advisory committee is to meet at least twice during each academic year.

Questioned Costs

None.

Recommendation

We recommend that the CARE Program directors ensure the advisory committee meets as required by the program guidance.

Current Status

Implemented.



Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

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

We have audited the basic financial statements of Riverside Community College District (the District) for the year ended June 30, 2013. 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 changed accounting practices related to capitalization of interest by adopting Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre November 30, 1989 FASB and AICPA Pronouncements*, in 2013. 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.

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. No such misstatements were noted in completing our audit.

Mailing Address: P. O. Box 20439 Riverside, CA 92516

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To the Board of Trustees
Riverside Community College District
Page 2

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 November 18, 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.

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.

Other Matters

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 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.

Vaurinek, Time, Day & Co., LLP.

Riverside, California
November 18, 2013



Agenda Item (VIII-D-2)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Resources (VIII-D-2) |
| Subject | 2012-2013 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, 2013 for the permanent file of the District. |

Background Narrative:

An independent audit of the Foundation's 2012-2013 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. The Foundation's Board of Directors accepted the audit report on November 19, 2013. Results of the audit are summarized below.

Auditor's Opinion

The auditor has issued an unqualified opinion for the financial audit; an excerpt of which follows:

Financial Audit – "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, 2013 and 2012, 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."

Audit Findings

There were no findings or questioned costs related to the audit for the year ended June 30, 2013.

Auditor's Required Communication – Audit Completion

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 Directors regarding their responsibility under United States Generally Accepted Auditing Standards. Attached for your information is the required communication issued by AAD.

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

Attachments:

[12102013_Foundation Audit Report FY12-13](#)
[12102013_AAD SAS 114 Letter](#)

**RIVERSIDE COMMUNITY
COLLEGE DISTRICT
FOUNDATION**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2013 AND 2012**



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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, 2013 and 2012, 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 audit 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, 2013 and 2012, 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 16, 2013

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Statements of Financial Position

| | June 30, | 2013 | 2012 |
|--|----------|--------------------|--------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | | | |
| Unrestricted | \$ | 811,446 | \$ 503,002 |
| Restricted | | 667,277 | 869,218 |
| Accounts receivable | | 33,481 | 1,600 |
| Unconditional promises to give, net of allowance | | 72,857 | 538,155 |
| Prepaid expense | | 2,500 | 2,000 |
| Total current assets | | <u>1,587,561</u> | <u>1,913,975</u> |
| Noncurrent assets | | | |
| Investments - restricted | | 5,418,038 | 4,804,265 |
| Long-term unconditional promises to give, net of allowance | | 77,875 | 91,381 |
| Total noncurrent assets | | <u>5,495,913</u> | <u>4,895,646</u> |
| Total assets | | <u>\$7,083,474</u> | <u>\$6,809,621</u> |
| LIABILITIES AND NET ASSETS | | | |
| Current liabilities | | | |
| Accounts payable | \$ | 65,854 | \$ 67,539 |
| Refundable advance | | 196,391 | 113,592 |
| Promises to give to others | | 155,582 | 452,779 |
| Total current liabilities | | <u>417,827</u> | <u>633,910</u> |
| Total liabilities | | <u>417,827</u> | <u>633,910</u> |
| Net assets | | | |
| Unrestricted | | | |
| Undesignated | | (1,717) | (189,192) |
| Board designated | | 17,130 | 15,669 |
| Total unrestricted net assets | | <u>15,413</u> | <u>(173,523)</u> |
| Temporarily restricted | | 1,047,145 | 1,239,303 |
| Permanently restricted | | 5,603,089 | 5,109,931 |
| Total net assets | | <u>6,665,647</u> | <u>6,175,711</u> |
| Total liabilities and net assets | | <u>\$7,083,474</u> | <u>\$6,809,621</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, 2013 | | | Total |
|---|----------------------------------|------------------------|------------------------|-------------|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | |
| REVENUES | | | | |
| Donations | \$ 59,830 | \$ 776,835 | \$ 54,338 | \$ 891,003 |
| In-kind donations | | | | |
| Donated assets | 68,934 | | | 68,934 |
| Donated material | 22,783 | | | 22,783 |
| Donated services | 517,591 | | | 517,591 |
| Total revenues | 669,138 | 776,835 | 54,338 | 1,500,311 |
| Assets released from restriction | 1,086,526 | (978,468) | (108,058) | - |
| Total revenues and reclassifications | 1,755,664 | (201,633) | (53,720) | 1,500,311 |
| EXPENSES | | | | |
| Operating expenses | 362,631 | | | 362,631 |
| Program expenses | 1,171,383 | | | 1,171,383 |
| Fundraising expenses | 82,274 | | | 82,274 |
| Total expenses | 1,616,288 | - | - | 1,616,288 |
| OTHER INCOME (EXPENSE) | | | | |
| Realized gain (loss) on sale of investments | 1,806 | 345 | 19,929 | 22,080 |
| Unrealized gain on investments | 38,605 | 7,381 | 425,991 | 471,977 |
| Interest and dividends income | 9,149 | 1,749 | 100,958 | 111,856 |
| Total other income (expense) | 49,560 | 9,475 | 546,878 | 605,913 |
| Change in net assets | 188,936 | (192,158) | 493,158 | 489,936 |
| Net assets, beginning of year, | (173,523) | 1,239,303 | 5,109,931 | 6,175,711 |
| Net assets, end of year | \$ 15,413 | \$1,047,145 | \$5,603,089 | \$6,665,647 |

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

| For the Year Ended June 30, 2012 | | | |
|---|-------------------------------|-------------------------------|--------------|
| Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| \$ 361,936 | \$ 586,289 | \$1,413,012 | \$2,361,237 |
| 21,431 | | | 21,431 |
| 31,904 | | | 31,904 |
| 515,683 | | | 515,683 |
| 930,954 | 586,289 | 1,413,012 | 2,930,255 |
| 1,432,579 | (1,266,923) | (165,656) | - |
| 2,363,533 | (680,634) | 1,247,356 | 2,930,255 |
| 576,325 | | | 576,325 |
| 876,378 | | | 876,378 |
| 8,246 | | | 8,246 |
| 1,460,949 | - | - | 1,460,949 |
| (1,083) | (1,082) | (41,137) | (43,302) |
| 1,299 | 1,299 | 49,365 | 51,963 |
| 2,358 | 2,084 | 82,671 | 87,113 |
| 2,574 | 2,301 | 90,899 | 95,774 |
| 905,158 | (678,333) | 1,338,255 | 1,565,080 |
| (1,078,681) | 1,917,636 | 3,771,676 | 4,610,631 |
| \$ (173,523) | \$ 1,239,303 | \$5,109,931 | \$6,175,711 |

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Statements of Cash Flows

| | For the Years Ended June 30, | 2013 | 2012 |
|---|------------------------------|------------------|--------------------|
| Cash flows from operating activities | | | |
| Change in net assets | | \$ 489,936 | \$ 1,565,080 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | | |
| Unrealized gain on investments | | (472,355) | (51,963) |
| Contribution of restricted donations | | (54,338) | (1,413,012) |
| Provision for doubtful accounts | | (3,042) | 2,930 |
| (Increase) decrease in: | | | |
| Accounts receivable | | (31,881) | 8,478 |
| Prepaid expenses | | (500) | (2,000) |
| Unrestricted unconditional promises to give | | 472,963 | 272,584 |
| Increase (decrease) in: | | | |
| Accounts payable | | (1,685) | (134,290) |
| Refundable advance | | 82,799 | 113,592 |
| Net cash provided by operating activities | | <u>481,897</u> | <u>361,399</u> |
| Cash flows from investing activities | | | |
| Purchase of investments | | (127,717) | (1,309,232) |
| Proceeds from sale of investments | | <u>(13,701)</u> | 45,435 |
| Net cash used in investing activities | | <u>(141,418)</u> | <u>(1,263,797)</u> |
| Cash flows from financing activities | | | |
| Change in long-term unconditional promises to give | | 13,506 | (91,381) |
| Payments on promises to give to others | | (297,197) | (556,929) |
| Collections of restricted contributions | | <u>251,656</u> | 1,417,064 |
| Net cash used in (provided by) financing activities | | <u>(32,035)</u> | 768,754 |
| Net change in cash and cash equivalents | | 308,444 | (133,644) |
| Cash and cash equivalents | | | |
| Balance, beginning of year | | <u>503,002</u> | 636,646 |
| Balance, end of year | | <u>\$811,446</u> | <u>\$ 503,002</u> |

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, 2013 | | | |
|---|----------------------------------|--------------------|-----------------|--------------------|
| | Operating | Program | Fundraising | Total |
| In-kind distributions | | | | |
| Donated assets | | \$ 68,934 | | \$ 68,934 |
| Donated materials | \$ 22,783 | | | 22,783 |
| Donated services | 324,870 | 121,275 | \$71,446 | 517,591 |
| Support – instructional and student programs | | 312,248 | | 312,248 |
| Scholarships | | 521,911 | | 521,911 |
| Printing | 1,115 | 2,674 | 8,845 | 12,634 |
| Allowance for uncollected pledges | 310 | 8,644 | | 8,954 |
| Investment fees | | 38,875 | | 38,875 |
| Office supplies | | 281 | | 281 |
| Postage | 200 | | | 200 |
| Other services | 13,353 | 96,541 | 1,983 | 111,877 |
| Total expenses | <u>\$362,631</u> | <u>\$1,171,383</u> | <u>\$82,274</u> | <u>\$1,616,288</u> |

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

For the Year Ended June 30, 2012

| <u>Operating</u> | <u>Program</u> | <u>Fundraising</u> | <u>Total</u> |
|------------------|------------------|--------------------|--------------------|
| | \$ 21,431 | | \$ 21,431 |
| \$ 31,904 | | | 31,904 |
| 515,683 | | | 515,683 |
| | 150,150 | | 150,150 |
| | 543,586 | | 543,586 |
| 1,177 | 4,455 | \$7,315 | 12,947 |
| 368 | 197 | | 565 |
| | 27,406 | | 27,406 |
| 90 | 1,911 | | 2,001 |
| 186 | | | 186 |
| 26,917 | 127,242 | 931 | 155,090 |
| <u>\$576,325</u> | <u>\$876,378</u> | <u>\$8,246</u> | <u>\$1,460,949</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 shall be 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, 2013 and 2012 were \$5,603,089 and \$5,109,931, respectively, and the balances designated by the board for scholarships were \$17,130 and \$15,669, 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, 2013 and 2012, 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, 2013 and 2012. The Foundation is no longer subject to United States federal or state examinations by tax authorities for the years before 2009 and 2008, respectively. During the years ended June 30, 2013 and 2012, 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, 2013 and 2012 to be \$6,955 and \$9,997, 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, 2013, the balances held in financial institutions of \$1,206,950 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, 2013 and 2012 consist of pledges and are due within the following schedule:

| | June 30, | |
|---|------------------|------------------|
| | 2013 | 2012 |
| Due within one year | \$ 75,713 | \$543,342 |
| Due within one to five years | 81,974 | 96,191 |
| Less allowance for uncollectible promises to give | <u>(6,955)</u> | <u>(9,997)</u> |
| Total | <u>\$150,732</u> | <u>\$629,536</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, 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) |
| Investment in the California Community Colleges Scholarship Osher Endowment Fund | <u>365,168</u> | <u>365,168</u> | |
| | <u>\$4,039,684</u> | <u>\$5,418,038</u> | <u>\$1,378,354</u> |

Investments are presented at fair value in the financial statements and are composed of the following at June 30, 2012:

| | 2012 | | |
|---|--------------------|----------------------|--------------------|
| | Adjusted Cost | Fair Market Value | Unrealized Gain |
| Equities | \$2,048,330 | \$2,832,440 | \$784,110 |
| Corporate bonds | 930,846 | 1,077,527 | 146,681 |
| Government bonds | 513,373 | 529,130 | 15,757 |
| Investment in the California Community Colleges Scholarship Osher Endowment Fund | <u>365,168</u> | <u>365,168</u> | |
| | <u>\$3,857,717</u> | <u>\$4,804,265</u> | <u>\$946,548</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, 2013 and 2012:

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.

Investment in California Community Colleges Scholarship Osher Endowment Fund: Valued at net asset value of underlying shares held by a banking institution at year-end.

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 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 | |
| Investment in California Community Colleges Scholarship Osher Endowment Fund | <u>365,168</u> | | | <u>\$365,168</u> |
| | <u>\$5,418,038</u> | <u>\$2,648,156</u> | <u>\$2,404,714</u> | <u>\$365,168</u> |

There were no changes in the Foundation's level 3 assets measured at fair value for the year ended June 30, 2013.

The table below presents the balance of assets measured at fair value for 2012. There were no liabilities outstanding and measured at fair value as of June 30, 2012.

| | Carrying Value at | | | |
|--|----------------------|--------------------|--------------------|------------------|
| | June 30, 2012 | Level 1 | Level 2 | Level 3 |
| Investments – corporate and government bonds | \$1,606,657 | \$ 894,870 | \$ 711,787 | |
| Investments – equities | 2,832,440 | 1,457,598 | 1,374,842 | |
| Investment in California Community Colleges Scholarship Osher Endowment Fund | <u>365,168</u> | | | <u>\$365,168</u> |
| | <u>\$4,804,265</u> | <u>\$2,352,468</u> | <u>\$2,086,629</u> | <u>\$365,168</u> |

There were no changes in the Foundation's level 3 assets measured at fair value for the year ended June 30, 2012.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION
Notes to Financial Statements

5. Accounts Payable

Accounts payable for the Foundation consisted of the following:

| | June 30, | |
|--|----------|----------|
| | 2013 | 2012 |
| Payable to District for program expenses | \$63,999 | \$65,619 |
| Vendor payables | 1,855 | 1,920 |
| | \$65,854 | \$67,539 |

6. 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, 2013, \$240,000 of the \$350,000 total grant was received. Of the total received, \$43,609 has been spent on program expenses and thus recognized as revenue in the year ended June 30, 2013. The remaining unspent amount of \$196,391 is included in refundable advance.

7. Net Assets

At June 30, 2013 and 2012, unrestricted net assets included \$17,130 and \$15,669, respectively, designated by the board of directors for scholarships.

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

| | 2013 | 2012 |
|--------------|-------------|-------------|
| Scholarships | \$ 459,252 | \$ 619,971 |
| Programs | 587,893 | 619,332 |
| | \$1,047,145 | \$1,239,303 |

At June 30, 2013 and 2012, permanently restricted net assets consisted of \$5,603,089 and \$5,109,931, respectively, with investment earnings restricted for scholarships.

The unrestricted fund of the Foundation has incurred operating deficits in past years that created a net deficit ending balance. Management has increased unrestricted fundraising efforts and has reduced operating costs to correct this deficit. The board is in the process of seeking unrestricted resources to bring the operating fund to a positive position.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

8. 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 \$491,720 and \$148,819 to the District for student programs for the years ended June 30, 2013 and 2012, respectively. The Foundation has contributed \$521,911 and \$543,586 to the District for student scholarships for the years ended June 30, 2013 and 2012, 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, 2013 and 2012, the Foundation owed the District \$155,582 and \$452,779, respectively.

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 \$540,374 and \$547,587 from the District for the years ended June 30, 2013 and 2012, respectively.

9. 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, 2013, the Foundation has received a total of \$1,293,212 for years one through five of the five-year grant. At June 30, 2013, 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 \$58,911. The Foundation began distributing the funds in the summer of 2007. During the year ended June 30, 2013, the Foundation has expended \$159,403 in scholarships and expenses related to the program.

10. 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, 2013 could have a significant, negative effect on the Foundation's investments.

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Notes to Financial Statements

11. 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 16, 2013, which is the date the financial statements were available to be issued. Management requested proposals from several investment bankers during the fiscal year ended June 30, 2013 regarding an intended change in custodian for the Foundation's investments. The change in investment fund managers occurred subsequent to the statement of financial position date and resulted in realized gains in the amount of \$1,114,419 that were presented as unrealized at June 30, 2013. Management has determined that there were no subsequent events or transactions, other than those stated above, 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 Steinke, 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

Members
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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, 2013, and have issued our report thereon dated October 16, 2013. 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 13, 2013. 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, 2013. 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, 2013. 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 allocation of functional expenses in determining that it is 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.

Professional standards require that we inform you about uncorrected misstatements aggregated by us during our engagement that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The misstatements are listed in the attached Summary of Passed Adjustments.

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 16, 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 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 and management of the Foundation and is not intended to be, and should not be, used by anyone other than these specified parties.

Ahna Adeach Devlin LLP

Riverside, California
October 16, 2013

RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

Summary of Passed Adjustments

June 30, 2013

(1)

| | | |
|---|---------|---------|
| Temporarily restricted net assets | \$3,093 | |
| Discount on pledges receivable | | \$2,248 |
| Temporarily restricted contribution revenue | | \$845 |
| To discount pledges receivable to net realizable value at June 30, 2013. | | |



Agenda Item (VIII-D-3)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Resources (VIII-D-3) |
| Subject | Resolution No.08-13/14 Designating Certain Products, Brands, and Services as District Standards |
| College/District | District |
| Funding | Various Resources |
| Recommended Action | It is recommended that the Board of Trustees adopt Resolution Number 08-13/14 Designating Certain Products, Brands, and Services as District Standards for equipment and installation into District buildings as permitted by Public Contract Code §3400(b). |

Background Narrative:

Public Contract Code §3400(b), states that California public agencies must allow contractors to provide an "or equal" substitution for materials, products, things, or services that are specified in the contract documents. However, specifications for such contracts may designate a product by brand or trade name if the Board has made a finding, described in the invitation for bids or Request for Proposal (RFP), that a particular material, product, thing, or service is designated for any of the following purposes (Public Contract Code §3400(c)):

1. To conduct a field test or experiment to determine its suitability for future use;
2. To match others in use on a particular public improvement that has been completed or is in the course of completion;
3. To obtain a necessary item that is only available from one source;
4. To respond to the Board's declaration of an emergency, as long as the declaration has been approved by four-fifths of the Board when issuing the invitation for bid or RFP.

The definition of "or equal" is highly subjective and often results in incompatibility with existing systems and equipment. To address this situation, the Facility Working Group Committee was tasked with establishing District Standards. The Facility Working Group Committee includes the following members:

Chris Carlson, Chief of Staff and Facilities Development (District)
Bart Doering, Director of Construction (District)
Laurens Thurman, Facilities Consultant (District)
Norm Godin, Vice President, Business Services (Moreno Valley College)
Beth Gomez, Vice President, Business Services (Norco College)
John al-Amin, Interim Vice President, Business Services (Riverside City College)
Scott Zwart, Director, Facilities Maintenance and Operations (Riverside City College)
Steve Monsanto, Director, Facilities (Norco College)
Majd Askar, Purchasing Manager (District)

The District, in accordance with Public Contract Code §3400(c)(2), has found that the following systems and products should be designated by specific brand name to match other products already in use at the District and Colleges: Irrigation Control System, Key Cylinder System, Elevators, Energy Management System, Card Access System, and Fire Alarm System. The systems and products being designated have proven to be reliable and

efficient through installations in various locations throughout the District. By approving this Resolution, the District is establishing District Standards which will reduce maintenance, staff training and inventory parts cost.

Prepared By: Aaron Brown, Vice Chancellor, Business and Financial Services
Chris Carlson, Chief of Staff & Facilities Development
Majd Askar, Purchasing Manager

Attachments:

[12102013_Resolution No. 08-13/14](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION DESIGNATING CERTAIN PRODUCTS, BRANDS, AND SERVICES

RESOLUTION NO. 08-13/14

WHEREAS, Pursuant to Public Contract Code Section 3400(c), the Riverside Community College District ("District") may make a finding that designates certain products, things, or services by specific brand or trade name for the statutorily enumerated purposes, and

WHEREAS, District Staff has reviewed the District's current facilities, general contracts, plans, and specifications in order to evaluate the District's need to establish uniform, complete and compatible maintenance service systems and technology systems district wide in order to facilitate the most reliable, dependable, cost efficient and feasible education for students in the District, and

WHEREAS, based on the Board's above described review and Public Contract Code Section 3400(c), the Board has determined that the District must require and specify the use of certain products, things, or services on District projects as found below, and

NOW, THEREFORE, THE BOARD DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section I. The District, in accordance with Public Contract Code Section 3400(c), has made a finding that a particular material product, thing, or service designated by specific brand or trade name will be designated in order to match other products in use on a particular public improvement either completed or in the course of completion.

Section 2. The District, pursuant to Public Contract Code Section 3400(c), intends to establish uniform, complete and compatible control, management and monitoring systems, equipment, materials and products district wide in order to facilitate the most reliable, dependable, cost efficient development of District facilities and programmatic activity.

Section 3. The District has found compatibility, cost, and utility of other available systems to be problematic and believes it is necessary to establish complete District systems to avoid incompatibility issues, as well as durability and reliability issues, and costs associated with experimenting, replacing incompatible and useless system parts/components, and to avoid the waste of District funds associated with addressing incompatible components, equipment, materials, and products.

Section 4. The District and its consultants have undertaken considerable research into the products/brands utilized by the said system, which would properly serve the District's administrative and educational purposes.

Section 5. The District's existing facilities already utilize specific products/brands relating to the said system. The District's findings contained herein are made to match those existing systems

currently in the District, and to avoid the cost of designing and engineering systems and components that may not be compatible, could never be made compatible or could only be made compatible after expending considerable District resources and funds.

Section 6. Pursuant to Public Contract Code Section 3400(c), the District's Governing Board desires to designate several proprietary systems and products for the District's use in order to match items in existing projects to establish one complete district wide system, avoiding incompatibility of products and systems.

Section 7. In addition to the need to establish a district wide system to ensure the compatibility of existing parts to new District parts, the District, pursuant to Public Contract Code Section 3400(c), also intends to establish uniform standards for the listed product and system for the following reasons:

- A. Irrigation Control System – *Hunter Irrigation Controls* are necessary for the District's Riverside City College and Norco College maintenance service system because:
 - a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. These products limit the need for additional staff training in operation and repairs of the existing mechanical systems.
- B. Irrigation Control System – *Rain Bird Irrigation Controls* are necessary for the District's Moreno Valley College maintenance service system because:
 - a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. These products limit the need for additional staff training in operation and repairs of the existing mechanical systems.
- C. Key Cylinder Systems – *Corbin Key Cylinder Systems* are necessary for the District's maintenance service system because:
 - a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. These products limit the need for additional staff training in operation and repairs of the existing mechanical systems.
- D. Elevators – *Otis Elevators* are necessary for the District's maintenance service system because:

- a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. These products limit the need for additional staff training in operation and repairs of the existing mechanical systems.
 - d. The district will benefit from the economies of scale for maintenance contracts.
- E. Energy Management System – *WebCTRL by Automated Logic* is necessary for the District's Energy Management System because:
- a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. This product limits the need for additional staff training in operation and repairs of the existing mechanical systems and associated software.
 - d. The district will benefit from the economies of scale for maintenance contracts.
- F. Card Access – *C-Cure Card Access System by Software House* is necessary for the District's card door access system because:
- a. The systems installed are proprietary and not interchangeable with other systems.
 - b. The District has a considerable investment in the existing system.
 - c. This product limits the need for additional staff training in operation and repairs of the existing mechanical systems and associated software.
 - d. The district will benefit from the economies of scale for maintenance contracts.
- G. Fire Alarm System – *Notifier Fire Alarm Panels* are necessary for the District because:
- a. This system and its component parts have already been installed District wide and are monitored by the Colleges Facilities Departments. This product limits the need for additional staff training in operation and repairs.
 - b. This system is integrated into our District wide fire alarm monitoring system, is fully functional at all campuses, and it integrates campuses, enhancing safety and control.
 - c. Introducing another product for new or renovated buildings will greatly reduce the built-in capabilities of the system. If another product was introduced, it would be a stand-alone

system and would not be integrated into the existing system.

Section 8: The designation of certain products/brands contained herein shall be effective until the District determines the certain products/brands contained herein need to be revised. At that time, District staff will review the products/brands and recommend to the Governing Board either re-adoption or discontinued use of the designated products/brands. The Governing Board shall then consider the recommendations and re-approve or discontinue the designation of the products/brands contained herein and/or approve additional/replacement products/brands as determined by the Governing Board.

ADOPTED this 10th day of December, 2013.

President, Board of Trustees



Agenda Item (VIII-E-1)

| | |
|--------------------|--|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Committee - Facilities (VIII-E-1) |
| Subject | Firm Selection and Agreement Amendment 3 for the Culinary Arts Academy/District Office Building and Agreement Amendment 3 for the Henry W. Coil, Sr. and Alice Edna Coil School for the Arts Building Projects with LPA, Inc. |
| College/District | District |
| Funding | College and District Allocated Measure C Funds/Program Reserve Measure C Funds, Redevelopment Funds, and La Sierra Funds |
| Recommended Action | It is recommended that the Board of Trustees approve: 1) the selection of LPA for FF&E Consulting Services for both the CAA/DO and CSA Building Projects; 2) the Agreement Amendment 3 with LPA, Inc. in the amount of \$67,230.50 for the CAA/DO project; and 3) the Agreement Amendment 3 with LPA, Inc. in the amount of \$42,853.50 for the CSA project. |

Background Narrative:

On August 20, 2013, the Board of Trustees approved the updated list of prequalified Furniture, Fixtures and Equipment (FF&E) consulting firms for District and College projects.

On September 24, 2013, the District issued a Request for Proposals (RFP) for the FF&E Consulting Services for the Culinary Arts Academy (CAA) and District Offices (DO), Henry W. Coil, Sr. and Alice Edna Coil School for the Arts (CSA) buildings. The District received responses from the following three prequalified firms: PAL idStudio, LPA, Inc., and NTD Architecture.

At this time, it is requested that the Board of Trustees approve the selection of LPA, Inc. for FF&E Consulting Services for both the CAA/DO and CSA Building Projects, as LPA, Inc. has been the creative design architectural firm on these projects since June 2010 and June 2012, consecutively. It is also requested that the Board of Trustees approve the Agreement Amendment 3 with LPA, Inc. in the amount of \$67,230.50 for the CAA/DO project, and the Agreement Amendment 3 with LPA, Inc. in the amount of \$42,853.50 for the CSA project. Amended agreements combined, total \$110,084.00. Costs for the requested agreements are within the original project budgets approved by the Board of Trustees, and will be paid from projects contingency funds.

Prepared By: Cynthia Azari, Interim Chancellor
Wolde-Ab Isaac, Interim President, Riverside
Chris Carlson, Chief of Staff & Facilities Development
Bart Doering, Director, Construction

Attachments:

[20131210_CAA-DO_Amendment 3_LPA](#)

[20131210_CSA_Amendment 3_LPA](#)

THIRD (3) AMENDMENT TO AGREEMENT
BETWEEN
RIVERSIDE COMMUNITY COLLEGE DISTRICT
AND
LPA
(Culinary Arts Academy and District Office Building Project)

This document amends the original agreement between the Riverside Community College District and LPA, which was originally approved by the Board of Trustees on June 15, 2010.

The agreement is hereby amended as follows:

Additional compensation of this amended agreement shall not exceed \$67,230.50, including reimbursable expenses, totaling agreement to \$2,375,571.50. The term of this agreement shall be from the original agreement date of June 16, 2010, to the completion of the project. Payments and final payment shall coincide with original agreement.

Additional scope of work shall be provided in Exhibit I, attached.

All other terms and conditions of the original agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date written below.

LPA

RIVERSIDE COMMUNITY COLLEGE
DISTRICT

By: _____

Robert O. Kupper, AIA
Chief Executive Officer
5161 California Avenue, Suite 100
Irvine, CA 92617

By: _____

Aaron S. Brown
Vice Chancellor
Business and Financial Services

Date: _____

Date: _____

Exhibit I

Project: Culinary Arts Academy and District Office Building – FF&E Consulting Services

FEE PROPOSAL

LPA fee proposal is based on information provided in the RFP and assumptions based on LPA's on-going work with the District. LPA is open to negotiating with the District regarding the proposed schedule, scope and fee to come to a mutually beneficial fee agreement.

| Culinary Arts Academy and District Offices | |
|---|---------------------|
| Floor | Fee by Floor |
| 1st Floor | \$ 12,168.00 |
| 2nd Floor | \$ 19,017.00 |
| 3rd Floor | \$ 20,356.50 |
| 4th/Roof | \$ 3,438.00 |
| Inventory | \$12,251.00 |
| Total Culinary Arts Academy and District Offices | \$ 67,230.50 |

| Henry W. Coil, Sr. and Alice Edna Coil School for the Arts | |
|---|---------------------|
| Floor | Fee by Floor |
| 1st Floor | \$ 22,657.50 |
| 2nd Floor | \$ 14,751.00 |
| Inventory | \$ 5,445 |
| Total Henry W. Coil, Sr. and Alice Edna Coil School for the Arts | \$ 42,853.50 |

| | |
|---------------------------|----------------------|
| Total Proposed Fee | \$ 110,084.00 |
|---------------------------|----------------------|

BASIC HOURLY RATE SCHEDULE

| | |
|--------------------------|-----------|
| Principal | \$ 215.00 |
| Senior Managing Director | \$ 195.00 |
| Senior Project Director | \$ 180.00 |
| Project Director | \$ 165.00 |
| Senior Project Manager | \$ 150.00 |
| Managing Professional | \$ 140.00 |
| Senior Professional | \$ 125.00 |
| Professional | \$ 115.00 |
| Professional Staff | \$ 105.00 |
| Intermediate Staff | \$ 95.00 |
| Staff | \$ 85.00 |
| Support Specialist | \$ 75.00 |
| Clerical Staff | \$ 70.00 |
| Intern | \$ 60.00 |

Note: These rates became effective January 1, 2013 and are subject to change annually.

FURNITURE MANAGEMENT & DESIGN SERVICES SCOPE OF SERVICES

LPA's proposed fee includes the inventory of existing spaces, furniture, musical instruments and equipment identified below. LPA's scope of services does not include the tagging or moving of any furniture, musical instruments or equipment.

In the Furniture Inventory phase of work, LPA shall assess the existing spaces including classrooms, rehearsal rooms, private offices, open offices and conference room furniture, musical instruments and equipment at the following facilities:

District Facilities Planning, Design and Construction Building located at 450 E. Alessandro Blvd. Riverside, CA 92508

District Office Building located at 1533 Spruce Street, Riverside, CA 92501-3225

Riverside City College Music Department spaces located at 4800 Magnolia Ave, Riverside, CA 92506

Riverside City College North Hall spaces located at 4800 Magnolia Ave, Riverside, CA 92506

Riverside City College IT Department rooms located at 4800 Magnolia Ave, Riverside, CA 92506

LPA will visit each site to identify furniture, musical instruments and equipment to be relocated to the new Culinary Arts and District Office Building or the new Coil School for the Arts in downtown Riverside. LPA will make recommendations via a written report of existing furniture, musical instruments and equipment to be relocated to the new facilities once constructed.

Inventory will consist of providing counts of existing furniture including: casegoods, tables, seating, shelving, systems furniture, musical instruments and equipment. Dimensions of casegoods, tables and shelving will be noted as part of the inventory. System furniture inventory will consist of identifying the size of the workstations, documenting current configurations, finishes and identifying manufacturer if labels exist. LPA will not inventory every component within a workstation.

INVENTORY OF EXISTING FURNITURE SYSTEMS

- Survey existing furniture in the District Facilities Planning, Design and Construction
- Survey existing furniture in the District Office Building
- Provide inventory report
- Two Meetings with RCCD Representatives
- Provide report of suggested furniture to be relocated
- Provide final furniture relocation documentation
- Products will be photographed as part of the inventory documentation

Revisions PRE-PROCUREMENT & DESIGN PHASE

- Prepare Preliminary Schedule
- Project meetings / Programming
- Furniture Tour / Furniture Evaluation (1)
- Product Selections
- Complete layout of furniture plans based on program
- Finish selections
- Revisions

DOCUMENTATION PHASE

- Specification Meetings
- Dealer Coordination
- Coded Furniture plans /Dealer Drawings & Typicals
- Electronic Color board
- Issue and coordinate documents with dealer(s) & Purchasing for Procurement

INSTALLATION ADMINISTRATION PHASE

- Electrical Coordination
- Furniture Tracking (manufacturing, Shipping, Installation)
- Punchwalk (1)
- Corrective items
- Follow-up walk through (1)

ADMINISTRATIVE AND MANAGEMENT

- Meeting Minutes & Documentation
- Management review

THIRD (3) AMENDMENT TO AGREEMENT
BETWEEN
RIVERSIDE COMMUNITY COLLEGE DISTRICT
AND
LPA
(Henry W. Coil Sr. and Alice Edna Coil School for the Arts)

This document amends the original agreement between the Riverside Community College District and LPA, which was originally approved by the Board of Trustees on June 19, 2012.

The agreement is hereby amended as follows:

Additional compensation of this amended agreement shall not exceed \$42,853.50, including reimbursable expenses, totaling agreement to \$2,415,337.50. The term of this agreement shall be from the original agreement date of June 20, 2012, to the completion of the project. Payments and final payment shall coincide with original agreement.

Additional scope of work shall be provided in Exhibit I, attached.

All other terms and conditions of the original agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date written below.

LPA

RIVERSIDE COMMUNITY COLLEGE
DISTRICT

By: _____
Robert O. Kupper, AIA
Chief Executive Officer
5161 California Avenue, Suite 100
Irvine, CA 92617

By: _____
Aaron S. Brown
Vice Chancellor
Business and Financial Services

Date: _____

Date: _____

Exhibit I

Project: Henry W. Coil Sr. and Alice Edna Coil School for the Arts – FF&E Consulting Services

FEE PROPOSAL

LPA fee proposal is based on information provided in the RFP and assumptions based on LPA's on-going work with the District. LPA is open to negotiating with the District regarding the proposed schedule, scope and fee to come to a mutually beneficial fee agreement.

| Culinary Arts Academy and District Offices | |
|---|---------------------|
| Floor | Fee by Floor |
| 1st Floor | \$ 12,168.00 |
| 2nd Floor | \$ 19,017.00 |
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| Inventory | \$12,251.00 |
| Total Culinary Arts Academy and District Offices | \$ 67,230.50 |

| Henry W. Coil, Sr. and Alice Edna Coil School for the Arts | |
|---|---------------------|
| Floor | Fee by Floor |
| 1st Floor | \$ 22,657.50 |
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| Total Henry W. Coil, Sr. and Alice Edna Coil School for the Arts | \$ 42,853.50 |

| | |
|---------------------------|----------------------|
| Total Proposed Fee | \$ 110,084.00 |
|---------------------------|----------------------|

BASIC HOURLY RATE SCHEDULE

| | |
|--------------------------|-----------|
| Principal | \$ 215.00 |
| Senior Managing Director | \$ 195.00 |
| Senior Project Director | \$ 180.00 |
| Project Director | \$ 165.00 |
| Senior Project Manager | \$ 150.00 |
| Managing Professional | \$ 140.00 |
| Senior Professional | \$ 125.00 |
| Professional | \$ 115.00 |
| Professional Staff | \$ 105.00 |
| Intermediate Staff | \$ 95.00 |
| Staff | \$ 85.00 |
| Support Specialist | \$ 75.00 |
| Clerical Staff | \$ 70.00 |
| Intern | \$ 60.00 |

Note: These rates became effective January 1, 2013 and are subject to change annually.

FURNITURE MANAGEMENT & DESIGN SERVICES SCOPE OF SERVICES

LPA's proposed fee includes the inventory of existing spaces, furniture, musical instruments and equipment identified below. LPA's scope of services does not include the tagging or moving of any furniture, musical instruments or equipment.

In the Furniture Inventory phase of work, LPA shall assess the existing spaces including classrooms, rehearsal rooms, private offices, open offices and conference room furniture, musical instruments and equipment at the following facilities:

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Riverside City College Music Department spaces located at 4800 Magnolia Ave, Riverside, CA 92506

Riverside City College North Hall spaces located at 4800 Magnolia Ave, Riverside, CA 92506

Riverside City College IT Department rooms located at 4800 Magnolia Ave, Riverside, CA 92506

LPA will visit each site to identify furniture, musical instruments and equipment to be relocated to the new Culinary Arts and District Office Building or the new Coil School for the Arts in downtown Riverside. LPA will make recommendations via a written report of existing furniture, musical instruments and equipment to be relocated to the new facilities once constructed.

Inventory will consist of providing counts of existing furniture including: casegoods, tables, seating, shelving, systems furniture, musical instruments and equipment. Dimensions of casegoods, tables and shelving will be noted as part of the inventory. System furniture inventory will consist of identifying the size of the workstations, documenting current configurations, finishes and identifying manufacturer if labels exist. LPA will not inventory every component within a workstation.

INVENTORY OF EXISTING FURNITURE SYSTEMS

- Survey existing furniture in the District Facilities Planning, Design and Construction
- Survey existing furniture in the District Office Building
- Provide inventory report
- Two Meetings with RCCD Representatives
- Provide report of suggested furniture to be relocated
- Provide final furniture relocation documentation
- Products will be photographed as part of the inventory documentation

Revisions PRE-PROCUREMENT & DESIGN PHASE

- Prepare Preliminary Schedule
- Project meetings / Programming
- Furniture Tour / Furniture Evaluation (1)
- Product Selections
- Complete layout of furniture plans based on program
- Finish selections
- Revisions

DOCUMENTATION PHASE

- Specification Meetings
- Dealer Coordination
- Coded Furniture plans /Dealer Drawings & Typicals
- Electronic Color board
- Issue and coordinate documents with dealer(s) & Purchasing for Procurement

INSTALLATION ADMINISTRATION PHASE

- Electrical Coordination
- Furniture Tracking (manufacturing, Shipping, Installation)
- Punchwalk (1)
- Corrective items
- Follow-up walk through (1)

ADMINISTRATIVE AND MANAGEMENT

- Meeting Minutes & Documentation
- Management review



Agenda Item (XII-A)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Business From Board Members (XII-A) |
| Subject | Selection of Community Members for Chancellor's Search Committee |
| College/District | District |
| Funding | |
| Recommended Action | It is recommended that the Board of Trustees appoint the community members to the Chancellor Search Committee |

Background Narrative:

At the Board of Trustees Committee Meeting on December 3, 2013, the Board of Trustees appointed the Riverside Community College District staff, faculty, student, and Foundation members for the Chancellor Search Committee. The committee includes community members, and the Board requested that nominations for community members be submitted for consideration at the December 10, 2013 Regular Board Meeting.

Prepared By: Vicki Nicholson, Vice Chancellor (Interim), Diversity and Human Resources

Attachments:

[20131210_Chancellor Search Committee Matrix](#)

Chancellor Search Committee

| Committee Members | | Comments Professional Description |
|--|-----------------------|--|
| Board of Trustees | | |
| Chair | Nathan Miller | RCCD Board of Trustees Area 1 |
| Co-Chair | Mary Figueroa | RCCD Board of Trustees Area 3 |
| California Teacher's Association | | |
| MVC | Fabian Biancardi | Professor, Political Science/CTA MVC Vice President |
| RCC | Darius Haghigatg | Professor, Political Science/CTA President |
| MVC | Cynthia Mahon | Associate Faculty, Political Science/CTA MVC PT Representative |
| Academic Senate | | |
| MVC | Sal Soto | Associate Professor, Counseling/MVC Academic Senate Vice President |
| NC | Lyn Greene | Associate Professor, Political Science/NC Academic Senate President |
| RCC | Lee Nelson | Associate Professor, Nursing/RCC Academic Senate/District Senate President |
| California School Employees Association | | |
| MVC | Gustavo Segura | Instructional Media Broadcast Coordinator/CSEA Past President |
| Confidential Employees | | |
| RCCD | Martha Arellano | Human Resources Analyst/Confidential Group President |
| Management Association | | |
| RCCD | Sylvia Thomas | Associate Vice Chancellor, Educational Services |
| Associated Students Riverside Commuty College (ASRCC) | | |
| | Jared Snyder | Student Trustee |
| Foundation | | |
| | Raul "Raleigh" Aballi | |
| Community Members | | |
| | | |
| | | |
| | | |



Agenda Item (XII-B)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Business From Board Members (XII-B) |
| Subject | Board of Trustees Nomination for Association of Community College Trustees 2014 Board of Directors |
| College/District | District |
| Funding | |
| Recommended Action | Recommend approving the nomination of Board Member Mary Figueroa to the Association of Community Colleges Trustees (ACCT) 2014 Regional Board of Directors for a three-year term. |

Background Narrative:

Presently the Association of Community College Trustees (ACCT) is seeking nominations for trustees to serve on the 2014 Board of Directors. Board Member Mary Figueroa currently serves as the ACCT Regional Director for the Pacific Region and is eligible for re-election for a three-year term. Board Member Figueroa would like to continue her service as the ACCT Regional Director (Pacific Region) for 2014-2017; and the Board is being asked to take action in support of her nomination for candidacy.

Prepared By: Cynthia Azari, Interim Chancellor
Kathy Tizcareno, Administrative Assistant

Attachments:

[121013_ACCT_Nomination_Ltr_M_Figueroa](#)

December 10, 2013

J. Noah Brown
President and Chief Executive Officer
Association of Community College Trustees
1233 20th Street, NW, Suite 301
Washington, DC 20036

Dear Mr. Brown:

As president of the Riverside Community College District Board of Trustees, and on behalf of my colleagues on the Board, it is my pleasure to write this letter of support for Trustee Mary Figueroa's candidacy for the Association of Community College Trustees Board of Directors.

Trustee Figueroa brings very broad, as well as deep, experience in many areas of community college governance. First elected to the RCCD Board in 1995, Ms. Figueroa has served as Board president for four (4) terms, and has chaired each of the Board's subcommittees. She is known for her expertise in community college governance, planning, and finance issues. In addition, during her 18-year tenure on the Board she has been active in campaigning on behalf of RCCD and community colleges in general with the California State Legislature and the U.S. Congress.

Having grown up in a single parent family in a challenging socio-economic environment, she is a strong advocate for the diverse populations served by community colleges. Her work as a community activist has garnered several prestigious recognitions, including the YWCA Woman of Achievement, the Black Voice Foundation Woman of Achievement, and the Hispanic Image awards, as well as the Inland Empire Influential Latina of the Year Award.

As a Board member, Ms. Figueroa advocates that, given the opportunity, every child regardless of background can be a success. She has a passionate interest in the link between education and employment and advocates for partnerships and academic and career tech programs that forge that link locally, and might also be replicated in other community colleges in California and across the nation. One such program was RCCD's *Passport to College*, which served as one of the models for the national Gear-Up early college awareness program.

The RCCD Board of Trustees believes that Mary Figueroa has ably represented the Inland Empire, California and the interests of community colleges, trustees, and students during her time as Board member, and we strongly support and endorse Trustee Figueroa as an excellent candidate for the ACCT Board of Directors.

Sincerely,

Virginia Blumenthal
President, Board of Trustees

**1533 Spruce Street, Suite 210
Riverside, CA 92507-2427
(951) 222-8800
Fax (951) 682-5339
www.rccd.edu**



Agenda Item (XII-C)

| | |
|------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Business From Board Members (XII-C) |
| Subject | Update from Members of the Board of Trustees on Business of the Board |
| College/District | District |
| Information Only | |

Background Narrative:

Members of the Board of Trustees will briefly share information about recent events/conferences they attended since the last meeting, including any updates regarding the following assigned associations:

Association of Community College Trustees (ACCT)

Association of Governing Board of Universities and Colleges (AGB)

California Community College Trustees and Legislative Network (CCCT)

Community College League of California (CCLC) Latino Trustees

Latino Trustees Association

Inland Valleys Trustees and CEO Association

African-American Organizations Liaison Riverside Branch - NAACP

Hispanic Chambers of Commerce: Corona, Moreno Valley, and Riverside

Chambers of Commerce: Corona, Moreno Valley, and Norco

Riverside County School Board Association

Riverside County Committee on School District Organization

Alvord Unified School District Ad-Hoc Committee

Mine Okubo Committee

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

Attachments:



Agenda Item (XIII-A)

Meeting 12/10/2013 - Regular

Agenda Item Closed Session (XIII-A)

Subject Pursuant to Government Code Section 54957, Public Employee Performance Evaluation Title:
Interim Chancellor

College/District District

Funding

Recommended Action Recommended Action to be Determined

Background Narrative:

Prepared By: Cynthia Azari, Interim Chancellor

Attachments:



Agenda Item (XIII-B)

| | |
|--------------------|---|
| Meeting | 12/10/2013 - Regular |
| Agenda Item | Closed Session (XIII-B) |
| Subject | Pursuant to Government Code Section 54957, Public Employee Discipline/Dismissal/Release |
| College/District | District |
| Funding | n/a |
| Recommended Action | Recommended Action to be Determined |

Background Narrative:

None

Prepared By: Cynthia Azari, Interim Chancellor

Attachments: