



Board of Trustees - Regular Meeting  
Tuesday, December 09, 2014 6:00 PM  
Riverside City College, O.W. Noble Building,  
AD122 4800 Magnolia Avenue, Riverside CA  
92506

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](http://www.rccd.edu/administration/board).

I. COMMENTS FROM THE PUBLIC

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

II. APPROVAL OF MINUTES

A. [Minutes of the Board of Trustees Regular/Committee Meeting of November 3, 2014](#)

*Recommend approving the November 3, 2014 Board of Trustees Regular/Committee meeting Minutes as prepared.*

B. [Minutes of the Board of Trustees Regular Meeting of November 18, 2014](#)

*Recommend approving the November 18, 2014 Board of Trustees meeting minutes as prepared.*

III. PUBLIC HEARING (NONE)

IV. CHANCELLOR'S REPORTS

A. [Chancellor's Communications](#)

*Information Only*

B. [Presentation of Winter Intersession 2014 Scholarship Award to Student Trustee](#)

*Information Only*

C. [Presentation on RCC Model United Nations - Rome, Italy](#)

*Information Only*

D. [Sunshine Notice of 2011-2014 RCCD Faculty Association,](#)

[CCA/CTA/NEA Agreement](#)

*Recommend accepting notice, and agree to sunshine the 2011- 2014 RCCD Faculty Association, CCA/CTA/NEA Agreement.*

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 \$1,585,110 and District Warrant Claims totaling \$7,492,861.*

2. Budget Adjustments

a. [Budget Adjustments](#)

*Recommend approving the budget transfers as presented.*

3. Resolution(s) to Amend Budget

a. [Resolution No. 28-14/15 – 2014-2015 GO-Biz](#)

*Recommend approving adding the revenue and expenditures of \$90,000 to the budget.*

4. Contingency Budget Adjustments (None)

5. Bid Awards

a. [Bid Award for the Early Childhood Education Center ADA Upgrade Project](#)

*Recommend awarding Bid Number 2014/15-30- Early Childhood Education Center ADA Upgrade Project, in the total amount of \$294,800 to Marjani Builders, Inc.*

6. Grants, Contracts and Agreements

a. [Contracts and Agreements Report Less than \\$84,100 – All District Resources](#)

*Recommend ratifying contracts totaling \$180,991 for the period of November 1, 2014 through November 23, 2014.*

b. [Agreement for Workforce Training Services between Riverside Community College District and Custom Corporate Communication](#)

*Recommend approving the Agreement between Riverside Community College District and Custom Corporate Communication for up to \$200,000.00.*

7. [Out-of-State Travel](#)

*Recommend approving out-of-state travel.*

8. Other Items

a. [Signature Authorization](#)

Recommend authorizing each Trustee and designated District administrators to sign vendor warrant orders, salary payment orders, notices of employment, bank checks, purchase orders, change orders, and grant documents.

b. [Surplus Property](#)

Recommend, by unanimous vote declaring the property on the attached list to be surplus; finding the 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. [Purchase of Cabling and Networking Products and Services Utilizing The Cooperative Purchasing Network \(TCPN\) Contract](#)

Recommend approving the purchase of cabling and networking products and services from Anixter Inc., utilizing The Cooperative Purchasing Network (TCPN) Contract No. R5136 through March 31, 2015.

d. [Resolution No.29-14/15, Trustee Excused Absence](#)

Recommend adopting Resolution No. 29-14/15 to excuse Board of Trustee Members' absences.

VII. CONSENT AGENDA INFORMATION (NONE)

VIII. BOARD COMMITTEE REPORTS

A. Governance (None)

B. Teaching and Learning

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

Recommend approving the Student Equity Plan from each of the district colleges: Moreno Valley College, Norco College and Riverside City College for 2014.

2. [Proposal for Professional Services with Hyland Software, Inc. and Riverside Community College District](#)

Recommend approving the professional services proposal between Hyland Software, Inc. and Riverside Community College District in the amount of \$210,830.00.

3. [Proposed Curricular Changes](#)

Recommend approving the curricular changes for inclusion in the catalog and in the schedule of class offerings.

C. Planning and Operations (None)

D. Resources

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

Recommend approving augment to the budget for the Athletic Directors Office Remodel Project by \$51,676.

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

*Recommend receiving the Riverside Community College District's independent audit report for the year ended June 30, 2014 for the permanent file of the District.*

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

*Recommend receiving the Riverside Community College District's independent audit report for the year ended June 30, 2014 for the permanent file of the District.*

4. [2013-2014 Proposition 39 Independent Financial and Performance Audits](#)

*Recommend receiving the Proposition 39 independent financial and performance audits of the District's Measure C general obligation bond for the year ended June 30, 2014 for the permanent file of the District.*

E. Facilities

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

*Recommend approving project Change Order No.1 with Neal Electric in the amount of \$35,773.73; and the change order in excess of ten percent by a total of \$6,073.73.*

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

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

IX. ADMINISTRATIVE REPORTS

- A. Vice Chancellors
- B. Presidents

X. ACADEMIC SENATE REPORTS

- A. Moreno Valley College/Riverside Community College District
- B. Norco College
- C. Riverside City College

XI. BARGAINING UNIT REPORTS

- A. CTA - California Teachers Association
- B. CSEA - California School Employees Association

XII. BUSINESS FROM BOARD MEMBERS

- A. [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 Discipline/Dismissal/Release](#)  
*Recommended Action to be Determined.*

XIV. ADJOURNMENT



# Agenda Item (II-A)

Meeting 12/9/2014 - Regular

Agenda Item Approval of Minutes (II-A)

Subject Minutes of the Board of Trustees Regular/Committee Meeting of November 3, 2014

College/District District

Funding

Recommended Action It is recommended that the Board of Trustees review and approve the minutes.

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## Background Narrative:

Recommend approving the November 3, 2014 Board of Trustees meeting minutes as prepared.

Prepared By: Michael Burke, Ph.D., Chancellor  
Kathy Tizcareno, Administrative Assistant

## Attachments:

[110314\\_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 3, 2014

President Blumenthal called the Board of Trustees meeting to order at 6:00 p.m. in the Center for Student Success, Room 217, Norco College, 2001 Third Street, Norco, California.

CALL TO ORDER

Trustees Present

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

Staff Present

Michael L. Burke, Ph.D., Chancellor  
Mr. Aaron Brown, Vice Chancellor, Business and Financial Services  
Dr. Robin Steinback, Interim Vice Chancellor, Educational Services, Workforce Development and Planning  
Ms. Sylvia Thomas, 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  
Ms. Chris Carlson, Chief of Staff and Facilities Development  
Ms. Diana Meza, Public Affairs Officer, Strategic Communications and Relations  
Mr. Michael Simmons, Director, Risk Management  
Mr. Jim Miyashiro, RCCD Chief of Police  
Mr. Laurens Thurman, Consultant, Norco College

GUEST PRESENT

Ms. Patricia Brown, Senior Manager, Vicenti Lloyd & Sutzman LLP

Student Trustee April Galvan led the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Dr. Travis Gibbs presented the Board with information on the 2014 Plenary Session which was scheduled for November 11-15, 2014, and encouraged the Trustees to attend.

PUBLIC COMMENT

The Teaching and Learning Committee Chair Sam Davis convened the meeting at 6:07 p.m. Committee members in attendance: Dr. Robin Steinback, Interim Vice Chancellor, Educational Services, Workforce Development and

TEACHING AND LEARNING  
COMMITTEE

Planning; Academic Senate Representatives: Dr. Travis Gibbs (Moreno Valley College/RCCD), Dr. Lyn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); CSEA Representative: Mr. Gustavo Segura; and Management Representative: Ms. Lorena Patton.

Dr. Steinback 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 18 regular meeting. Discussion followed.

Proposed Curricular Changes

The Committee adjourned the meeting at 6:10 p.m.

Adjourned

The Planning and Operations Committee Chair Mary Figueroa convened the meeting at 6:11 p.m. Committee members in attendance: Ms. Chris Carlson, Chief of Staff and Facilities Development; Academic Senate Representatives: Dr. Travis Gibbs (Moreno Valley College/RCCD), Dr. Lyn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); CSEA Representative: Mr. Gustavo Segura; and Management Association Representative: Ms. Ruth Adams.

PLANNING AND OPERATIONS  
COMMITTEE

Mr. Simmons and Chief Miyashiro presented the committee with an informational presentation on the Rave Mobile Safety mass notification system that will be implemented by the District as the new electronic mass notification system. Discussion followed.

Presentation on Electronic Mass  
Notification System Selection

The Committee adjourned the meeting at 6:54 p.m.

Adjourned

The Resources Committee Chair Janet Green convened the meeting at 6:55 p.m. Committee members in attendance: Mr. Aaron Brown, Vice Chancellor Business and Financial Services, Ms. Sylvia Thomas, Interim Vice Chancellor, Diversity and Human Resources; Academic Senate Representatives: Dr. Travis Gibbs (Moreno Valley College/RCCD), Dr. Lyn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); and CSEA Representative: Mr. Gustavo Segura.

RESOURCES COMMITTEE

Ms. Patricia Brown, Vicenti Lloyd & Sutzman LLP, led the review of the independent financial and performance audits of the District Measure C general obligation bonds that the Board will be asked to receive and review at their regular Board meeting on November 18, 2014. Discussion followed.

FY 2013-2014 Proposition 39  
Financial and Performance Audits

Dr. Steinback and Mr. Brown presented the committee with an informational presentation on the results of the fall 2013 Full-Time Faculty Obligation report from the California Community Colleges Chancellor's office and reviewed the faculty obligation number (FON) statistical data for Riverside Community College District. Discussion followed.

Presentation on Full-Time Faculty Obligation Report

The Committee adjourned the meeting at 7:23 p.m.

Adjourned

The Facilities Committee Chair Nathan Miller convened the meeting at 7:24 p.m. Committee members in attendance: Ms. Chris Carlson, Chief of Staff and Facilities Development; Academic Senate Representatives: Dr. Travis Gibbs (Moreno Valley College/RCCD), Dr. Lyn Greene (Norco College) and Mr. Lee Nelson (Riverside City College); and CSEA Representative: Mr. Gustavo Segura.

FACILITIES COMMITTEE

Ms. Carlson presented the committee with the agreement amendment with Padilla and Associates for project labor administration services in the amount not to exceed \$200,000 for additional projects with Riverside Community College District that will be presented to the Board for approval at the November 18 regular meeting. Discussion followed.

Agreement Amendment No. 1 for Project Labor Administration with Padilla and Associates

Mr. Thurman led the committee review of the District's firm selection and inspection services agreement for the Student Services Building project at Riverside City College with the Vinewood Company, LLC in the amount of \$193,352 that will be presented to the Board for approval at the November 18 regular meeting. Discussion followed.

Firm Selection and Inspection Services Agreement for the Student Services Building with The Vinewood Company, LLC

Mr. Thurman led the committee review of the District's firm selection and testing services agreement for the Student Services Building project at Riverside City College with the River City Testing in the amount of \$159,433 that will be presented to the Board for approval at the November 18 regular meeting. Discussion followed.

Firm Selection and Inspection and Testing Services Agreement for the Student Services Building with River City Testing

The committee adjourned the meeting at 7:29 p.m.

Adjourned

The Board adjourned to closed session at 7:30p.m. and reconvened at 8:05 p.m. after considering the following closed session items:

ADJOURNED TO CLOSED SESSION/RECONVENED

The Board of Trustees announced that no action was taken.

Conference with Legal Counsel – Significant exposure to litigation



pursuant to Government Code  
Section 54956.9(d)(2) and (d)(3) –  
Number of Potential Cases:  
One (1)

The Board of Trustees announced that no action was taken.

Conference with Legal Counsel –  
Existing Litigation – [Paragraph  
(1) of Subdivision (D) of  
Government Code Section  
54956.9] – PCN3 v. Riverside  
Community College District

The Board adjourned the meeting in at 8:06 p.m.

ADJOURNMENT



# Agenda Item (II-B)

Meeting	12/9/2014 - Regular
Agenda Item	Approval of Minutes (II-B)
Subject	Minutes of the Board of Trustees Regular Meeting of November 18, 2014
College/District	District
Funding	
Recommended Action	It is recommended that the Board of Trustees review and approve the minutes as prepared.

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## Background Narrative:

Recommend approving the November 18, 2014 Board of Trustees Regular meeting minutes.

Prepared By: Michael Burke, Ph.D., Chancellor  
Michelle Haeckel, Administrative Assistant, Office of the Chancellor

## Attachments:

[111814\\_MIN](#)

MINUTES OF THE REGULAR BOARD OF TRUSTEES MEETING  
OF NOVEMBER 18, 2014

Vice President Green called the regular meeting of the Board of Trustees to order at 6:00 p.m., in the Center for Student Success, Room 217, Norco College, 2001 Third Street, Norco, California

CALL TO ORDER

Trustees Present

Virginia Blumenthal, President (arrived at 6:09 pm)  
Janet Green, Vice President  
Nathan Miller, Secretary  
Mary Figueroa, Board Member  
Samuel Davis, Board Member  
April Galvan, Student Trustee

Staff Present

Michael L. Burke, Ph.D., Chancellor  
Mr. Aaron Brown, Vice Chancellor, Business and Financial Services  
Dr. Robin Steinback, Interim Vice Chancellor, Educational Services,  
Workforce Development & Planning  
Dr. Wolde-Ab Isaac, Interim President, Riverside City College  
Dr. Sandra Mayo, President, Moreno Valley College  
Dr. Paul Parnell, President, Norco College  
Ms. Chris Carlson, Chief of Staff and Facilities Development  
Dr. Lyn Greene, Associate Professor, Political Science, Norco College  
Dr. Travis Gibbs, Academic Senate Representative, District/Moreno Valley College  
Mr. Lee Nelson, Academic Senate Representative, Riverside City College  
Dr. Dariush Haghghat, President, CTA  
Ms. Leona Crawford, President, CSEA

Guests Present

Mr. Mark DeAsis, Director,  
Mr. Nick Fisher, Veteran/Student, Norco College  
Mr. Danny Chehaiber, Veteran/Student, Norco College  
Dr. Alexis Gray, Associate Professor, Anthropology, Norco College

Student Trustee April Galvan led the Pledge of Allegiance.

PLEDGE OF ALLEGIANCE

Miller/Davis moved that the Board of Trustees approve the minutes of the Board of Trustees Regular/Committee Meeting of October 7, 2014. Motion carried. (4 ayes, 1 absent[Blumenthal])

MINUTES OF THE BOARD OF TRUSTEES REGULAR/COMMITTEE MEETING OF OCTOBER 7, 2014

Figueroa/Davis moved that the Board of Trustees approve the minutes of the Board of Trustees Regular Meeting of October 21, 2014. Motion carried. (4 ayes, 1 absent [Blumenthal])

MINUTES OF THE BOARD OF TRUSTEES REGULAR MEETING OF OCTOBER 21, 2014

## CHANCELLOR'S REPORTS

Mr. DeAsis and student veterans, Mr. Fisher and Mr. Chehalber, spoke regarding programs for veterans and the many services and activities provided to them such as priority registration, aid in filing for benefits, tutoring, counseling, and club and social events.

Presentation – Veterans’ Services at Norco College

Dr. Gray discussed the Crime Scene Investigation certificate program that is offered at Norco College (thanks to special funding) that can have students employed in this field in as little as 18 months. She cited the need for crime scene investigators because of rapidly advancing technology and reviewed some of the coursework that students will complete to earn the certificate.

Five to Thrive Presentation Led by Dr. Alexis Gray, Associate Professor, Anthropology

Ms. Yorba gave an update on the District’s healthcare plans. She noted that things were going well with all three health plans. Currently there are only a few issues and they are being investigated and addressed. The dental, vision, and self-funded prescription plans are all running smoothly.

Healthcare Update

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.

Future Monthly Committee Agenda Planner and Annual Master Planning Calendar

## STUDENT REPORT

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

## CONSENT ITEMS

Action

Green/Figueroa 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 \$1,557,824 and District Warrant Claims totaling \$6,726,922;	Purchase Order and Warrant Report – All District Resources
Approve the budget transfers as presented;	Budget Adjustments
Approve adding the revenue and expenditures of \$6,785 to the budget;	Resolution No. 22-14/15 – 2014-2015 Cooperative Agencies Resources for Education (CARE)
Approve adding the revenue and expenditures of \$10,000 to the budget;	Resolution No. 23-14/15 – 2014-2015 Active Minds
Approve adding the revenue and expenditures of \$896,912 to the budget;	Resolution No. 24-14/15 – 2014-2015 Disabled Students Programs and Services (DSPS)
Approve adding the revenue and expenditures of \$15,000 to the budget;	Resolution No. 25-14/15 – 2014-2015 Student Activities Office
Approve adding the revenue and expenditures of \$1,701,741 to the budget;	Resolution No. 26-14/15 – 2014-2015 Student Equity Program
Approve adding the revenue and expenditures of \$1,000 to the budget;	Resolution No. 27-14/15 – 2014-2015 Procurement Assistance Center (PAC) – Program Income
Award the Riverside City College Student Services and Administration Building – Bid Categories 01 through 18, for the total bid amount of \$14,873,438 to the contractors listed on the attached;	Bid Award for the Riverside City College Student Services and Administration Building – Bid Categories 01 through 18
Ratify contracts totaling \$430,764 for the period of October 1, 2014 through October 31, 2014;	Contracts and Agreements Report Less than \$84,100 – All District Resources

Approve the out-of-state travel;

Out-of-State Travel

Declare the property on the attached list to be surplus; find 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 List

Adopt Resolution No. 21-14/15, amending the Appendix of the District's Conflict of Interest Code, pursuant to the Political Reform Act of 1974.

Resolution No. 21-14/15 to Amend the District's Conflict of Interest Code Appendix for Position Title Changes and Deletions and for Newly Designated Position Titles

Motion carried. (5 ayes)

#### Information

The Board received the quarterly financial status report for the quarter ended November 30, 2014.

CCFS-311Q- Quarterly Financial Status Report for the 1st Quarter Ended November 30, 2014

The Board received the monthly Financial Report for the period July 1, 2014 through October 31, 2014.

Monthly Financial Report for Month Ending – October 31, 2014

#### BOARD COMMITTEE REPORTS

#### Teaching and Learning

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

Proposed Curricular Changes

#### Facilities

Miller/Green moved that the Board of Trustees approve Agreement Amendment No. 1 in the amount not to exceed \$200,000 for project labor administration services with Padilla and Associates for additional projects with the Riverside Community College District. Motion carried. (5 ayes)

Agreement Amendment No. 1 for Project Labor Administration with Padilla and Associates

Miller/Davis moved that the Board of Trustees approve: the selection of River City Testing for Special Inspection and Testing Services for the Student Services Building project at Riverside City College; and the agreement with River City Testing in the amount of \$159,433 for the Student Services Building project. Motion carried. (5 ayes)

Firm Selection and Special Inspection and Testing Services Agreement for the Student Services Building with River City Testing

Miller/Davis moved that the Board of Trustees approve the selection of The Vinewood Company, LLC for Inspection Services/Inspector of Record (IOR) Services for the Student Services Building project at Riverside City College; and the agreement with The Vinewood Company, LLC in the amount of \$193,352 for the project. Motion carried. (5 ayes)

Firm Selection and Inspection Services Agreement for the Student Services Building with The Vinewood Company, LLC

#### ADMINISTRATIVE REPORTS

##### Vice Chancellors

Green/Davis moved that the Board of Trustees adopt Resolution No. 20-14/15 authorizing the Chancellor, or Designee of the District to layoff and reduce hours of the classified service and send the appropriate notification. Motion carried. (5 ayes)

Resolution No. 20 14-15 - Resolution Authorizing the Chancellor, or Designee, of the District to Layoff and Reduce Hours of the Classified Service

Chief Miyashiro presented the Annual Clery Act Report for Riverside Community College District (RCCD) The report requires colleges and universities to disclose and publish information about crime on and around the college campuses.

Presentation of the Annual Clery Report for Riverside Community College District

#### ACADEMIC SENATE REPORTS

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

Moreno Valley College

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

Norco College

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

Riverside City College

#### BARGAINING UNIT REPORTS

Dr. Dariush Haghghat, President, CTA, presented

CTA – California

the report on behalf of the CTA.

Teachers Association

Ms. Leona Crawford, CSEA, presented the report on behalf of the CSEA.

CSEA – California State Employees Association

BUSINESS FROM BOARD MEMBERS

Trustee Davis noted that his term to the board was ending; and that newly elected trustee Tracey Vackar will be a good addition. He noted his time has been a wonderful experience and thanked the staff, students, and other Board members.

Update from Members of the Board of Trustees on Business of the Board.

Trustee Figueroa noted her re-election to ACCT National Board. She spoke of homeless issues and adversities of students, and asked student trustee to identify student hardships and assistance the District addresses.

Trustee Miller noted his attendance to events including meeting K-12 representatives and his recent election to the Riverside County School District Organization Committee. He further commented on Norco College's consideration for a Bellwether award.

Trustee Green thanked Dr. Isaac for facilitating game attendance by Rotary, and noted her attendance at community leadership event.

Trustee Blumenthal noted attendance of community leadership event and terrific production by Performance Riverside/RCC.

The Board adjourned the meeting at 8:05 p.m.

ADJOURNED





# Agenda Item (IV-A)

Meeting 12/9/2014 - Regular  
Agenda Item Chancellor's Reports (IV-A)  
Subject Chancellor's Communications  
College/District District  
Information Only

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## Background Narrative:

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

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

Attachments:



# Agenda Item (IV-B)

Meeting 12/9/2014 - Regular

Agenda Item Chancellor's Reports (IV-B)

Subject Presentation of Winter Intersession 2014 Scholarship Award to Student Trustee

College/District District

Information Only

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## Background Narrative:

Chancellor Burke will present the Winter Intersession 2014 Scholarship Award to Student Trustee.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning  
Sheila McDonald, Executive Administrative Assistant

## Attachments:



# Agenda Item (IV-C)

Meeting 12/9/2014 - Regular  
Agenda Item Chancellor's Reports (IV-C)  
Subject Presentation on RCC Model United Nations - Rome, Italy  
College/District Riverside  
Information Only

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## Background Narrative:

Model United Nations is a student team on campus which students diligently research and “model” an assigned country and prepare for conferences worldwide. The RCC Model United Nations Team recently returned from the National Model United Nations Conference held in Rome, Italy. RCC was the only two year college at the conference. It won the Outstanding Delegation (team) award Angola, Outstanding Delegate (individual) Award voted by peers Angola, Outstanding Position Paper award GA Guatemala, Outstanding Position Paper ECOSAC Guatemala, and Honorable Mention Delegation Guatemala.

RCC MUN Officer/Delegates presenting:  
Dr. Dariush Haghghat (Advisor) and Dr. Ward Schinke (Advisor)  
Eliza Arcos  
Andrea Fleming  
Julia Goldfarb-Sousa  
Argie Hill  
Kevin Rivas

Prepared By: Wolde-Ab Isaac, Interim President, Riverside

## Attachments:

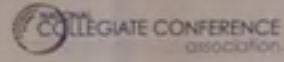
[Model United Nations Presentation](#)



# Model United Nations

Rome, Italy

November 21-30, 2014



# NMUN · EUROPE

ROME 2014

# GENERAL ASSEMBLY







The National Collegiate Conference Association

recognizes for its

**OUTSTANDING POSITION PAPER  
ECOSOC**

the delegate(s) representing



**Guatemala**



from

**Riverside City College**

The 2014 National Model United Nations•Rome Conference

Handwritten signature of Daria Sauleo in cursive.

Daria Sauleo  
Secretary-General

Handwritten signature of Michael Eaton in cursive.

Michael Eaton  
Executive Director, NC

The National Collegiate Conference Association

recognizes for its

**OUTSTANDING POSITION PAPER  
GA**

the delegate(s) representing



**Guatemala**



from

**Riverside City College**

The 2014 National Model United Nations•Rome Conference

Handwritten signature of Daria Sauleo in cursive.

Daria Sauleo  
Secretary-General

Handwritten signature of Michael Eaton in cursive.

Michael Eaton  
Executive Director, NCCA/NMUN



The National Collegiate Conference Association

recognizes

**Angola**  
**Riverside City College**

for its



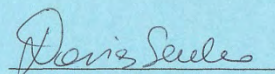
**OUTSTANDING  
DELEGATE(S)**

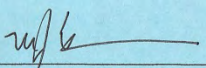


in

**GA**

The 2014 National Model United Nations•Rome Conference

  
Daria Sauleo  
Secretary-General

  
Michael Eaton  
Executive Director, NCCA

The National Collegiate Conference Association

recognizes

**Angola**  
**Riverside City College**

as an

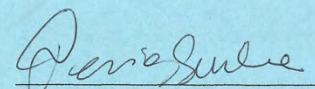


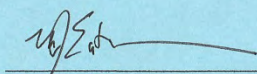
**OUTSTANDING  
DELEGATION**



at

The 2014 National Model United Nations•Rome Conference

  
Daria Sauleo  
Secretary-General

  
Michael Eaton  
Executive Director, NCCA/NMUN

The National Collegiate Conference Association

recognizes

**Guatemala  
Riverside City College**

as an

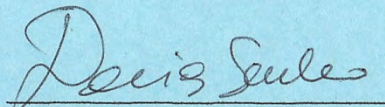


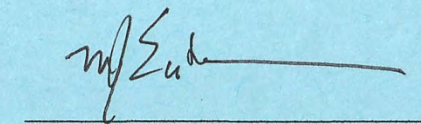
**HONORABLE MENTION  
DELEGATION**



at

The 2014 National Model United Nations•Rome Conference

  
Daria Sauleo  
Secretary-General

  
Michael Eaton  
Executive Director, NCCA/NMUN

[Link to Video Presentation](#)



THANK YOU



# Agenda Item (IV-D)

Meeting	12/9/2014 - Regular
Agenda Item	Chancellor's Reports (IV-D)
Subject	Sunshine Notice of 2011-2014 RCCD Faculty Association, CCA/CTA/NEA Agreement
College/District	District
Funding	
Recommended Action	It is recommended that the Board of Trustees accept notice, and agree to sunshine the 2011-2014 RCCD Faculty Association, CCA/CTA/NEA Agreement.

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## Background Narrative:

The RCCD Faculty Association CCA/CTA/NEA, in a communication dated November 20, 2014 to Chancellor Burke, has provided notice to sunshine the 2011-2014 Agreement between the District and the RCCD Faculty Association CCA/CTA/NEA; and its intent to open specific items for negotiations.

At this time, it is recommended that the Board of Trustees accept this notice and agree to sunshine the 2011-2014 RCCD Faculty Association, CAA/CTA/NEA Agreement by the District presenting its proposal to open specific items for negotiation with the Association at the next regular meeting of the Board, scheduled for January 20, 2015.

Prepared By: Michael Burke, Ph.D., Chancellor  
Sylvia Thomas, Interim Vice Chancellor, Diversity and Human Resources

## Attachments:

[20141209\\_Sunshine Letter of 2011-2014 RCCD Faculty Assoc CCA CTA NEA Agreement](#)

Riverside Community College District Faculty Association

CCA/CTA/NEA

Date: November 20, 2014

To: Michael L. Burke  
Chancellor, Riverside Community College District

From: Dariush Haghighat  
President, RCCDFA, CCA/CTA/NEA

Re: Contract Negotiations

The RCCDFA proposes opening the following articles of the 2011-2014 agreement:

Article VII: Salary

- Negotiate matters surrounding salary and compensation for full-time and part-time faculty

Article X Hours of Work and Faculty Load

- Discuss issues of faculty workload as a means to solidify principles of workload equity

Miscellaneous

- Incorporate existing Memorandums of Agreement (MOAs) and Memorandums of Understanding (MOUs) into the contract
- Clarify and update language for currency

Appendices

- Appendix A – Faculty Salary Schedule/Occupational Faculty Salary Schedule
- Appendix B – Faculty Hourly Salary Schedule
- Appendix C – Intersession Salary Schedule
- Appendix D – Extra Pay for Extra Curricular Activities
- Appendix E – Coordinator Salary Schedule
- Appendix F – Department Chairperson Compensation
- Appendix K – Pay-Per-Course Program for Part-Time Faculty



# Agenda Item (V-A)

Meeting 12/9/2014 - Regular

Agenda Item Student Report (V-A)

Subject Student Report

College/District District

Information Only

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## Background Narrative:

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

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

Attachments:



# Agenda Item (VI -A-1)

Meeting	12/9/2014 - 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

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## 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: Sylvia Thomas, Interim Vice Chancellor, Diversity and Human Resources

## Attachments:

[20141209\\_Academic Personnel](#)



RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Subject: Academic Personnel

Date: December 9, 2014

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 approval/ratification for the following appointment(s) and authorizes the Interim Vice Chancellor, Diversity and Human Resources to sign the employment contracts:

a. Management Contract

<u>Name</u>	<u>Position</u>	<u>Term of Employment</u>	<u>Contract Salary</u>
DISTRICT Reiner, Michael	Vice Chancellor, Educational Services	01/26/15 - 01/25/17	\$171,000

b. Contract Faculty  
(None)

2. Reorganization of Position Due to Significant Job Content Changes

In accordance with Board Policy 7232, a reorganization of a position may occur when any change in administrative structure that affects the duties assigned to a position since the last time it was studied, creation of a new assignment for the employee, or an increases or decrease in staffing that causes a change in the assignment of the employee. The District Classification Committee reviewed the recommended changes in the job description for the position of Assistant Dean, CalWORKs and Special Funded Programs. Based on this process, it is recommended the Board of Trustees approve the salary grade change from Grade R to Grade S effective January 1, 2015.

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>
Davin, Richard	Professor, Sociology	12/31/14	Retirement



# Agenda Item (VI -A-2)

Meeting	12/9/2014 - 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

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## 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: Sylvia Thomas, Interim Vice Chancellor, Diversity and Human Resources

## Attachments:

[20141209\\_Classified Personnel](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Subject: Classified Personnel

Date: December 9, 2014

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 RIVERSIDE CITY COLLEGE Taylor, Cynthia	Outreach Services Supervisor	11/17/14	O-5	Rehire
b. Management/Supervisory – Categorically Funded (None)				
c. Classified/Confidential (None)				
d. Classified/Confidential – Categorically Funded NORCO COLLEGE Serrato, Arlene	Academic Evaluations Specialist (part-time, 47.5%)	12/10/14	K-4	Promotion
RIVERSIDE CITY COLLEGE Dang, Viet	Laboratory Technician II	12/10/14	O-1	New Hire
Escalera, Anthony	Educational Advisor	12/08/14	M-5	Rehire

2. Request(s) for Temporary Decrease in Workload

It is recommended the Board of Trustees approve the temporary decrease in workload for the following individual(s). The request(s) have the approval of the college President(s).

<u>Name</u>	<u>Title</u>	<u>From/To Workload</u>	<u>From/To</u>
Johnson, Polly	Laboratory Technician II	100% to 90%	01/01/15-12/31/15

3. Request(s) for Temporary Increase in Workload

It is recommended the Board of Trustees approve the temporary increase in workload for the following individual(s). The request(s) have the approval of the college President(s).

<u>Name</u>	<u>Title</u>	<u>From/To Workload</u>	<u>From/To</u>
Carenen, Nancy	Photo Lab Assistant	26.25% to 37.5%	11/19/14-06/30/15
Gonzalez, Steven	College Receptionist	47.5% to 75%	01/02/15-02/27/15
McDonald, Elaina	Administrative Assistant I	47.5% to 100%	12/10/14-02/28/15
Montoya, Tabitha	College Receptionist	47.5% to 87.5%	01/02/15-02/27/15
Muniz, Anthony	UB Outreach Specialist	75% to 100%	01/05/15-08/31/17

4. Request for Permanent Increase in Workload

It is recommended the Board of Trustees approve the permanent increase in workload for the following individual. The request has the approval of the college President.

<u>Name</u>	<u>Title</u>	<u>From/To Workload</u>	<u>Effective Date</u>
Davis, Shanell	Enrollment Services Assistant	48.75% to 100%	01/01/15
Negrete, Janelle	Enrollment Services Assistant	48.75% to 100%	01/01/15

5. Request for a Non-Paid Leave of Absence

The Management Handbook provides for non-paid leaves of absence. Ms. Hortencia Cuevas, Program Director, Student Support Services, has requested such a leave. This request has the support of her area vice president.

It is recommended the Board of Trustees approve a non-paid leave of absence for Hortencia Cuevas, Program Director, Student Support Services, effective October 31, 2014 – November 21, 2014.

6. 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>Last Date of Employment</u>	<u>Reason</u>
Wilson, Montely	Employment Placement Coordinator	12/05/2014	Personal
Yearyean, Sarah	Laboratory Technician II	01/02/2015	Personal



# Agenda Item (VI -A-3)

Meeting	12/9/2014 - 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

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## 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: Sylvia Thomas, Interim Vice Chancellor, Diversity and Human Resources

## Attachments:

- [20141209\\_Other Personnel](#)
- [20141209\\_Other Personnel\\_Backup](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
DIVERSITY AND HUMAN RESOURCES

Subject: Other Personnel

Date: December 9, 2014

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(s)

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(s) for the Riverside Community College District and authorize the Interim Vice Chancellor, Diversity and Human Resources to sign the employment agreement(s).

<u>Name</u>	<u>Position</u>	<u>Department</u>	<u>Effective</u>	<u>Amount</u>
Giacona, Judy	College Health Specialist	Health Services (Moreno Valley College)	01/01/15- 06/30/17	\$40.00/hr

SUBSTITUTE ASSIGNMENTS

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
DISTRICT (None)				
MORENO VALLEY				
Coston, Olayide	Financial Aid Advisor	Services	11/19/14-01/31/15	\$19.98
NORCO				
Trough, Courney	Lab Tech II	Math & Science	12/10/14-06/30/15	\$27.39
RIVERSIDE (None)				

SHORT-TERM POSITIONS

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
<b>MORENO VALLEY</b>				
	Upward Bound			
Cazares, Hector	Mentor	Student Services	12/15/14-06/30/15	\$12.00
	Upward Bound			
Cortez, Justin	Mentor	Student Services	12/15/14-06/30/15	\$12.00
		Science, Technology, Engineering, and		
Harris, Melissa	SI Leader	Mathematics/Title III	12/10/14-06/30/15	\$12.00
Mabon, Theo	Facilities Assistant	Facilities	12/10/14-02/12/15	\$18.00
		Writing and Reading Center		
Pacheco, Emma	Tutor IV		01/15/15-06/30/15	\$10.00
<b>NORCO</b>				
	Upward Bound			
De La Cruz, Mayra	College Mentor	Trio Programs	12/14/14-06/30/15	\$12.00
	Summer Bridge	Outreach/Summer		
Langley, Bonnie	Coordinator	Advantage Program	01/01/15-03/31/15	\$20.00
Lizardi, Angel	Office Assistant III	Student Activities	01/01/15-02/27/15	\$12.50
<b>RIVERSIDE CITY</b>				
		Disabled Student		
Alton, Christina	Interpreter III	Programs and Services	12/10/14-06/30/15	\$35.00
Cowles, Casie	Interpreter II	Performance Riverside	12/10/14-06/30/15	\$30.00
Rodriguez, Elise	Interpreter III	Performance Riverside	12/10/14-06/30/15	\$35.00
		Disabled Student		
Thrasher, Tera	Interpreter III	Programs and Services	12/10/14-06/30/15	\$35.00



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

Backup Other Personnel  
December 09, 2014  
Page 1 of 2

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
<u>DISTRICT FUNDS</u>				
MORENO VALLEY COLLEGE				
Cadegan, Shannon E	Student Aide I	Tutorial Services	11/21/14	\$ 9.00
Powell, Wyatt	Student Aide I	Tutorial Services	11/12/14	\$ 9.00
NORCO COLLEGE				
		Disability Resource Center		
Castro, Stephanie	Student Aide I	Center	11/14/14	\$ 9.00
Gomez, Alex	Student Aide I	EOPS/Care	11/24/14	\$ 9.00
Rodriguez, Gilberto	Student Aide II	College Safety	11/14/14	\$ 10.00
Smith, Trinisha	Student Aide II	College Safety	11/14/14	\$ 10.00
		Disability Resource Center		
Tanopo, Emmanuel	Student Aide I	Center	11/14/14	\$ 9.00
Torres, Quinn	Student Aide II	Tutorial Services	11/11/14	\$ 10.00
RIVERSIDE CITY COLLEGE				
Amador Medina, Jose	Student Aide I	Tutorial Services	11/11/14	\$ 9.00
Alexander, Nicholas	Student Aide I	Performing Arts / Theatre	11/11/14	\$ 9.00
Castillo, Yosselin	Student Aide I	Early Childhood Educ.	11/20/14	\$ 9.00
Gonzalez, Brian	Student Aide I	Assessment Center	11/20/14	\$ 9.00
Rivera, Christopher	Student Aide I	Counseling / Puente	11/26/14	\$ 9.00
Jimenez, Gerardo	Student Aide I	Counseling	11/26/14	\$ 9.00
<u>CATEGORICAL FUNDS</u>				
AMERICA READS PROGRAM				
Guajardo, Isaac	Student Aide I	My Learning Studio-RCC	11/11/14	\$ 9.00
Gutierrez, Patricia	Student Aide II	The Growing Place-RCC	11/24/14	\$ 10.00
Vera-Reyes, Yolanda	Student Aide II	YMCA-Corona/Norco	11/24/14	\$ 10.00
AMERICA COUNTS PROGRAM				
Guajardo, Isaac	Student Aide I	My Learning Studio-RCC	11/11/14	\$ 9.00
Ygloria, Ariel	Student Aide II	The Growing Place-RCC	11/17/14	\$ 10.00
CALWORKS WORK STUDY				
Phillips, Irise	Student Aide III	Trax Equestrian Center-RCC	11/01/14	\$ 11.25

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

Backup Other Personnel  
December 09, 2014  
Page 2 of 2

<u>NAME</u>	<u>POSITION</u>	<u>DEPARTMENT</u>	<u>DATE</u>	<u>RATE</u>
COMMUNITY SERVICE PROGRAM				
Aguila, Adriana	Student Aide I	The Growing Place-RCC	12/01/14	\$ 9.00
Cortez-Rodriguez, Livier	Student Aide I	The Growing Place-RCC	11/17/14	\$ 9.00
Stratton, Riley	Student Aide II	UCR Artsblock - RCC	11/13/14	\$ 10.00



# Agenda Item (VI-B-1)

Meeting	12/9/2014 - 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 \$1,585,110 and District Warrant Claims totaling \$7,492,861.

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## 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 \$1,585,110 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 231580 – 232611) totaling \$7,492,861, 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:

[12092014\\_Contracts and Purchase Orders Over \\$84,100 Report \(November\)](#)

Report of Purchases-All District Resources  
 Purchases Over \$84,100  
 11/01/14 thru 11/23/14

PO#	Department	Vendor	Description	Amount
P0044675	Workforce Preparation	Lenovo Direct	Computer Equipment - WSCA Master Price Agreement	\$ 98,132
P0044695	Information Services	CDW-G	Computer Equipment -CMAS Contract	315,782
<u>Additions to Approved/Ratify Purchase Orders of \$84,100 and Over</u>				
C0002124	Academy / Criminal Services	Riverside County Fire Department	Fire Tech Coordinator	169,320
C0003359	Facilities - Norco	PCN3, Inc	Norco Secondary Effects Settlement	112,500
C0003360	Facilities - Norco	PCN3, Inc	Norco Secondary Effects Settlement	112,500
C0004565	Facilities	Anderson Air Conditioning, LP	Bradshaw HVAC Replacement -Add Alternate #1	94,000
Total				<u>\$ 902,234</u>
<u>All Purchase Orders, Contracts, and Additions for the Period of 11/01/14 - 11/23/14</u>				
Contracts- C4790 - C4793				\$ 180,991
Contract Additions- C2124 - C4602				
Purchase Orders- P44550 - P44761				428,481
Purchase Order Additions- P42868 - P44488				
Blanket Purchase Orders- B13372 - B13405				73,404
Blanket Purchase Order Additions- B12559 - B13340				
Total				<u>\$ 682,876</u>
Grand Total				<u><u>\$ 1,585,110</u></u>



# Agenda Item (VI-B-2-a)

Meeting	12/9/2014 - 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.

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## Background Narrative:

The 2014-15 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). Additionally, at the close of each fiscal year, it is necessary for the Board to grant authority to make necessary transfers among the various accounts and funds of the district.

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

## Attachments:

[12092014\\_Budget Adjustments](#)

## Budget Adjustments December 09, 2014

<u>Program</u>	<u>Account</u>	<u>Amount</u>
<u>Riverside</u>		
R1. Transfer to purchase a replacement bass combo amplifier.		
From: Performing Arts - Theater	Short Term Non-Classified	\$ 677
	Employee Benefits	26
	General Liability and Property	9
To: Performing Arts - Theater	Equipment	\$ 712
R2. Transfer to provide for academic special projects.		
From: Performing Arts - Music	Administrative Contingency	\$ 1,577
To: Performing Arts – Music	Academic Special Project	\$ 1,400
	Employee Benefits	177
R3. Transfer to purchase iPads and provide for the connection.		
From: Counseling	Tests	\$ 6,000
To: Counseling	Computer Equipment	\$ 5,000
	Cell Phone Service	1,000
R4. Transfer to purchase a new video camera.		
From: Athletics	Student Insurance	\$ 318
To: Athletics	Equipment	\$ 318
R5. Transfer to provide for a copier.		
From: College Safety and Police	Repairs	\$ 681
To: College Safety and Police	Equipment	\$ 681

<u>Program</u>	<u>Account</u>	<u>Amount</u>
R6. Transfer to provide for book grants. (Fund 12, Resource 1190)		
From: TANF	Academic PT Non-Instr	\$ 5,000
	Employee Benefits	635
	General Liability and Property	68
	Comp Software Maint/Lic	1,000
To: TANF	Book Grants	\$ 6,703
R7. Transfer to realign the Gateway to College grant budget. (Fund 12, Resource 1190)		
From: Gateway to College	Academic FT Administrator	\$ 2,121
To: Gateway to College	Classified Overtime	\$ 145
	Copying and Printing	200
	Postage	300
	Other Services	700
	Equipment	776
R8. Transfer to realign the Foster Parent Pre-Training grant. (Fund 12, Resource 1190)		
From: Foster Parent Pre-Training	Professional Services	\$ 62,944
To: Foster Parent Pre-Training	Classified FT Administrator	\$ 43,237
	Employee Benefits	15,207
	Copying and Printing	2,500
	Supplies	2,000

Norco

N1. Transfer to provide for a temporary increase in workload.		
From: EOP&S	Academic FT Administrator	\$ 4,518
Disabled Student Services	Academic FT Administrator	4,517
To: Admissions & Records	Classified Perm PT	\$ 9,035

<u>Program</u>	<u>Account</u>	<u>Amount</u>
N2. Transfer to purchase supplies.		
From: VP, Business Services	Administrative Contingency	\$ 615
To: VP, Business Services	Supplies	\$ 615
N3. Transfer to provide for a permanent increase in workload.		
From: President	Administrative Contingency	\$ 18,889
To: Grounds Maintenance & Repairs	Classified FT Employee Benefits	\$ 15,513 3,376
N4. Transfer to purchase supplies.		
From: Campus Student Services	Student Help – Non-Instr Employee Benefits General Liability and Property	\$ 218 5 3
To: Campus Student Services	Supplies	\$ 226
N5. Transfer to purchase supplies.		
From: Honor’s Program	Academic Special Project Employee Benefits General Liability and Property	\$ 153 20 2
To: Honor’s Program	Supplies	\$ 175
N6. Transfer to provide for a temporary increase in workload.		
From: Dean of Instruction	Academic Special Project General Liability and Property	\$ 2,050 3
To: Dean of Instruction	Classified Perm PT Employee Benefits	\$ 1,899 154



<u>Program</u>	<u>Account</u>	<u>Amount</u>
N7. Transfer to provide for hourly librarians and a subscription.		
From: Library	Student Help – Non-Instr	\$ 7,979
	Short-Term Temporary	6,679
	General Liability and Property	20
	Repairs	2,116
To: Library	Academic PT Non-Instr	\$ 13,159
	Employee Benefits	1,233
	Subscription	\$ 2,402
N8. Transfer to provide for supplies.		
From: Barnes & Noble Annual Donation	Administrative Contingency	\$ 1,670
To: Barnes & Noble Annual Donation	Supplies	\$ 1,670
N9. Transfer to provide for mileage.		
From: AV Labs and Services	Equipment	\$ 400
To: AV Labs and Services	Mileage	\$ 400
N10. Transfer to provide for copying and printing. (Fund 12, Resource 1190)		
From: Veterans Education	Conferences	\$ 300
To: Veterans Education	Copying and Printing	\$ 300

Moreno Valley

M1. Transfer to provide for traffic citation processing services. (Fund 12, Resource 1050)		
From: Safety & Police	Site Improvement Constr	\$ 10,255
To: Safety & Police	Other Services	\$ 10,255

<u>Program</u>	<u>Account</u>	<u>Amount</u>
M2. Transfer to reallocate the Technology Access Program grant budget. (Fund 12, Resource 1190)		
From: Technology Access Program	Employee Benefits	\$ 6,270
	Comp Software Maint/Lic	32,197
	Equipment	119,784
To: Technology Access Program	Academic FT Administrator	\$ 76,744
	Academic PT Teaching	5,000
	Classified FT Administrator	24,000
	Classified FT	42,251
	Supplies	10,256
M3. Transfer to reallocate the Title V – Answering the Call: Expanding Access to Public Safety Program grant budget. (Fund 12, Resource 1190)		
From: Title V – Answering the Call	Instructional Supplies	\$ 30,801
	Reference Books	2,500
	Supplies	21,871
	Professional Services	728
	Conferences	5,372
	Other Services	4,402
	Equipment	74,037
To: Title V – Answering the Call	Academic FT Administrator	\$ 24,000
	Academic FT Non-Instr	29,815
	Academic PT Non-Instr	19,000
	Classified Perm PT	13,802
	Employee Benefits	53,094
M4. Transfer to purchase a piano bench.		
From: Humanities & Social Sciences	Professional Services	\$ 750
To: Humanities & Social Sciences	Equipment	\$ 750

<u>Program</u>	<u>Account</u>	<u>Amount</u>
M5. Transfer to provide for an academic special project.		
From: Academy/Criminal Services	Professional Services	\$ 788
To: Academy/Criminal Services	Academic Special Project	\$ 700
	Employee Benefits	88
M6. Transfer to provide for student financial grants. (Fund 12, Resource 1190)		
From: Foster Youth Support Services	Travel Expenses	\$ 2,000
	Conferences	2,000
To: Foster Youth Support Services	Student Financial Grants	\$ 4,000
M7. Transfer to provide for mileage.		
From: Community Outreach	Supplies	\$ 250
To: Community Outreach	Mileage	\$ 250
<u>District Office and District Support Services</u>		
D1. Transfer to purchase a computer.		
From: Administrative Support Center	Postage	\$ 1,100
To: Administrative Support Center	Equipment	\$ 1,100
D2. Transfer to provide for classified salaries. (Fund 11, Resource 1190)		
From: CTE	Copying and Printing	\$ 481
	Office Supplies	250
	Professional Services	6,054
	Mileage	494
	Other Services	26,632
To: CTE	Classified FT	\$ 5,353
	Employee Benefits	28,558



# Agenda Item (VI-B-3-a)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-3-a)
Subject	Resolution No. 28-14/15 – 2014-2015 GO-Biz
College/District	District
Funding	Grants and Categorical Programs
Recommended Action	It is recommended that the Board of Trustees approve adding the revenue and expenditures of \$90,000 to the budget.

---

## Background Narrative:

The Riverside Community College District has received funding for the 2014-15 GO-Biz grant in the amount of \$90,000. The funding will be utilized for one-on-one consulting to early stage entrepreneurs with high technology and high growth business for the purpose of securing capital from angel and venture capital investors.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning  
John Tilquist, Dean, Economic Development

## Attachments:

[12092014\\_Resolution No. 28-14/15 – GO-Biz](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT

RESOLUTION TO AMEND BUDGET

RESOLUTION No. 28-14/15

2014-2015 GO-Biz

WHEREAS the governing board of the Riverside Community College District has determined that income in the amount of \$90,000 is assured to said district, which exceeds amounts previously budgeted; and

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

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

This is an exact copy of the resolution adopted by the governing board at a regular meeting on December 09, 2014.

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Clerk or Authorized Agent

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 INCOME & EXPENDITURES - BUDGET AMENDMENT  
 Resolution No. 28-14/15  
 2014-2015 GO-Biz

Year	County	District	Date	Fund
15	33	07	12/9/2014	12

Fund	School	Resource	PY	Goal	Func	Object	Amount	Object Code Description
12	A00	1190	0	0000	0036	8627	90,000 00	REVENUE
								EXPENDITURES
12	AXD	1190	0	7012	0036	5110	90,000 00	Consulting
							90,000 00	TOTAL REVENUE
							90,000 00	TOTAL EXPENDITURES

# Agenda Item (VI-B-5-a)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-5-a)
Subject	Bid Award for the Early Childhood Education Center ADA Upgrade Project
College/District	Riverside
Funding	First 5 Riverside Grant
Recommended Action	It is recommended that the Board of Trustees award Bid Number 2014/15-30- Early Childhood Education Center ADA Upgrade Project, in the total amount of \$294,800 to Marjani Builders, Inc.

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## Background Narrative:

On November 17, 2014, the District received bids in response to an Invitation for Bid solicitation for the Early Childhood Education Center ADA Upgrade Project at Riverside City College. The project consists of the replacement of windows, doors, folding partitions, plumbing fixtures, flooring, painting, and cabinets in classrooms 1, 2, 3, & 4. Exterior work includes new walks, playground surfacing, and child play structures. See the attached Lowest Responsive and Responsible Bidders summary.

References for Marjani Builders, Inc. were checked by District Staff and found to be satisfactory.

Prepared By: Wolde-Ab Isaac, Interim President, Riverside  
Mazie Brewington, Vice President, Business Services (Riv)  
Scott Zwart, Assistant Director, Facilities, Maintenance and Operations  
Majd Askar, Purchasing Manager

## Attachments:

[12092014\\_ Lowest Responsive and Responsible Bidders Summary](#)

**Lowest Responsive and Responsible Bidders  
Early Childhood Education Center ADA Upgrade Project at  
Riverside City College**

<b><u>Contractor</u></b>	<b><u>Business Location</u></b>	<b><u>Total Bid Amount</u></b>
CTG Construction, Inc.	Wilmington	<b>**Withdrew Bid**</b>
Marjani Builders, Inc.	Mission Viejo	\$ 294,800
Torga Electric	San Bernardino	\$ 334,400
Dalke & Sons Construction, Inc.	Riverside	\$ 347,480
Hamel Contracting, Inc	Murrieta	\$ 335,008
Visionary Construction & Consulting, Inc.	Escondido	\$ 366,000
IBN Construction, Inc.	Orange	\$ 370,000
Kazoni Construction	Newport Beach	\$ 377,803
CalTec Corporation	Westminster	\$ 395,000
Harik Construction, Inc.	Glendora	\$ 413,000
Broughton Construction	Rancho Cucamonga	\$ 416,555
Robert D Gosney Construction	Hesperia	\$ 487,570





## Agenda Item (VI-B-6-a)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-6-a)
Subject	Contracts and Agreements Report Less than \$84,100 – All District Resources
College/District	District
Funding	Various Resources
Recommended Action	It is recommended that the Board of Trustees ratify contracts totaling \$180,991 for the period of November 1, 2014 through November 23, 2014.

---

### 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 \$84,100. The attached listing of contracts and agreements under \$84,100 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:

[12092014\\_Contracts and Agreements Less than \\$84,100 Report \(November\)](#)

Contracts and Agreements Report-All District Resources  
 \$84,100 and Under  
 11/01/14 thru 11/23/14

PO#	Department	Vendor	Location	Description	Amount
C0004790	President - Moreno Valley	CCSHP-NPMC	Riverside	Meeting Expenses	\$ 501
C0004791	Risk Management	Rave Mobile Safety	Framingham, MA	Professional Services	51,700
C0004792	Grants & Contract Services	Applied Development Resources	Carlsbad	Consultants	10,000
C0004793	Risk Management	Petersen International Underwriters	Valencia	Claims Expense	28,925
N/A	Federal Work Study	County of Riverside	Riverside	Off-Campus Worksite for FWS Students	No Cost
N/A	Student Employment	Trax Equestrian Center	Riverside	Off-Campus Worksite for FWS Students	No Cost
N/A	PA Program	St. Francis University	Loretto, PA	Bachelor Degrees for PA Students	No Cost
N/A	PA Program	St. Francis University	Loretto, PA	Master of Medical Science Degrees for PA Students	No Cost
N/A	Workforce Development	Riverside County Superintendent of Schools	Riverside	Educational Support Services	No Cost
N/A	Nursing	California Baptist University	Riverside	Preceptor Agreement for BSN and/or MSN Students	No Cost
N/A	Performance Riverside	Actor's Equity Association	Hollywood	Stephanie Wall, Guest Artist for Legally Blonde	No Cost
N/A	Performance Riverside	Actor's Equity Association	Hollywood	Jeffrey Todd, Guest Artist for Legally Blonde	No Cost
N/A	TriTech	CSU Fullerton Auxiliary Services Corporator	Fullerton	Subcontract S-5898 Award - GO-Biz	No Cost
N/A	Community Education	Education to Go	Temecula	Access & Payment Options for Online Classes	No Cost
<u>Additions to Approved/Ratify Contracts of \$84,100 and Under</u>					
C0004234	Institutional Effectiveness	Nuventive LLC	Pittsburgh, PA	Computer Software Maint/Lic	13,200
C0004394	Community Ed & Senior Citizen Education	Youngerman, Stephen	Riverside	Professional Services	1,500
C0004416	Facilities	Evoqua Water Technologies LLC	Signal Hill	Repairs - Service	165
C0004602	Business & Financial Services	Public Interest Investigation Inc	Los Angeles	Legal	75,000
C0004788	Information Services	CollegeNet, Inc.	Portland, OR	Amendment #1	No Cost
N/A	Performing Arts	Tickets.com	Costa Mesa	Amendment #2	No Cost
N/A	ECS	Riverside County Children & Families Commission	Riverside	Amendment #3	No Cost
Total					<u>\$ 180,991</u>



## Agenda Item (VI-B-6-b)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-6-b)
Subject	Agreement for Workforce Training Services between Riverside Community College District and Custom Corporate Communication
College/District	District
Funding	Employment Training Panel (ETP)
Recommended Action	It is recommended that the Board of Trustees approve the Agreement between Riverside Community College District and Custom Corporate Communication for up to \$200,000.00.

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### Background Narrative:

Presented for the Board's review is an agreement with Custom Corporate Communication (CCC), a training sub-contractor to Riverside Community College District (RCCD), to provide workforce training services. RCCD has received funding from the State of California Employment Training Panel (ETP) to pay the sub-contractor an amount up to \$200,000. The term of this agreement will be from September 17, 2014 through September 16, 2015. This will permit Custom Corporate Communication to provide employee training for multiple employers which will bring additional revenue to the District.

Prepared By: Robin Steinback, Interim Vice Chancellor, Ed. Svcs., Workforce Dev. and Planning  
John Tillquist, Associate Vice Chancellor, Economic Development

### Attachments:

[Agreement with CCC and RCCD](#)

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
EDUCATIONAL SERVICES AGREEMENT FOR ETP CONTRACTED SERVICES**

This Agreement constitutes an Agreement between Custom Corporate Communications (“Sub-Contractor”) and the Riverside Community College District (“District”) to provide training funded by the California Employment Training Panel (ETP).

**1.0 SERVICES:**

SUB-CONTRACTOR agrees to provide training to companies using Employment Training Panel (ETP) funds according to the DISTRICT’s ET15-0211 Agreement with ETP. Training will be held at company sites.

**2.0 ETP ADMINISTRATIVE REPORTING**

The SUB-CONTRACTOR agrees to cooperate with the Riverside Community College District in carrying out training and necessary administrative activities. The SUB-CONTRACTOR designates (name/title), to assist DISTRICT in completing the ETP required records, including but not limited to, managing the attendance rosters, documentation of training hours, and support certification of retention and employee/training wage information.

**3.0 COMPENSATION**

The DISTRICT will pay SUB-CONTRACTOR according to the following schedule:

Hourly reimbursement rates per student contact hour are:

- \$13.47 for Priority Large Employers
- \$11.24 for Non-Priority Large Employers
- \$19.47 for Small Priority Employers
- \$16.48 for Small Non-Priority Employers

Only courses listed in Exhibit A will be approved for compensation by the District and all courses must be pre-approved by the DISTRICT prior to their offering. The contract amount for this agreement will be up to \$200,000.00 dollars. This contract cap amount may be increased through a separate contract amendment.

Funds are provided on a first-come first-served basis based on demand for training. The District reserves the right to reallocate training funds to other sub-contractors and will provide advance notice if reallocation becomes necessary.

**4.0 PAYMENT**

The SUB-CONTRACTOR must submit all required class roster sign-in sheets, utilizing approved forms, to DISTRICT prior to invoicing. SUB-CONTRACTOR will invoice the DISTRICT for services satisfactorily rendered pursuant to this Agreement. The DISTRICT shall issue payment to SUB-CONTRACTOR within thirty (30) days after receipt of invoice from SUB-CONTRACTOR.

**5.0 TERM**

The term of this AGREEMENT will be from September 17, 2014 through September 16, 2015. Either party may terminate this Agreement any time, with or without cause, upon sixty (60) days written notice to the other party. Upon receipt of the notice of termination, SUB-CONTRACTOR shall immediately cease all work or services hereunder. In the event of termination, SUB-CONTRACTOR shall be entitled to compensation for all services rendered prior to the effectiveness of the notice of termination, and the DISTRICT shall be entitled to reimbursement for any compensation paid in excess of the service rendered.

## 6.0 INDEMNIFICATION

The DISTRICT shall defend, indemnify and hold harmless SUB-CONTRACTOR, its officers, employees and agents from and against all losses and expenses (including costs of reasonable attorneys' fees) by reason of liability imposed by laws upon SUB-CONTRACTOR for damages because of bodily injury, personal injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damage to property, including loss of use thereof, arising out of or in consequence of the performance of this Agreement, provided such injuries to persons or damage to property are not due to the negligent acts or omissions of SUB-CONTRACTOR, its officers, employees, agents or any other person or persons under the SUB-CONTRACTOR'S direct supervision and control; or of its Sub-Contractors or anyone directly or indirectly employed by either of them.

SUB-CONTRACTOR shall defend, indemnify and hold harmless the DISTRICT, its officers, employees and agents from and against all losses and expenses (including costs of reasonable attorneys' fees) by reason of liability imposed by laws upon the DISTRICT for damages because of bodily injury, personal injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damage to property, including loss of use thereof, arising out of or in consequence of the performance of this Agreement, provided such injuries to persons or damage to property are not due to the negligent acts or omissions of the DISTRICT, its officers, employees, agents or any other person or persons under the DISTRICT'S direct supervision and control; or of its Sub-Contractors or anyone directly or indirectly employed by either of them.

## 7.0 ASSIGNMENT

The District shall not assign this Agreement or the consideration payable under this Agreement without the written consent of the Sub-Contractor.

## 8.0 WRITTEN NOTICE

All notices required or permitted to be given by this Agreement shall be deemed given when personally delivered to the recipient thereof or two (2) days after it has been mailed by certified mail, return receipt requested, postage prepaid, and addressed to the parties.

## 9.0 AMENDMENT/MODIFICATION

No amendment to this Agreement shall be effective unless it is approved in writing and signed by all parties in the same manner as this Agreement.

## 10.0 ENTIRE AGREEMENT

This Agreement sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions.

## 11.0 EMPLOYMENT TRAINING PANEL SUBAGREEMENTS AND THIRD-PARTY AGREEMENTS (SUBCONTRACTS)

As stipulated in items 5.3 and 5.4 of the ETP ET15-0211 Agreement, the following information is provided to comply with these requirements.

Company Name:	Custom Corporate Communications
Address:	1820 S Elena Ave, Suite G Redondo Beach, CA 90277
Contact Person:	Gina Weissenberg
Title:	Director of Operations
Telephone:	(310) 487-1586
E-mail address:	gweissenberg@c3train.com
Type of Service:	Training
Amount of Service(s):	Up to \$200,000.00 dollars
Term of Agreement:	September 17, 2014, through September 16, 2015.
ETP Reference #:	Riverside Community College District ET15-0211 Agreement

SUB-CONTRACTOR agrees to follow all terms set forth by the Employment Training Panel (ETP) in Exhibit B (referenced to Exhibit C - Third-Party Agreement (Subcontracts) in Riverside Community College District's ET15-0211 agreement with the ETP.

12.0 DEBARMENT & SUSPENSION:

In accordance with Executive Orders 12549 & 12689, Sub-Contractor certified by entering into this transaction, that neither it nor its principal(s) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

13.0 NON-DISCRIMINATION

Sub-Contractor shall not discriminate against any person in the provision of services, or employment of persons on the basis of ethnic group identification, national origin, religion, age, gender, gender identity, gender expression, race or ethnicity, color, ancestry, genetic information, sexual orientation, physical or mental disability, pregnancy, or any characteristic listed or defined in Section 11135 of the Government Code or any characteristic that is contained in the prohibition of hate crimes set forth in subdivision (1) of Section 422.6 of the California Penal Code, or any other status protected by law.

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date first written above.


DISTRICT:

Riverside Community College District  
4800 Magnolia Avenue  
Riverside, CA 92506

SUB-CONTRACTOR:

Custom Corporate Communications  
1820 S Elena Ave, Suite G  
Redondo Beach, CA 90277

\_\_\_\_\_  
Aaron S. Brown  
Vice Chancellor, Business and Financial Services

  
\_\_\_\_\_  
Gina Weissenberg  
Director of Operations

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

Date: 7/9/14

**Exhibit A: Menu Curriculum****RCCD ET15-0211****Class/Lab Hours**

8 – 200 (Job Number 1)

8 – 60 (Job Number 2)

Trainees may receive any of the following:

**BUSINESS SKILLS**

- ✦ Business Communication and Writing Skills
- ✦ Customer Service
- ✦ Communication Skills
- ✦ Leadership Skills
  - Finance for Non-Finance People
  - Goal Setting
  - Managing Change
  - Performance Management Skills
  - Problem Solving
  - Project Coordination
  - Team Building
  - Time and Priority Management
- ✦ Project Management
- ✦ Sales Skills

**CONTINUOUS IMPROVEMENT**

- ✦ American Production & Inventory Control Society Certification Training (APICS)
- ✦ Design of Experiments
- ✦ International Trade
- ✦ ISO Auditor Training
- ✦ Lean Enterprise
  - Lean Manufacturing
  - Lean Office
  - Kaizen 7S
  - Process Improvement
  - Process Mapping
  - Problem Solving
  - Root Cause Analysis
  - Set-Up Time Reduction
- ✦ Process Management
- ✦ Quality Engineering
- ✦ Six Sigma
- ✦ Statistical Process Control Team Building

**COMPUTER SKILLS**

- ✦ CAD Cam Engineering Software Training
- ✦ E-Commerce

- ✦ Enterprise and Manufacturing Management Systems
- ✦ Microsoft Office Suite (Beginning – Job 2 only; Intermediate & Advanced – Jobs 1 and 2)
  - Word
  - Excel
  - Access
  - Power Point
- ✦ QuickBooks and Accounting Software
- ✦ Solidworks, Computer Design Software

### **MANUFACTURING SKILLS**

- ✦ Advance Measurement Tools and Techniques
- ✦ Aircraft Structures and Assembly
- ✦ Beverage Equipment Service
- ✦ Blueprint Reading
- ✦ Drive Systems Maintenance
- ✦ Electrical Fundamentals
- ✦ Electrical Troubleshooting
- ✦ Geometric Dimension and Tolerances
- ✦ Inventory Management
- ✦ Numerical Control Functions
- ✦ Programmable Logic Controllers
- ✦ Welding/Soldering

### **OSHA 10/30 (OSHA Certified Instructor)**

- ✦ OSHA 10 (requires completion of 10 hours)
- ✦ OSHA 30 (requires completion of 30 hours)

Note: Reimbursement is capped at 200 total training hours per trainee in Job Number 1, and 60 total training hours per trainee in Job Number 2, regardless of the method of delivery



**EXHIBIT B: Third-Party Agreement (Subcontracts)**

(Referenced as Exhibit C - Third-Party Agreement (Subcontracts) in Riverside Community College District's ET15-0211 Agreement with the ETP.)

1. The Employment Training Panel (ETP) is not a party to this Agreement. ETP is not obligated in any manner for any liability that may arise out of this Agreement. No third party relationship is intended or created with ETP under this Agreement.
2. Sub-Contractor agrees that ETP has the right, during normal business hours, to examine or audit any and all records, books, papers, and documents related to the delivery of services, including all accounting source payroll documents, under this Agreement to the extent ETP deems necessary.
3. Sub-Contractor agrees that ETP has the right, during normal business hours, to freely observe and monitor the delivery of services under this Agreement with or without the Sub-Contractor's presence. In particular, Sub-Contractor agrees that ETP has the right to interview trainees, trainers and training personnel.
4. Sub-Contractor agrees to maintain all records and other writings that pertain to the delivery of services under this Agreement for a period of no less than 4 years from termination or 3 years from Fiscal Closeout, whichever is later.
5. This Agreement shall be governed by the laws of the State of California. If ETP is named as a party in litigation, arbitration or other proceedings, in connection with this Agreement, the exclusive venue and place of jurisdiction will be the county of Sacramento in the State of California.
6. In the event of any conflict or inconsistency between the terms of this Agreement and the ETP Agreement, the latter shall govern and prevail.
7. In no event shall the administrative fees paid under this Agreement with ETP funds exceed 13% of payment earned for Retraining or 20% of payment earned for New-Hire Training. As use herein, "payment earned" means the amount of reimbursement the Sub-Contractor is entitled to retain based on ETP Fiscal Closeout. [Section 4400(r).]



# Agenda Item (VI-B-7)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-7)
Subject	Out-of-State Travel
College/District	District
Funding	n/a
Recommended Action	It is recommended that the Board of Trustees approve the out-of-state travel.

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## 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: Michael Burke, Ph.D., Chancellor  
Michelle Haeckel, Administrative Assistant, Office of the Chancellor

## Attachments:

[Out-of-State Travel\\_120914](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S OFFICE

Subject: Out-of-State Travel

Date: December 9, 2014

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

Revision:

- 1) Dr. Ward Schinke, associate professor, political science, to travel to Rome Italy, November 21-30, 2014, to accompany eight (8) students attending the National Model United Nations Conference. Estimated cost: \$25,113.64. Funding sources: \$24,113.64 from the general fund Model United Nations and \$1,000 from the Model United Nations fund. (Traveler changed to Dr. Dariush Haghghat, professor, political science, Riverside City College.)

Current:

*Moreno Valley College:*

- 2) Dr. Roslynn Byous, assistant professor, health, human & public services/PA program, to travel to Chicago Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Meeting. Estimated cost: \$1,620.00. Funding source: Song-Brown grant funding.
- 3) Dr. Carol Farrar, interim vice president, academic affairs, to travel to Chicago Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Meeting. Estimated cost: \$1,654.72. Funding source: general funds.
- 4) Dr. Deon Kidd, assistant professor, health, human & public services/PA program, to travel to Chicago Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Meeting. Estimated cost: \$1,620.00. Funding source: Song-Brown grant funding.
- 5) Dr. Sandra Mayo, president, Moreno Valley College, to travel to Chicago, Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Meeting. Estimated cost: \$1,657.43. Funding source: general funds.

*Norco College:*

- 6) Dr. Greg Aycock, dean, academic affairs, to travel to Lake Buena Vista, Florida, January 25-27, 2015, to attend the 2015 Community College Futures Assembly and Bellwether Awards. Estimated cost: \$1,934.00. Funding source: general fund.
- 7) Ms. Melissa Bader, associate professor, communications, to travel to Lake Buena Vista, Florida, January 25-27, 2015, to attend the 2015 Community College Futures Assembly and Bellwether Awards. Estimated cost: \$1,934.00. Funding source: general fund.

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
CHANCELLOR'S OFFICE

Subject: Out-of-State Travel

Date: December 9, 2014

- 8) Dr. Diane Dieckmeyer, vice president, academic affairs, to travel to Lake Buena Vista, Florida, January 23-27, 2015, to attend the 2015 Community College Futures Assembly, National Policy Summit, and Bellwether Awards. Estimated cost: \$3,104.00. Funding source: general fund.
- 9) Dr. Monica Green, vice president, student services, to travel to Lake Buena Vista, Florida, January 23-27, 2015, to attend the 2015 Community College Futures Assembly, National Policy Summit, and Bellwether Awards. Estimated cost: \$3,104.00. Funding source: general fund.
- 10) Ms. Marissa Iliscupidez, associate professor, counseling, social & behavioral sciences, to travel to Lake Buena Vista, Florida, January 25-27, 2015, to attend the 2015 Community College Futures Assembly and Bellwether Awards. Estimated cost: \$1,934.00. Funding source: general fund.
- 11) Dr. Paul Parnell, president, Norco College, to travel to Lake Buena Vista, Florida, January 25-27, 2015, to attend the 2015 Community College Futures Assembly and Bellwether Awards. Estimated cost: \$1,920.00. Funding source: general fund.

*Riverside City College:*

- 12) Mr. Michael Haley, assistant dean, center for international students & programs, to travel to Washington D.C., January 25-29, 2015, to attend the 13<sup>th</sup> Annual Washington International Education Conference. Estimated cost: \$2,895.00. Funding source: general fund.
- 13) Dr. Mary Margarita Legner, professor, mathematics, to travel to San Antonio, Texas, January 9-13, 2015, to attend the Joint Mathematics Meeting. Estimated cost: \$1,620.86. Funding source: general fund.

*Riverside Community College District:*

- 14) Dr. Michael L. Burke, chancellor, to travel to Chicago Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Appeal Hearing. Estimated cost: \$2,075.00. Funding source: general fund.
- 15) Mr. Nathan Miller, secretary, board of trustees, to travel to Lake Buena Vista, Florida, January 25-27, 2015, to attend the 2015 Community College Futures Assembly and Bellwether Awards. Estimated cost: \$2,195.00. Funding source: general fund.
- 16) Dr. Robin Steinbeck, interim vice chancellor, education services, to travel to Chicago Illinois, January 13-15, 2015, to attend the Physician's Assistant Accreditation Meeting. Estimated cost: \$1,647.84. Funding source: general funds.



# Agenda Item (VI-B-8-a)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-8-a)
Subject	Signature Authorization
College/District	District
Funding	N/A
Recommended Action	It is recommend that the Board of Trustees authorize each Trustee and designated District administrators to sign vendor warrant orders, salary payment orders, notices of employment, bank checks, purchase orders, change orders, and grant documents.

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## 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:

[12092014\\_Signature Authorization](#)

## **SIGNATURE AUTHORIZATION**

### **December 09, 2014**

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:

Michael L. Burke	Chancellor
Aaron S. Brown	Vice Chancellor, Business and Financial Services
Sylvia A. Thomas	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
Sylvia A. Thomas Interim Vice Chancellor, 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: Riverside Community College District

Date of Meeting: December 9, 2014

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	_____ Michael L. Burke, Chancellor	_____ Michael L. Burke, Chancellor
_____ Clerk or Vice President of the Board	_____ Aaron S. Brown, Vice Chancellor, Business & Financial Services	_____ Aaron S. Brown, Vice Chancellor, Business & Financial Services
_____ Member of the Board	_____ Sylvia A. Thomas, Interim Vice Chancellor, Diversity and Human Resources	_____ Sylvia A. Thomas, Interim Vice Chancellor and Human Resources
_____ Member of the Board	_____ Bill J. Bogle Jr., Controller	_____ Bill J. Bogle, Controller
_____ Member of the Board	_____ Michael W. Simmons, Director, Risk Management	_____ Michael W. Simmons, Director, Risk Management

*\*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 : 1  "B" Warrant Orders: 1

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:** Riverside Community College District

**Date of Meeting:** December 9, 2014

<b>Column I</b>	<b>Column II</b>	<b>Column III</b>
<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	Khaled Khalil, Payroll Manager	Khaled Khalil, Payroll Manager
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 (VI-B-8-b)

Meeting	12/9/2014 - 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 the property does not exceed the total value of \$5,000; and (3) authorize the property to be consigned to The Liquidation Company to be sold on behalf of the District.

---

### 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:

[12092014\\_Surplus Property List](#)

SURPLUS PROPERTY  
 DECEMBER 09, 2014

QUANTITY	BRAND	DESCRIPTION	MODEL #	SERIAL #	ASSET TAG #
1	GATEWAY	CPU	E-4300	NONE	25858
1	GATEWAY	CPU	E-4300	NONE	25865
1	GATEWAY	CPU	E-4300	NONE	24710
1	GATEWAY	CPU	E-4300	NONE	25886
1	GATEWAY	CPU	E-4300	NONE	24715
1	GATEWAY	CPU	E-4300	NONE	25875
1	GATEWAY	CPU	E-4300	NONE	30618
1	GATEWAY	CPU	E-4300	NONE	25098
1	HP	PRINTER	G85XI	SGG23E01Y5	NONE
1	DELL	CPU	GX280	NONE	30442
1	GATEWAY	CPU	E-6100	NONE	22906
1	GATEWAY	CPU	E-6100	NONE	22895
1	GATEWAY	CPU	E-6100	NONE	23247
1	PANASONIC	SCANNER	KVS2065	NONE	40420
1	HP	PRINTER	DESKJET 5650	SG430110TB	NONE
1	XEROX	PRINTER	PHASER 8500	NONE	32680
1	GATEWAY	MONITOR	FPD1520	NONE	19673
1	HP	PRINTER	DJ830C	NONE	40393
1	HP	PRINTER	LJ5	NONE	8943
1	HP	PRINTER	LJ4000	NONE	10619
1	HP	PRINTER	0J7210	NONE	37853
1	HP	PRINTER	0J950C	NONE	32529
1	HP	PRINTER	DJD4360	NONE	40439
1	HP	PRINTER	LJ3030	NONE	26851
1	HP	PRINTER	LJ6	NONE	8953
1	BROTHER	LAMINTOR	MFC5860CN	NONE	37257
1	HP	PRINTER	LJ5SI	NONE	10310
1	HP	PRINTER	0J6000	NONE	41076
1	HP	PRINTER	LJ4000	NONE	6933
1	GATEWAY	MONITOR	FPD1530	NONE	25333
1	GATEWAY	MONITOR	FPD1530	NONE	25335
1	GATEWAY	MONITOR	FPD1530	NONE	25318
1	GATEWAY	MONITOR	FPD1531	NONE	25332
1	GATEWAY	MONITOR	FPD1531	NONE	22928
1	GATEWAY	MONITOR	FPD1531	NONE	25120
1	VIEWSONIC	MONITOR	VA176W	QRQ81947118	NONE
1	GATEWAY	MONITOR	FPD1540	NONE	23733
1	GATEWAY	MONITOR	FPD1730	NONE	24714
1	GATEWAY	MONITOR	FPD1530	NONE	24712
1	GATEWAY	MONITOR	FPD1765	NONE	24892
1	GATEWAY	MONITOR	FPD1785	NONE	25175
1	GATEWAY	MONITOR	FPD1730	NONE	25877
1	GATEWAY	MONITOR	FPD1930	NONE	26436
1	GATEWAY	MONITOR	FPD1940	NONE	23723
1	GATEWAY	MONITOR	FPD1730	NONE	26286
1	GATEWAY	LAPTOP	M675	NONE	25701
1	GATEWAY	LAPTOP	MA6	NONE	31480
1	DELL	LAPTOP	D510	NONE	24987
1	HP	LAPTOP	XE3	NONE	22638
1	DELL	LAPTOP	D510	NONE	18882
1	DELL	DESKTOP	GX280	NONE	NONE
1	GATEWAY	MONITOR	FPD1530	NONE	37548
1	GATEWAY	MONITOR	FPD1530	NONE	37534

SURPLUS PROPERTY  
 DECEMBER 09, 2014

QUANTITY	BRAND	DESCRIPTION	MODEL #	SERIAL #	ASSET TAG #
1	GATEWAY	MONITOR	FPD1530	NONE	25134
1	GATEWAY	MONITOR	FPD1530	NONE	23314
1	GATEWAY	MONITOR	FPD1530	NONE	23919
1	GATEWAY	MONITOR	FPD1530	NONE	23724
1	GATEWAY	MONITOR	FPD1530	NONE	24542
1	GATEWAY	MONITOR	FPD1530	NONE	NONE
1	GATEWAY	MONITOR	FPD1530	NONE	24110
1	GATEWAY	MONITOR	FPD1530	NONE	25531
1	GATEWAY	MONITOR	FPD1530	NONE	22946
1	GATEWAY	MONITOR	FPD1530	NONE	25136
1	GATEWAY	MONITOR	FPD1530	NONE	25121
1	GATEWAY	MONITOR	FPD1530	NONE	36142
1	GATEWAY	MONITOR	FPD1530	NONE	24343
1	GATEWAY	MONITOR	FPD1530	NONE	25005
1	PRINCETON	MONITOR	FPD1530	NONE	NONE
1	GATEWAY	MONITOR	FPD1530	NONE	NONE
1	GATEWAY	MONITOR	FPD1530	NONE	25118
1	GATEWAY	MONITOR	FPD1530	NONE	NONE
1	GATEWAY	MONITOR	FPD1530	NONE	19072
1	GATEWAY	MONITOR	FPD1530	NONE	19735
1	GATEWAY	MONITOR	FPD1530	NONE	19739
1	GATEWAY	MONITOR	FPD1530	NONE	26173
1	GATEWAY	MONITOR	FPD1530	NONE	25122
1	GATEWAY	MONITOR	FPD1530	NONE	39329
1	GATEWAY	MONITOR	FPD1530	NONE	20268
1	GATEWAY	MONITOR	FPD1530	NONE	31304
1	GATEWAY	MONITOR	FPD1530	NONE	24327
1	HP	PRINTER	LJ5	NONE	23918
1	HP	PRINTER	C7180	NONE	30622
1	HP	PRINTER	1100	NONE	31481
1	HP	PRINTER	F4480	NONE	36168
1	HP	PRINTER	D2560	NONE	24960
1	SHARP	FAX	UXB800SE	NONE	26794
1	BROTHER	LAMINTOR	LX1200	NONE	NONE
1	HP	PRINTER	1100	NONE	43780
1	HP	PRINTER	1100	NONE	NONE
1	HP	PRINTER	1100	NONE	43801
1	HP	PRINTER	1100	NONE	49252
1	HP	PRINTER	1100	NONE	23863
1	GATEWAY	LAPTOP	D510	NONE	39337
1	GATEWAY	MONITOR	FPD1730	NONE	24563
1	GATEWAY	MONITOR	FPD1731	NONE	25133
1	GATEWAY	MONITOR	FPD1732	NONE	25003
1	GATEWAY	CPU	E SERIES	NONE	26837
1	GATEWAY	CPU	E-4500S	NONE	32822
1	GATEWAY	CPU	E-4500S	NONE	32808



## Agenda Item (VI-B-8-c)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-8-c)
Subject	Purchase of Cabling and Networking Products and Services Utilizing The Cooperative Purchasing Network (TCPN) Contract
College/District	District
Funding	Various Resources
Recommended Action	It is recommended that the Board of Trustees approve the purchase of cabling and networking products and services from Anixter Inc., utilizing The Cooperative Purchasing Network (TCPN) Contract No. R5136 through March 31, 2015.

---

### Background Narrative:

The Cooperative Purchasing Network (TCPN), a national government purchasing cooperative, maintains lists of contracts for goods and services awarded to multiple vendors. TCPN assists in reducing the cost of purchased goods and services for participating agencies by aggregating their purchasing power nationwide. This is accomplished through competitively solicited contracts with lead public agencies. Public Contract Code 20652 authorizes state and local agencies to piggyback on existing bids properly advertised and awarded by other public entities.

Staff recommends use of TCPN Contract No. R5136, as needed throughout the District, with Anixter Inc., as one of the sources for the purchase of cabling and networking products and services. The term of the contract is March 12, 2012 to March 31, 2015, and contains an option to renew for two (2) additional one (1) year periods. District staff has reviewed available cooperative purchasing agreements and other formal purchasing options and found that this contract best meets the needs of the District.

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

Attachments:



# Agenda Item (VI-B-8-d)

Meeting	12/9/2014 - Regular
Agenda Item	Consent Agenda Action (VI-B-8-d)
Subject	Resolution No.29-14/15, Trustee Excused Absence
College/District	District
Funding	n/a
Recommended Action	It is recommended that the Board of Trustees adopt Resolution No. 29-14/15 to excuse Board of Trustee Members' absences.

---

## Background Narrative:

On January 25, 2011, the Board of Trustees approved Board Policy No. 2725, "Board Member Compensation" that states, "Board Members may be paid for any meeting at which they were absent, if the Board, by resolution duly adopted and included in its minutes, finds that at the time of the meeting the absent Board member was performing services outside the meeting for the District, was ill or on jury duty, or was absent due to a hardship deemed acceptable by the Board."

At the October 21, 2014 regular meeting of the Board of Trustees, Board Members Virginia Blumenthal and Mary Figueroa were absent for the purpose of participating in an out-of-state conference on behalf of the District. Resolution No. 29-14/15 is presented for approval to excuse their absences.

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

## Attachments:

[Board Member Compensation Resolution\\_120914](#)

RIVERSIDE COMMUNITY COLLEGE DISTRICT  
RESOLUTION REGARDING BOARD MEMBER ABSENCE

RESOLUTION No. 29-14/15

WHEREAS, Board Policy 2725 indicates that Board members may be paid for an absence from a Board meeting if the Board adopts a Resolution excusing that absence because the absent member: 1) was performing services outside the meeting for the District; 2) was ill; 3) was on jury duty; or 4) had a hardship deemed acceptable by the Board.

WHEREAS, on October 21, 2014, the Governing Board of the Riverside Community College District held a Regular Board meeting; and,

WHEREAS, Trustees Virginia Blumenthal and Mary Figueroa were not present at the Board meeting; and,

WHEREAS, the Board determined that Trustees Blumenthal and Figueroa's absence was due to out of state travel to Chicago, IL for the ACCT 2014 Leadership Congress and panelists for the Ben Clark Training Center Presentation;

NOW, THEREFORE, BE IT RESOLVED that Trustees Blumenthal and Figueroa shall be paid at the regular rate of compensation for the Board meeting of October 21, 2014.

PASSED AND ADOPTED by the Governing Board of the Riverside Community College District this \_\_\_\_ day of \_\_\_\_\_, 2014.

---

President of the Board of Trustees  
Riverside Community College District



# Agenda Item (VIII-B-1)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Teaching and Learning (VIII-B-1)
Subject	Student Equity Plans for Riverside City College, Norco College and Moreno Valley College for 2014
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees approve the Student Equity Plan from each of the district colleges: Moreno Valley College, Norco College and Riverside City College for 2014.

---

## Background Narrative:

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

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

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

## Attachments:

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

# Student Equity Plans

## Teaching & Learning Board Committee Meeting

December 2, 2014



Presented by:

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

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

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



**M**  
MORENO  
VALLEY  
COLLEGE

**NORCO**  
COLLEGE

**RCC**  
RIVERSIDE CITY COLLEGE



# Student Equity Plan Legislation and Guidelines



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

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

- Senate Bill 860(2014) states:

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

# Student Equity Plan Legislation and Guidelines



- Student Success Indicators are defined as:
  - Access
  - Course Completion
  - ESL and Basic Skills Completion
  - Degree and Certificate Completion
  - Transfer
  
- Targeted Student Populations
  - Gender
  - Age
  - Race and Ethnicity
  - Current or former Foster Youth
  - Students with Disabilities
  - Low-income students
  - Veterans

# Student Equity Funding Formula Factors



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

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

# College Equity Plan



- Riverside City College
- Moreno Valley College
- Norco College

# Riverside City College

## EQUITY DATA OVERVIEW BACKGROUND



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

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

# Riverside City College

ACCESS



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

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

# Riverside City College

ESL/Basic Skills Completion



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

## Sample of Activities:

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

# Riverside City College

## Course Completion



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

### **Sample of Activities:**

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



# Riverside City College

## Certificate and Degree Completion



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

### **Sample of Activities:**

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

# Riverside City College

## Transfer



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

### **Sample of Activities:**

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

# Moreno Valley College



## Student Equity at Moreno Valley College

- History of college-wide efforts
- Student Equity Summit & Equity Committee
  
- Approach
  - Unifying
  - Holistic
  - Transformative

# Moreno Valley College



## **Analysis of equity gaps in Success Indicators**

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

## **Analysis of equity gaps by Student Subpopulations**

- Ethnicity
- Foster Youth
- Age

# Moreno Valley College



**Goal: Close Equity Gaps and “raise the floor”**

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

# Moreno Valley College



## Sample Year 1 Activities:

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

# Moreno Valley College



## General Activities

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

# Norco College

## STUDENT EQUITY PLAN HISTORY



1

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

2

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

3

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



# Norco College

## STUDENT EQUITY PLAN OUTCOME



### Progress on activities

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

### Innovations

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

### Alignment with strategic planning goals

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


# Norco College

## SAMPLE OF FINAL OVERVIEW REPORT



### Course Completion

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

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

# Norco College

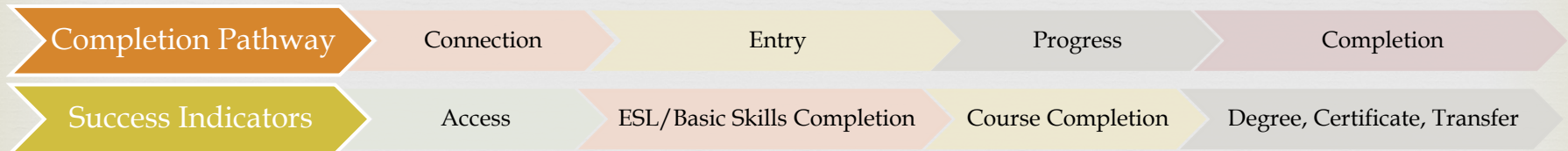
## OVERVIEW OF EQUITY STRATEGIES



### **Goal: Student Equity Minded Campus Culture**

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

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



End of Presentation



## **Student Equity Plans**

Moreno Valley College Student Equity Plan

Norco College Student Equity Plan

Riverside City College Student Equity Plan



# Agenda Item (VIII-B-2)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Teaching and Learning (VIII-B-2)
Subject	Proposal for Professional Services with Hyland Software, Inc. and Riverside Community College District
College/District	District
Funding	Student Success and Support Funds (MVC, NC, RCC)
Recommended Action	It is recommended that the Board of Trustees approve the professional services proposal between Hyland Software, Inc. and Riverside Community College District in the amount of \$210,830.00.

---

## Background Narrative:

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

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

## Attachments:

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

# HYLAND<sup>®</sup> SOFTWARE

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## PROFESSIONAL SERVICES PROPOSAL

---

Riverside Community  
College District

---

DOCUMENT VERSION : 4.0

---

DOCUMENT DATE : 25-Sept-2014

---

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

---

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

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## **INTRODUCTION**

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

## **PROPOSAL TERMS & USAGE**

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

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

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

## PROJECT AREAS

### Project 1 – Transfer Course Evaluation Outcome Based Solution

#### *Scope*

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

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

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

The TCE solution supports the following operations:

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

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

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

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

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

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

c. Term

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

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

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

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

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

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

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

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

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

The scope of this project includes the following services:

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

C. Configuration of:

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

*Preconfigured Items*

The following items are preconfigured within the solution:

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

26. Ext Organization Country

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

*Services*

Solution Verification, Implementation, Project Management

*Deliverables*

Software Solution, Solution Training Guide, Solution Administration Guide

*Customer Deliverables*

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

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

*Assumptions*

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

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

#### *Project Assumptions*

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



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

### *Customer Responsibilities*

The Customer is responsible for the following:

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

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

#### *General Integration Assumptions*

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

#### *Exclusions*

The scope of the project does not include:

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

## **Project 2 – Colleague Integration for Transfer Credit Evaluation**

### *Scope*

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

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

### *Services*

Discovery, Implementation, Project Management

### *Deliverables*

Integration for Colleague Administration Guide

### *Assumptions*

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

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

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

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

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

## DESCRIPTION OF SERVICES

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

### 1. Discovery

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

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

### 2. Implementation

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

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

### 3. Project Management

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

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

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

## DESCRIPTION OF DELIVERABLES

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

### 1. Software Solution:

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

### 2. Solution Administration Guide:

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

### 3. Solution Training Guide :

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

### 4. Integration for Colleague Administration Guide:

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

### 5. Integration for Colleague Solution

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

## PRICING ESTIMATE

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

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

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

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

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

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

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



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

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

## KEY ASSUMPTIONS

The cost estimates were created using the following assumptions:

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

## **CUSTOMER RESPONSIBILITIES/OBLIGATIONS**

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

### **1. Project Management**

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

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

### **2. Installation and Deployment**

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

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

### **3. Software Integrations**

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

### **4. Testing/Training**

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

### **5. Project Personnel**

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

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

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

**Riverside Community College  
District**

**Hyland Software, Inc.**

By:

By: *Mark Davis*

Name: (Print) Aaron S. Brown

Name: (Print) *Mark Davis*

Title: Vice Chancellor,  
Business and Financial Services

Title: *VP, Hyland Global Services*

Date:

Date: *October 6, 2014*

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# Solution Pricing

## OnBase Software and Maintenance

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

### Industry Products

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

### Professional Services

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

All prices are in United States Dollars - USD

\*Pricing will remain valid until 10-15-2014

#### Quote Summary

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

# Agenda Item (VIII-B-3)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Teaching and Learning (VIII-B-3)
Subject	Proposed Curricular Changes
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees approve the curricular changes for inclusion in the catalog and in the schedule of class offerings.

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

## Attachments:

[Proposed Curricular Changes\\_December 2014\\_backup 120414.pdf](#)

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

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



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

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

Course	Title	Location
The following course is being modified to add a limitation on enrollment of “Audition on or before the first class meeting.” update the short course description, SLOs, course content, MOI, MOE, course materials and sample assignments:		
MUS-58	Gospel Choir	MR
The following course is being modified to update the course description, content, MOI, MOE, sample assignments, materials, add entry skill, and link the SLOs to the GESLOs:		
MUS-78	Beginning Applied Music II	NR
The following course is being updated to change the title from “Advanced Applied Music,” add entry skill, link SLOs to GESLOs, update the course description, content, MOI, MOE, sample assignments, and course materials:		
MUS-79	Applied Music II	R
The following course is being modified to update the course description, content, sample assignments, materials, add entry skill, and link the SLOs to the GESLOs:		
MUS-87	Applied Music Training	MNR
The following course is being modified to change the title from “Intermediate Applied Piano,” link the SLOs to the GESLOs, update the course description, course content, MOI, MOE, sample assignments and materials:		
MUS-P12	Applied Piano I	R
The following courses are being modified to link the SLOs with the GESLOs, and to update the course materials:		
NRN-11	Foundations of Nursing Practice Across the Lifespan	R
NRN-11A	Nursing Learning Laboratory	R
NRN-11B	Nursing Learning Laboratory	R
NRN-11C	Nursing Learning Laboratory	R
The following course is being modified to link the SLOs with the GESLOs, and to update the course content and course materials:		
NRN-12	Chronic Illness/Acute Maternal Child Specialty	R
The following courses are being updated to link the SLOs with the GESLOs, and to update the course materials:		
NRN-12A	Nursing Learning Laboratory	R
NRN-12B	Nursing Learning Laboratory	R
NRN-12C	Nursing Learning Laboratory	R
The following course is being modified to link the SLOs with the GESLOs, and to update the course content and materials:		
NRN-13	Acute and Chronic Illness	R
The following course is being modified to link the SLOs to the GESLOs, update the sample assignments and course materials:		
NRN-18	Transition Course for Advanced Placement Students	R
The following course is being modified to link SLOs to GESLOs, update the course content and course materials:		
NRN-21	Acute Care and Chronic Illness II/Mental Health	R
The following courses are being modified to link the SLOs to the GESLOs and update the course materials:		
NRN-21A	Nursing Learning Laboratory	R
NRN-21B	Nursing Learning Laboratory	R
NRN-21C	Nursing Learning Laboratory	R
The following course is being modified to link the SLOs to the GESLOs, update course content and materials:		
NRN-22	Integrated Care Across the Lifespan	R

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

Course	Title	Location
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#### 4. Course Deletions:

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

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

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

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

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

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

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

Associate in Arts in Economics for Transfer Degree	R
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Associate in Arts in History for Transfer Degree	M
--	---

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

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

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

Associate in Arts in Economics for Transfer

College: Riverside City

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

**Program Learning Outcomes**

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

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

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

**Associate in Arts for Transfer Degree**

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

PROGRAM OUTLINE OF RECORD  
NEW DEGREE

College: Moreno Valley

Associate in Arts in History for Transfer

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

Program Learning Outcomes

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

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

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

List A Choose two courses from the following:

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

List B Choose one course from each group:

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

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

Associate in Arts for Transfer Degree

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



PROGRAM OUTLINE OF RECORD  
NEW DEGREE

College: Riverside City

Associate in Arts in History for Transfer

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

Program Learning Outcomes

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

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

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

List A Take 3 units from the following:

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

List B Take 3 units from the following:

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

**Associate in Arts for Transfer Degree**

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

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

PROGRAM OUTLINE OF RECORD  
NEW DEGREE

Associate in Arts in Political Science for Transfer

College: Riverside City

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

Program Learning Outcomes

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

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

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

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

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

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

\* American History and Institutions

Associate in Arts for Transfer Degree

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

PROGRAM OUTLINE OF RECORD  
DEGREE/CERTIFICATE MODIFICATION

Accounting Concentration (M)

COLLEGE: MORENO VALLEY

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

Program Learning Outcomes

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

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

Business Administration Major Core Requirements

18

Program Learning Outcomes

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

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

Major Core Requirements:

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

PROGRAM OUTLINE OF RECORD  
DEGREE/CERTIFICATE MODIFICATION

General Business Concentration (M)

COLLEGE: MORENO VALLEY

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

Program Learning Outcomes

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

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

Business Administration Major Core Requirements 18

Program Learning Outcomes

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

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

Major Core Requirements:

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



# Agenda Item (VIII-D-1)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Resources (VIII-D-1)
Subject	Budget Augmentation for Athletic Office Remodel at RCC Wheelock Gymnasium
College/District	Riverside
Funding	College Allocated Measure C Funds
Recommended Action	It is recommended that the Board of Trustees augment the budget for the Athletic Directors Office Remodel Project by \$51,676

---

## Background Narrative:

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

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

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

## Budget Augmentation

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

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

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

## Attachments:

[Wheelock Athletic Office Remodel Floor Plan](#)  
[Budget Augmentation Breakdown\\_RCC\\_Wheelock AD Office](#)  
[Project Funding Scenario\\_RCC\\_Wheelock AD Office](#)



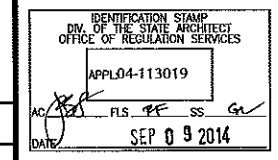
HIGGINSON + CARTOZIAN ARCHITECTS, INC.  
1455 WEST PARK AVENUE  
REGLANDS, CALIFORNIA 92373  
Ph: (909) 793-3100 Fax: (909) 793-3140  
website: hcarchinc.com



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ATHLETIC DIRECTOR'S OFFICE'S REMODEL

Riverside City Campus  
RCCD RIVERSIDE COMMUNITY COLLEGE DISTRICT



CHECKED BY: D.W.J.H. DRAWN BY: P.A.J.  
DATE: September, 2014

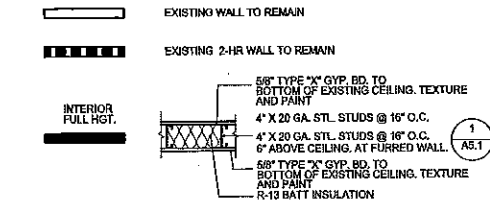
FLOOR PLAN & REFLECTED CLG. PLAN

A1.0

FLOOR PLAN KEY NOTES

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

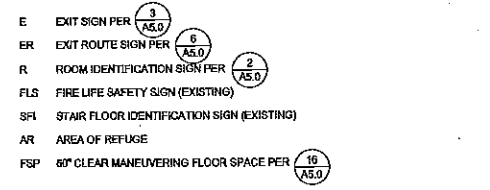
FLOOR PLAN LEGEND



FLOOR PLAN GENERAL NOTES

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

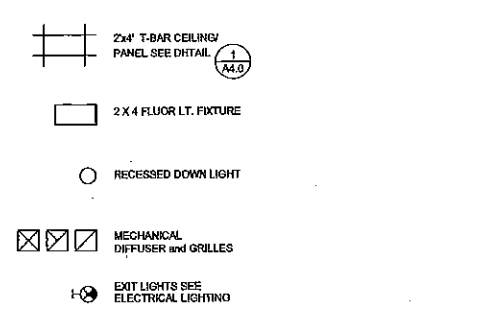
SIGNAGE LEGEND



CEILING AND ELECTRICAL NOTES

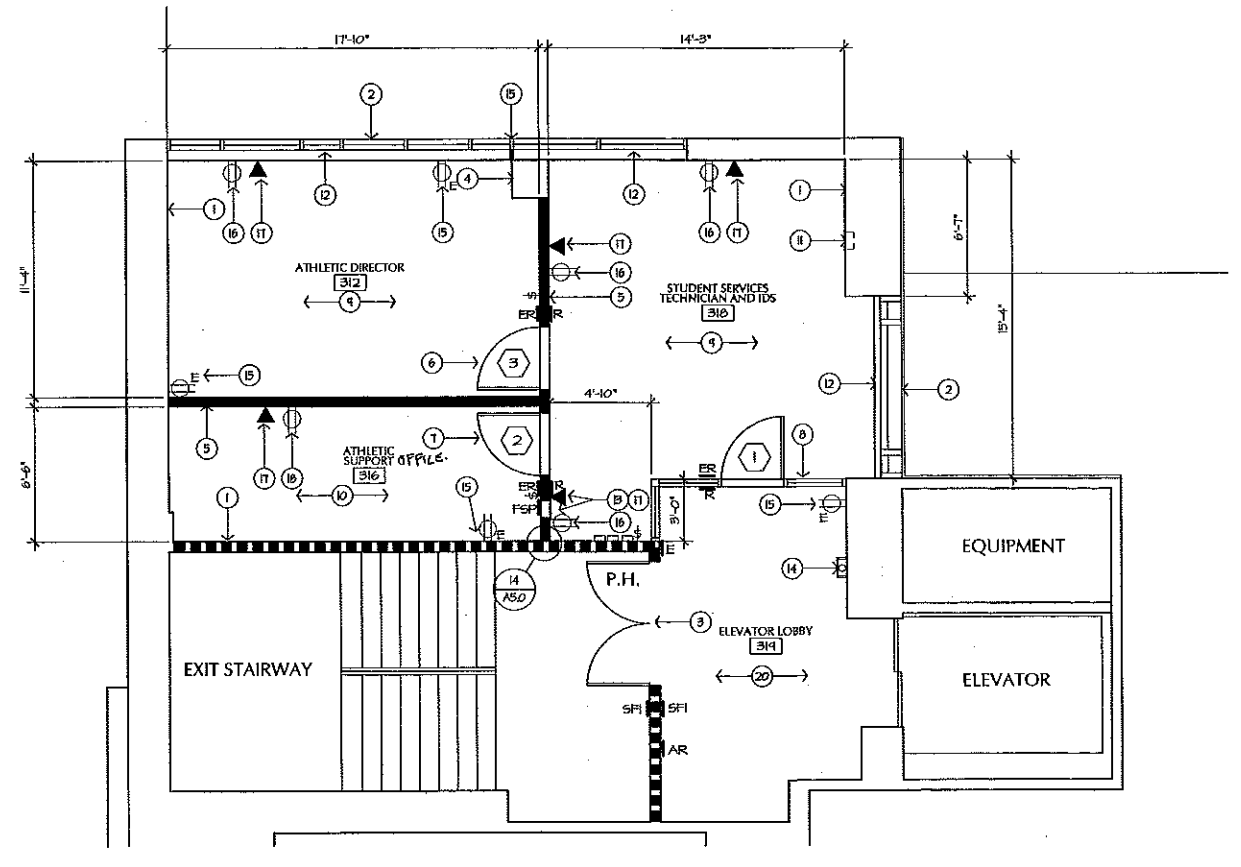
- 1 EXISTING 2X4 CEILING SYSTEM TO REMAIN - HEIGHT 7'-8" A.F.F. PROVIDE NEW TILES AS REQ. WHERE LIGHTS ARE REMOVED
- 2 EXISTING GWB CEILING SYSTEM TO REMAIN - HEIGHT 7'-8" A.F.F.
- 3 EXISTING 2X4 FLOOR LIGHT FIXTURE TO REMAIN
- 4 EXISTING 2X2 FLOOR LIGHT FIXTURE TO REMAIN
- 5 EXISTING 2X4 FLOOR LIGHT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

REFLECTED CEILING LEGEND

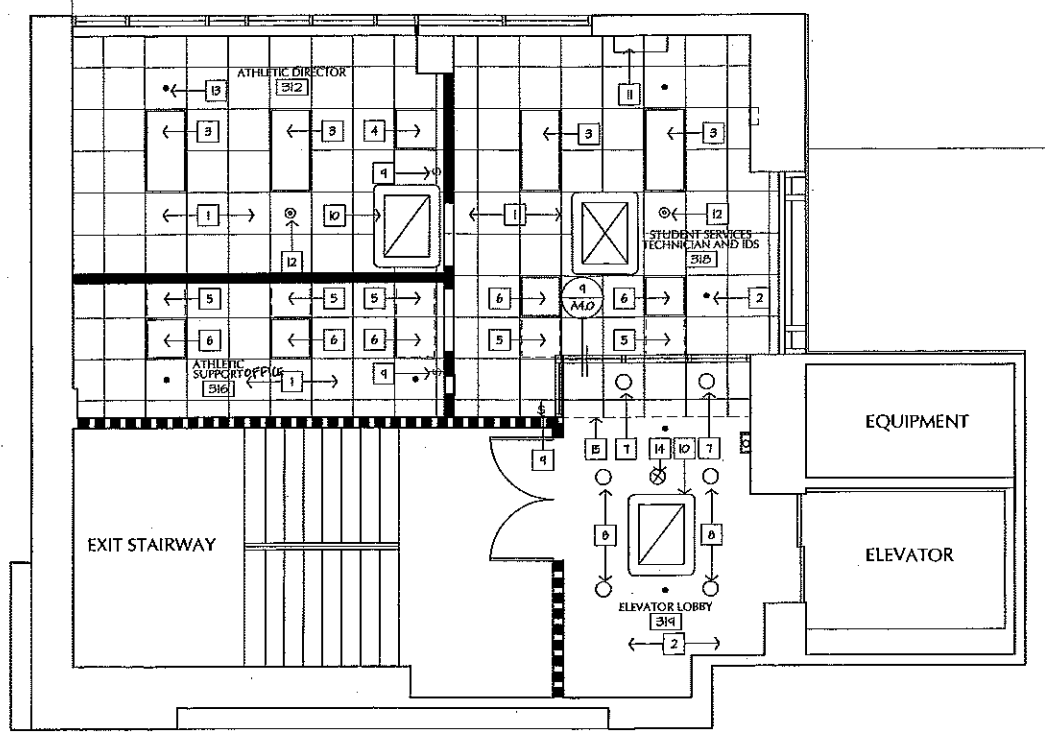


REFLECTED CEILING NOTES

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



NEW OFFICES FOR ATHLETIC DIRECTOR AND STAFF - WHELOCK GYMNASIUM 2ND FLOOR 1/4" 12



CEILING PLAN NEW WORK - 2ND FLOOR 1/4" 17

1/4" 20

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

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



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

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

**Project Expenditure**

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

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



# Agenda Item (VIII-D-2)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Resources (VIII-D-2)
Subject	2013-2014 Independent Audit Report for the Riverside Community College District
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees receive the Riverside Community College District's independent audit report for the year ended June 30, 2014 for the permanent file of the District.

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## Background Narrative:

In accordance with Education Code Section 84040(b), an independent audit of the District's 2013-2014 financial statements was performed by Vavrinek, Trine, Day & Co., LLP Certified Public Accountants (VTD). A representative of the firm will be available to present the report. Results of the audit are summarized below.

- Auditor's Opinion – The auditors have issued an unmodified opinion for the financial audit as of June 30, 2014 and 2013.
- Audit Findings – There were no findings or questioned costs.
- Auditor's Required Communication - In accordance with the Statement on Auditing Standards No. 114, at the conclusion of the audit engagement VTD is required to communicate information to the Board of Trustees regarding their responsibility under United States Generally Accepted Auditing Standards. Attached for your information is the required communication.
- Management Recommendation - A Management Recommendation Letter for fiscal year 2013-2014 is attached.

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

## Attachments:

[12092014\\_2013-2014 Independent Audit Report, SAS Letter and Management Letter](#)



RIVERSIDE COMMUNITY  
COLLEGE DISTRICT

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ANNUAL FINANCIAL REPORT

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**JUNE 30, 2014 AND 2013**

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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***FINANCIAL SECTION***

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Riverside Community College District  
Riverside, California

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## Opinion

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

## Emphasis of Matter - Change in Accounting Principles

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

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information listed in the Table of Contents, including the Schedule of Expenditures of Federal Awards, as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2014, 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.

Vaurinek, Tine, Day & Co., LLP.

Riverside, California  
November 24, 2014





### ***USING THIS ANNUAL REPORT***

The purpose of this annual report is to provide readers with information about the activities, programs, and financial condition of the Riverside Community College District (the District) as of June 30, 2014. The report consists of three basic financial statements: the Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows and provides information about the District as a whole. This section of the annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2014. Please read it in conjunction with the District's financial statements, which immediately follow this section. Responsibility for the completeness and accuracy of this information rests with District management.

### ***OVERVIEW OF THE FINANCIAL STATEMENTS***

The Riverside Community College District's financial statements are presented in accordance with Governmental Accounting Standards Board Statements (GASB) No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and No. 35, *Basic Financial Statements - and Management Discussion and Analysis - for Public College and Universities*. These statements allow for the presentation of financial activity and results of operations which focuses on the District as a whole. The entity-wide financial statements present the overall results of operations whereby all of the District's activities are consolidated into one total versus the traditional presentation by fund type. The focus of the Statement of Net Position is designed to be similar to the bottom line results of the District. This statement combines and consolidates current financial resources with capital assets and long-term obligations. The Statement of Revenues, Expenses, and Changes in Net Position focuses on the costs of the District's operational activities with revenues and expenses categorized as operating and nonoperating, and expenses are reported by natural classification. The Statement of Cash Flows provides an analysis of the sources and uses of cash within the operations of the District.

The California Community Colleges Chancellor's Office has recommended that all State community colleges follow the Business-Type Activity (BTA) model for financial statement reporting purposes.

### ***FINANCIAL HIGHLIGHTS***

- The District's primary funding source is from apportionment received from the State of California. The primary basis of this apportionment is the calculation of Full-Time Equivalent Students (FTES). During the 2013-2014 fiscal year, total reported resident FTES were 26,400 as compared to 25,119 in the 2012-2013 fiscal year. Total unfunded credit FTES was 547 for fiscal year 2013-2014 and 0 for fiscal year 2012-2013.
- Several construction and modernization projects at the District's three colleges resulted in completed buildings, building improvements, and improvements to sites totaling \$26,004,576 in the 2013-2014 fiscal year. The projects, listed below, are primarily funded through the District's voter approved General Obligation Bond, Measure C, but also through State Construction Act funds in the case of the Moreno Valley College Student /Academic Services Building.

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

#### *THE DISTRICT AS A WHOLE*

#### Net Position

**Table 1**

(Amounts in thousands)

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

\* As restated.

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

#### Operating Results for the Year

The results of this year's operations for the District as a whole are reported in the Statement of Revenues, Expenses, and Changes in Net Position on page 15.

**Table 2**

(Amounts in thousands)

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

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

**Table 3**

Year ended June 30, 2014:

(Amounts in thousands)

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

Year ended June 30, 2013:

(Amounts in thousands)

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

#### Changes in Cash Position

**Table 4**

(Amounts in thousands)

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

The Statement of Cash Flows on pages 16 and 17 provides information about our cash receipts and payments during the year. This statement also assists users in assessing the District's ability to meet its obligations as they come due and its need for external financing. The District's primary operating receipts are student tuition and fees and Federal, State, and local grants and contracts. The primary operating expense of the District is the payment of salaries and benefits to faculty, administrators, and classified staff.

While State apportionment revenues and property taxes are the primary source of noncapital related revenue, the GASB accounting standards require that this source of revenue is shown as nonoperating revenue as it comes from the general resources of the State and not from the primary users of the college's programs and services, the students. The District depends upon this funding to continue the current level of operations.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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***CAPITAL ASSET AND DEBT ADMINISTRATION***

**Capital Assets**

At June 30, 2014, the District had \$504.4 million in a broad range of capital assets, including land, buildings, and furniture and equipment. At June 30, 2014, the District's net capital assets were \$382.8 million. Major capital improvement projects are ongoing throughout the District. These projects are primarily funded through State Construction Act revenues and District General Obligation Bonds. Projects are accounted for within the Construction in Progress account until the project is completed at which time the cost of the buildings and/or improvements will be recorded to the depreciable Buildings and Improvement category.

**Table 5**

(Amounts in thousands)

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Land and construction in progress	\$ 66,591	\$ 25,210	\$ (25,396)	\$ 66,405
Buildings and land improvements	372,437	26,005	-	398,442
Equipment and vehicles	36,398	3,136	(8)	39,526
Subtotal	475,426	54,351	(25,404)	504,373
Accumulated depreciation	(105,790)	(15,835)	7	(121,618)
	<u>\$ 369,636</u>	<u>\$ 38,516</u>	<u>\$ (25,397)</u>	<u>\$ 382,755</u>

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

**Obligations**

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

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

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

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

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**Table 6**

(Amounts in thousands)

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

***GENERAL FUND BUDGETARY HIGHLIGHTS***

Over the course of the year, the District revises its budget to provide for unanticipated changes in revenues and expenditures. The Board of Trustees adopted the final amendment to the budget for the 2013-2014 fiscal year on June 17, 2014.

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

***ECONOMIC FACTORS AFFECTING THE FUTURE OF THE RIVERSIDE COMMUNITY COLLEGE DISTRICT***

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

***CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT***

This financial report is designed to provide the District's citizens, taxpayers, students, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the Riverside Community College District at 1533 Spruce Street, Riverside, California 92507.



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***BASIC FINANCIAL STATEMENTS***

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## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

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***NOTES TO FINANCIAL STATEMENTS***

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## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### **NOTE 1 - ORGANIZATION**

The Riverside Community College District (the District) was established in 1916 as a political subdivision of the State of California and is a comprehensive, public, two-year institution offering educational services to residents of the surrounding area. The District operates under a locally elected five-member Board of Trustees form of government, which establishes the policies and procedures by which the District operates. The Board must approve the annual budgets for the General Fund, special revenue funds, capital project funds, and proprietary funds, but these budgets are managed at the department level. Currently, the District operates three colleges located within western Riverside County. While the District is a political subdivision of the State of California, it is legally separate and is independent of other State and local governments, and it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 61.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Financial Reporting Entity**

The District has adopted GASB Statement No. 61, *Determining Whether Certain Organizations are Component Units*. This statement amends GASB Statement No. 14, *The Financial Reporting Entity*, to provide additional guidance to determine whether certain organizations, for which the District is not financially accountable, should be reported as component units based on the nature and significance of their relationship with the District. The basic criteria for including a component unit are (1) the economic resources held or received by the other entity are entirely or almost entirely for the direct benefit of the District, (2) the District is entitled to, or has the ability to otherwise access, a majority of the economic resources held or received by the other entity, and (3) the other entity's resources to which the District is entitled or has the ability to otherwise access are significant to the District. If any of these criteria are not met, the final criterion for including a component unit is whether the other entity is closely related to, or financially integrated with, the District. As defined by accounting principles generally accepted in the United States of America and established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, the District, and the following component unit:

- **Riverside Community College District Development Corporation**

The Riverside Community College District Development Corporation (the Corporation) is a legally separate organization and a component unit of the District. The Corporation was formed to provide financing and acquire assets for the District. A majority of the Corporation's Board of Directors either serves by reason of their position in the District or is appointed by the District's Board of Trustees. The financial activity has been "blended" or consolidated within the financial statements as the District as if the activity was the District's. Within the other supplementary information section of the report, the activity is included as the Riverside Community College District Development Corporation Fund as a Special Revenue Fund of the District. Individually prepared financial statements are not prepared for the Corporation. Condensed component unit information for the Corporation, the District's blended component unit, for the year ended June 30, 2014, is as follows:

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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*Condensed Statement of Net Position*

<b>ASSETS</b>	
Cash and cash equivalents	\$ 16,228
<b>NET POSITION</b>	
Restricted for:	
Capital projects	\$ 16,228
 <i>Condensed Statement of Revenues, Expenses, and Changes in Net Position</i>	
<b>NONOPERATING REVENUES</b>	
Investment income	\$ 8
<b>CHANGE IN NET POSITION</b>	8
<b>NET POSITION, BEGINNING OF YEAR</b>	16,220
<b>NET POSITION, END OF YEAR</b>	\$ 16,228

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

For financial reporting purposes, the District is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35 as amended by GASB Statements No. 37, No. 38, and No. 39. This presentation provides a comprehensive entity-wide perspective of the District's assets, liabilities, activities, and cash flows and replaces the fund group perspective previously required. Accordingly, the District's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. The significant accounting policies followed by the District in preparing these financial statements are in accordance with accounting principles generally accepted in the United States of America as prescribed by GASB. Additionally, the District's policies comply with the California Community Colleges Chancellor's Office *Budget and Accounting Manual*. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All material intra-agency and intra-fund transactions have been eliminated.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are classified as operating revenues. These transactions are recorded on the accrual basis when the exchange takes place. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, operating revenues consist primarily of student fees and auxiliary activities through the bookstore and cafeteria.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

Operating expenses are incurred to provide instructional services including support costs, auxiliary services, and depreciation of capital assets. All other expenses not meeting this definition are reported as nonoperating. Expenses are recorded on the accrual basis as they are incurred; when goods are received or services are rendered.

The District reports are based on all applicable GASB pronouncements, as well as applicable Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements. The District has not elected to apply FASB pronouncements after that date.

The financial statements are presented in accordance with the reporting model as prescribed in GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, as amended by GASB Statements No. 37 and No. 38. The business-type activities model followed by the District requires the following components of the District's financial statements:

- Management's Discussion and Analysis
- Basic Financial Statements for the District as a whole including:
  - Statements of Net Position - Primary Government
  - Statements of Revenues, Expenses, and Changes in Net Position - Primary Government
  - Statements of Cash Flows - Primary Government
  - Financial Statements for the Fiduciary Funds including:
    - Statements of Fiduciary Net Position
    - Statements of Changes in Fiduciary Net Position
- Notes to the Financial Statements

#### **Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Cash equivalents also include unrestricted cash with county treasury balances for purposes of the Statement of Cash Flows. Restricted cash and cash equivalents represent balances restricted by external sources such as grants and contracts or specifically restricted for the repayment of capital debt.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### **Investments**

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

#### **Restricted Assets**

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

#### **Accounts Receivable**

Accounts receivable include amounts due from the Federal, State and/or local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the District's grants and contracts. Accounts receivable also consist of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff, the majority of each residing in the State of California. The District provides for an allowance for uncollectible accounts as an estimation of amounts that may not be received. This allowance is based upon management's estimates and analysis. The allowance was estimated at \$138,775 and \$111,289 for the years ended June 30, 2014 and 2013, respectively.

#### **Prepaid Expenses**

Prepaid expenses represent payments made to vendors and others for services that will benefit periods beyond June 30.

#### **Inventories**

Inventories consist primarily of cafeteria food and supplies held for resale to the students and faculty of the college. Inventories are stated at cost, utilizing the weighted average method. The cost is recorded as an expense as the inventory is consumed.

#### **Capital Assets and Depreciation**

Capital assets are long-lived assets of the District as a whole and include land, construction in progress, buildings, leasehold improvements, and equipment. The District maintains an initial unit cost capitalization threshold of \$5,000 and an estimated useful life greater than one year. Assets are recorded at historical cost, or estimated historical cost, when purchased or constructed. The District does not possess any infrastructure. Donated capital assets are recorded at estimated fair market value at the date of donation. Improvements to buildings and land that significantly increase the value or extend the useful life of the asset are capitalized; the costs of routine maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are charged as an operating expense in the year in which the expense was incurred. Major outlays for capital improvements are capitalized as construction in progress as the projects are constructed.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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Depreciation of capital assets is computed and recorded utilizing the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows: buildings, 15 to 50 years; improvements, 10 years; equipment, 3 to 8 years; vehicles, 5 to 10 years.

#### **Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the entity-wide financial statements.

#### **Debt Issuance Costs, Premiums, and Discounts**

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

#### **Deferred Charge on Refunding**

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

#### **Compensated Absences**

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the entity-wide financial statements. The amounts have been recorded in the fund from which the employees, who have accumulated the leave, are paid. The District also participates in "load-banking" with eligible academic employees whereby the employee may teach extra courses in one period in exchange for time off in another period.

Sick leave is accumulated without limit for each employee based upon negotiated contracts. Leave with pay is provided when employees are absent for health reasons; however, the employees do not gain a vested right to accumulated sick leave. Employees are never paid for any sick leave balance at termination of employment or any other time. Therefore, the value of accumulated sick leave is not recognized as a liability in the District's financial statements. However, retirement credit for unused sick leave is applicable to all classified school members who retire after January 1, 1999. At retirement, each member will receive .004 year of service credit for each day of unused sick leave. Retirement credit for unused sick leave is available to all full-time employees based on the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement Systems (CalPERS) criteria.

#### **Unearned Revenue**

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### Noncurrent Liabilities

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

#### Net Position

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

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

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

**Unrestricted:** Net position that is not subject to externally imposed constraints. Unrestricted net position may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for special purposes.

When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first and the unrestricted resources when they are needed. The entity-wide financial statements report \$19,208,188 of restricted net position.

#### State Apportionments

Certain current year apportionments from the State are based on financial and statistical information of the previous year. Any corrections due to the recalculation of the apportionment are made in February of the subsequent year. When known and measurable, these recalculations and corrections are accrued in the year in which the FTES are generated.

#### Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. The County of Riverside Assessor is responsible for assessment of all taxable real property. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Riverside bills and collects the taxes on behalf of the District. Local property tax revenues are recorded when the County notifies the District of the availability of the revenues.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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The voters of the District passed a General Obligation Bond in 2004 for the acquisition, construction, and remodeling of certain District property. As a result of the passage of the Bond, property taxes are assessed on the property within the District specifically for the repayment of the debt incurred. The taxes are assessed, billed, and collected as noted above and remitted to the District when collected.

#### **Board of Governors Grants (BOGG) and Fee Waivers**

Student tuition and fee revenue is reported net of allowances and fee waivers approved by the Board of Governors through BOGG fee waivers in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances represent the difference between stated charges for enrollment fees and the amount that is paid by students or third parties making payments on the students' behalf. To the extent that fee waivers have been used to satisfy tuition and fee charges, the District has recorded a scholarship discount and allowance.

#### **Federal Financial Assistance Programs**

The District participates in federally funded Pell Grants, SEOG Grants, and Federal Work-Study programs, as well as other programs funded by the Federal government. Financial aid to students is either reported as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to students in the form of reduced tuition. These programs are audited in accordance with the Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget's revised Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the related *Compliance Supplement*.

#### **On Behalf Payments**

GASB Statement No. 24 requires direct on behalf payments for fringe benefits and salaries made by one entity to a third party recipient for the employees for another legally separate entity be recognized as revenues and expenditures by the employer entity. The State of California makes direct on behalf payments to CalSTRS on behalf of all community colleges in California.

#### **Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### **Interfund Activity**

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### Change in Accounting Principles

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

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

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

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

#### New Accounting Pronouncements

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

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



## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

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

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

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

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

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

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

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

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

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

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

#### **Comparative Financial Information**

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### *NOTE 3 - DEPOSITS AND INVESTMENTS*

##### **Policies and Practices**

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

**Investment in County Treasury** - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section (ECS) 41001). The fair value of the District's investment in the pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis. The County Treasurer also holds investments in a separate investment agreement account other than the County Pooled Investment noted above on behalf of the District. Funds in this investment agreement are strictly related to the District's general obligation bonds.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**General Authorizations**

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

<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

**Authorized Under Debt Agreements**

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**Summary of Deposits and Investments**

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

	<u>Primary Government</u>
Cash on hand and in banks	\$ 2,203,867
Cash in revolving	50,000
Investments	<u>80,063,927</u>
Total Deposits and Investments	<u><u>\$ 82,317,794</u></u>
	<u>Fiduciary Funds</u>
Cash on hand and in banks	<u><u>\$ 2,002,580</u></u>

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Riverside County Investment Pool.

**Specific Identification**

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Maturity Date</u>
Riverside County Investment Pool	<u><u>\$ 80,021,494</u></u>	1.37*

\*Weighted average of maturity in years.

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County pool is not required to be rated. The District's investments in the Riverside County Investment Pool are rated AAA/V1 by Fitch Ratings Ltd. as of June 30, 2014.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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#### **Custodial Credit Risk - Deposits**

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable for the District consisted primarily of intergovernmental grants, entitlements, interest, and other local sources.

The accounts receivable are as follows:

	Primary Government	
	2014	2013
Federal Government		
Categorical aid	\$ 3,083,901	\$ 2,913,569
State Government		
Apportionment	16,587,709	27,360,791
Categorical aid	1,522,886	2,777,988
Other State sources	1,929,836	7,505,657
Local Sources		
Interest	65,560	66,441
Property taxes	962,325	1,094,723
Riverside Community College District Foundation	97,137	69,799
Contributions from Foundation for Aquatics Complex	53,968	37,826
Other local sources	1,833,904	2,316,407
Total	\$ 26,137,226	\$ 44,143,201
Student receivables	\$ 693,876	\$ 556,447
Less allowance for bad debt	(138,775)	(111,289)
Student receivables, net	\$ 555,101	\$ 445,158
Total Receivables, Net	\$ 26,692,327	\$ 44,588,359
	Fiduciary Funds	
	2014	2013
Other local	\$ 869	\$ 13,137

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

#### NOTE 5 - CAPITAL ASSETS

Capital asset activity for the District for the fiscal year ended June 30, 2014, was as follows:

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
Capital Assets Not Being Depreciated				
Land	\$ 32,502,697	\$ -	\$ -	\$ 32,502,697
Construction in progress	34,088,041	25,210,322	25,395,806	33,902,557
Total Capital Assets Not Being Depreciated	<u>66,590,738</u>	<u>25,210,322</u>	<u>25,395,806</u>	<u>66,405,254</u>
Capital Assets Being Depreciated				
Land improvements	12,656,518	57,249	-	12,713,767
Buildings and improvements	359,780,506	25,947,327	-	385,727,833
Furniture and equipment	36,398,279	3,135,672	8,211	39,525,740
Total Capital Assets Being Depreciated	<u>408,835,303</u>	<u>29,140,248</u>	<u>8,211</u>	<u>437,967,340</u>
Total Capital Assets	<u>475,426,041</u>	<u>54,350,570</u>	<u>25,404,017</u>	<u>504,372,594</u>
Less Accumulated Depreciation				
Land improvements	7,923,682	802,427	-	8,726,109
Buildings and improvements	67,261,660	12,005,383	-	79,267,043
Furniture and equipment	30,604,725	3,026,471	6,672	33,624,524
Total Accumulated Depreciation	<u>105,790,067</u>	<u>15,834,281</u>	<u>6,672</u>	<u>121,617,676</u>
Net Capital Assets	<u>\$ 369,635,974</u>	<u>\$ 38,516,289</u>	<u>\$ 25,397,345</u>	<u>\$ 382,754,918</u>

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

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

The District was the beneficiary of an extensive bequest of Mine Okubo's estate, a Japanese-American artist, inclusive of paintings, works of art, reference materials, photographs, books, writings, letters, and printed material. The District took possession of the materials bequeathed from the estate of Ms. Okubo as of June 30, 2009. The District has included the collection and materials as priceless in the District's capital assets (non-depreciable assets). During the course of the next several years and as the District learns the collection's long-term historical value, the values will be added to the District's capital assets. As of June 30, 2014, the District has not recorded a value for the collection in the financial statements.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

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

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

**NOTE 6 - ACCOUNTS PAYABLE**

Accounts payable for the District consisted of the following:

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

**NOTE 7 - UNEARNED REVENUE**

Unearned revenue consisted of the following:

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

**NOTE 8 - TAX AND REVENUE ANTICIPATION NOTES**

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

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

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

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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#### ***NOTE 9 - INTERFUND TRANSACTIONS***

##### **Interfund Receivables and Payables (Due To/Due From)**

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

##### **Interfund Operating Transfers**

Operating transfers between funds of the District are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use restricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Operating transfers within the funds of the District have been eliminated in the consolidation process. Transfers between the primary government and the fiduciary funds are not eliminated in the consolidation process. During the 2014 fiscal year, there were no transfers made between the primary government and the fiduciary funds.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

**NOTE 10 - LONG-TERM OBLIGATIONS**

**Long-Term Obligations Summary**

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

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

	Balance Beginning of Year	*GASB Statement No. 65 Restatement	Additions	Deductions	Balance End of Year As Restated	Due in One Year
<b>Bonds Payable</b>						
General obligation bonds, Series A	\$ 2,975,000	\$ -	\$ -	\$ 620,000	\$ 2,355,000	\$ 795,000
General obligation bonds, Refunding Bond 2005	53,362,166	-	793,412	2,015,000	52,140,578	2,165,000
Unamortized debt premium	4,054,425	2,609,117	-	552,278	6,111,264	-
General obligation bonds, Series 2007 C	68,510,000	-	-	-	68,510,000	-
Unamortized debt premium	1,936,666	-	-	176,062	1,760,604	-
General obligation bonds, Series 2010 D/D-1	110,677,030	-	605,220	-	111,282,250	-
Unamortized debt premium	1,633,775	-	-	58,176	1,575,599	-
Total Bonds Payable	<u>243,149,062</u>	<u>2,609,117</u>	<u>1,398,632</u>	<u>3,421,516</u>	<u>243,735,295</u>	<u>2,960,000</u>
<b>Other Liabilities</b>						
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	<u>12,566,570</u>	<u>-</u>	<u>3,406,775</u>	<u>3,049,332</u>	<u>12,924,013</u>	<u>2,631,947</u>
<b>Total Long-Term Obligations</b>	<u>\$ 255,715,632</u>	<u>\$ 2,609,117</u>	<u>\$ 4,805,407</u>	<u>\$ 6,470,848</u>	<u>\$ 256,659,308</u>	<u>\$ 5,591,947</u>

\*As restated, see Note 17 for more information.

#### Description of Debt

Payments on the general obligation bonds are made by the Bond Interest and Redemption Fund with local property tax collections. The capital lease payments are made by the General Fund. The compensated absences are paid by the fund for which the employees' salaries are paid from. The District's General Fund makes payments for the postemployment benefits, Supplemental Retirement Plan, and load banking obligations.

#### Bonded Debt

##### 2004 General Obligation Bonds

During March 2004, voters of the District authorized the issuance and sale of general obligation bonds in the amount of \$350,000,000. As a result of the authorization, General Obligation Bonds Series 2004A "Series A Bonds" and Series 2004B (federally taxable) "Series B Bonds" were issued in August 2004. At June 30, 2014, the principal outstanding was \$1,000,000.

Series A Bonds were issued in the aggregate principal amount of \$55,205,000 with interest rates ranging from 4.00 to 5.25 percent. Series A Bonds were used to finance the acquisition, construction, and modernization of property and school facilities, to refund outstanding certificates of participation (COPs), and to pay certain costs of the bond issue. The refunded COPs are considered defeased. This current refunding was undertaken to decrease total debt service payments by \$2,762,260. The Series A Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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Series B Bonds were issued to advance refund the District's outstanding certificates of participation. The refunded COPs are considered defeased. This advance refunding was undertaken to reduce total debt service payments by \$2,298,036 and to obtain an economic gain of \$237,565. The Series B Bonds have been paid in full.

The bonds are general obligations of the District. The Riverside County Board of Supervisors is obligated to levy ad valorem taxes upon all property within the District subject to taxation by the District for the payment of interest and principal on the bonds when due.

#### **2005 General Obligation Refunding Bonds**

During May 2005, the District issued 2005 General Obligation Refunding Bonds in the amount of \$58,386,109 with interest rates ranging from 3.00 to 5.00 percent. The bonds issued included \$54,425,000 of current interest bonds and \$3,961,109 of capital appreciation bonds, with the value of the capital appreciation bonds maturing to a principal balance of \$10,555,000. The bonds mature through August 1, 2016. Principal and interest on the refunded debt will be paid until such time as they can be redeemed on August 1, 2014. At June 30, 2014, the principal outstanding was \$4,644,005 and unamortized premium was \$5,558,986.

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

#### **2007 General Obligation Bonds**

During June 2007, the District issued the 2007 General Obligation Bonds in the amount of \$90,000,000. The bonds mature beginning on August 1, 2007 through August 1, 2032, with interest yields ranging from 3.62 to 4.47 percent. At June 30, 2014, the principal outstanding was \$44,430,000 and unamortized premium cost of \$1,584,544. Premium costs are amortized over the life of the bonds as a component of interest expense on the bonds.

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### 2010 General Obligation Bonds

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

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

The bonds are being used for the purposes of financing the repair, acquisition, construction, and equipping of certain District facilities, and to pay all legal, financial, and contingent costs in connection with the issuance of the bonds. The bonds are general obligations of the District payable solely from the proceeds of ad valorem property taxes. Interest with respect of the bonds accrues from the date of their delivery and is payable semiannually on February 1 and August 1 of each year, commencing August 1, 2015.

#### 2014 General Obligation Refunding Bonds

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

The outstanding general obligation bonded debt is as follows:

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

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

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

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

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

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

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



## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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

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

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

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

#### Capital Leases

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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

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

**Supplementary Retirement Plan**

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

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

**Compensated Absences**

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

**Other Postemployment Benefits Obligation**

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

**Load Banking**

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

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

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

#### Plan Description

The Riverside Community College District Plan (the Plan) is a single-employer defined benefit healthcare plan administered by the District. The Plan provides medical and dental insurance benefits to eligible retirees and one dependent. Membership of the Plan consists of 79 retirees and beneficiaries currently receiving benefits and 905 active Plan members.

#### Funding Policy

The contribution requirements of Plan members and the District are established and may be amended by the District and the District's bargaining units. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2013-2014, the District contributed \$1,159,902 to the Plan, all of which was used for current premiums.

#### Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the payments of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding costs) over a period not to exceed 30 years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation to the Plan:

Annual required contribution	\$ 3,041,672
Interest on net OPEB obligation	302,232
Adjustment to annual required contribution	(383,736)
Annual OPEB cost (expense)	<u>2,960,168</u>
Contributions made	<u>(1,159,902)</u>
Increase in net OPEB obligation	1,800,266
Net OPEB obligation, beginning of year	6,044,632
Net OPEB obligation, end of year	<u><u>\$ 7,844,898</u></u>

#### Trend Information

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**Funding Status and Funding Progress**

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

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

The above noted actuarial accrued liability was based on the July 1, 2013, actuarial valuation. Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Other Postemployment Benefits Funding Progress, presented as required supplementary information, follows the notes to the financial statements and presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial values of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013, actuarial valuation, the unit credit cost method was used. Under this method, there are no liabilities dependent on salary, therefore, no salary increase rate is assumed. The actuarial assumptions include healthcare cost trend rate of eight percent. The UAAL is being amortized at a level dollar method. The remaining amortization period at June 30, 2014, was 30 years. The actuarial value of assets was not determined in this actuarial valuation. As of June 30, 2014, the District finances its OPEB contributions using a pay-as-you-go method. The District has not established a plan or equivalent arrangement that contains an irrevocable trust.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**NOTE 12 - RISK MANAGEMENT**

**Insurance Coverages**

The District is exposed to various risks of loss related to torts and liability; theft of, damage to and destruction of assets; errors and omissions and injuries to employees. The District obtains coverage for these risks as a member of various joint powers authorities or through the purchase of coverage from a risk retention group. The District has coverage up to \$25,000,000 for liability and tort risks. This coverage is subject to a \$250,000 self-insured retention. The District carries replacement coverage on its buildings and furniture and equipment with limits of \$600,000,000 (total pool value) and exposures of \$332,514,000 with a \$100,000 self-insurance retention. A property and equipment audit performed by the Joint Powers Authority is used to identify the aforementioned exposures. However, claims against the property coverage would use current replacement value to respond to a covered event. Employee health benefits are covered by the employees enrolling in either one of two health maintenance organizations or in the District's self-insured health plan. The District's self-insured limit for the self-insured plan is \$100,000, and it purchases insurance coverage for the excess claims. The District purchases coverage for the dental benefits from a joint powers authority.

**Joint Powers Authority Risk Pools**

During fiscal year ended June 30, 2014, the District contracted with the Southern California Schools Risk Management (SCSRM) Joint Powers Authority for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. The District incurred a catastrophic property damage loss in August 2013 with an estimated exposure to SCSRM of \$2.5 million. The District was exposed to its \$100,000 self-insured retention and the retention was satisfied in November 2013.

**Workers' Compensation**

For fiscal year 2013-2014, the District participated in the Schools Excess Liability Fund Joint Powers Authority (JPA), an insurance purchasing pool. The District is self insured for the first \$500,000 of each workers' compensation claim. The intent of the JPA is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the JPA. The workers' compensation experience of the participating districts is calculated as one experience, and a common premium rate is applied to all districts in the JPA. Each participant pays its workers' compensation premium based on its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall saving. A participant will then either receive money from or be required to contribute to the "equity-pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the JPA. Participation in the JPA is limited to K-12 and community college districts that can meet the JPA's selection criteria.

<u>Insurance Program / JPA Name</u>	<u>Type of Coverage</u>	<u>Limits</u>
Self-Insured Certificate #7582 (California)	Workers' Compensation	\$ 500,000
Schools Excess Liability Fund (SELF)	Excess Worker's Compensation	\$ 2,000,000
Southern California Schools Risk Management (SCSRM)	General Liability	\$ 500,000
Genesis Insurance Company and Schools Excess Liability Fund (SELF)	Excess Liability	\$ 4,500,000
Southern California Schools Risk Management (SCSRM)	Property	\$ 21,500,000
		\$ 600,000,000

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**Employee Medical Benefits**

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

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

Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. Claims are paid for all participants regardless of the claim's flow. The Board of Directors has the right to return monies to a district subsequent to the settlement of all expenses and claims if a district withdraws from the pool.

The District records an estimated liability for indemnity torts and other claims against the District. Claims liabilities are based on estimates of the ultimate costs of reported claims (including future claim adjustment expenses) and an estimate for claims incurred, but not reported based on historical experience. The estimated liabilities are calculated using historical experience and internal actuarial analysis.

**Claims Liabilities**

The District establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claim adjustment expenses. The following represent the changes in approximate aggregate liabilities for the District from July 1, 2012 to June 30, 2014:

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

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

#### ***NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS***

Qualified employees are covered under multiple-employer retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS) and classified employees are members of the California Public Employees' Retirement System (CalPERS).

#### **CalSTRS**

##### **Plan Description**

The District contributes to CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to beneficiaries. As a result of the Public Employee Pension Reform Act of 2013 (PEPRA), changes have been made to the defined benefit pension plan effective January 1, 2013. Benefit provisions are established by State statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 100 Waterfront Place, West Sacramento, CA 95605.

##### **Funding Policy**

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT

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

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#### CalPERS

##### Plan Description

The District contributes to the School Employer Pool under CalPERS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and survivor benefits to plan members and beneficiaries. As a result of the PEPPRA, changes have been made to the defined benefit pension plan effective January 1, 2013. Benefit provisions are established by State statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

##### Funding Policy

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

##### On Behalf Payments

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

##### Deferred Compensation

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and Section 457. The plans, available to all District employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or an unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the Financial Agent, until paid or made available to the employee or other beneficiary.

The CalSTRS 403b Comply is the Financial Agent for the District.



## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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#### **Public Agency Retirement System (PARS) - Alternate Retirement System**

The Omnibus Budget Reconciliation Act of 1990 [Internal Revenue Code Section 3121 (b) (7) (F)] requires State and local public agencies to provide a retirement plan for all employees not covered under existing employer pension plans and/or Social Security.

The District is a member of the Public Agency Retirement System (PARS), a multiple-employer retirement trust established in 1990 by a coalition of public employers. The plan covers the District's part-time, temporary, and other employees not covered under CalPERS or CalSTRS, but whose salaries would otherwise be subject to Social Security tax. Benefit provisions and other requirements are established by District management based on agreements with various bargaining units. PARS is a defined contribution qualified retirement plan under Section 401 (a) of the Internal Revenue Code.

The minimum total contribution is 7.5 percent of employees' salaries, of which the employee contributes the total 7.5 percent. District employees are covered under PARS Plan #763 as of June 30, 2014. Total contributions to the plan amounted to \$563,095.

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

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

#### ***NOTE 15 - PARTICIPATION IN PUBLIC ENTITY RISK POOLS AND JOINT POWERS AUTHORITIES***

The District is a member of the School Excess Liability Fund (SELF), the Riverside Community College - County Superintendent Self-Insurance Program for Employees (RCCCCSIPE), the Riverside Employers/Employees Plan (REEP), and the Southern California Schools Risk Management (SCSRM) Joint Powers Authorities (JPAs). The District pays annual premiums for its property liability, health, and workers' compensation coverage. The relationship between the District and the JPAs is such that they are not component units of the District for financial reporting purposes.

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

**NOTE 16 - COMMITMENTS AND CONTINGENCIES**

**Grants**

The District receives financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2014.

**Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial statements of the District at June 30, 2014.

**Operating Leases**

The District has entered into various operating leases for buildings and equipment with lease terms in excess of one year. None of these agreements contain purchase options. All agreements contain a termination clause providing for cancellation after a specified number of days written notice to lessors, but it is unlikely that the District will cancel any of the agreements prior to the expiration date. Future minimum lease payments under these agreements are as follows:

Year Ending June 30,	Lease Payment
2015	\$ 1,704,408
2016	742,932
2017	4,918
2018	4,279
Total	<u>\$ 2,456,537</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

**Construction Commitments**

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

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

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

**NOTE 17 - RESTATEMENT OF PRIOR YEAR NET POSITION**

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

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

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

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***REQUIRED SUPPLEMENTARY INFORMATION***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

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***SUPPLEMENTARY INFORMATION***

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## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

### **DISTRICT ORGANIZATION JUNE 30, 2014**

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The Riverside Community College District was founded in 1916 and is comprised of an area of approximately 440 square miles located in the western portion of Riverside County. There were no changes in the boundaries of the District during the current year. The District's colleges are accredited by the Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges (ACCJC, WASC), which is one of six regional associations that accredit public and private schools, colleges, and universities in the United States.

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

#### **BOARD OF TRUSTEES**

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

#### **DISTRICT ADMINISTRATION**

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

#### **COLLEGE ADMINISTRATION**

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

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

[1] Pass-Through Identifying Number not available.

\* Research and Development Grant

(Continued)

See accompanying note to supplementary information.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

[1] Pass-Through Identifying Number not available.

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.

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

(Continued)

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

	Object/TOP Codes	ECS 84362 A Instructional Salary Cost AC 0100 - 5900 and AC 6110			ECS 84362 B Total CEE AC 0100 - 6799		
		Reported Data	Audit Adjustments	Revised Data	Reported Data	Audit Adjustments	Revised Data
<b>Academic Salaries</b>							
<b>Instructional Salaries</b>							
Contract or Regular	1100	\$ 26,630,742	\$ -	\$ 26,630,742	\$ 26,630,742	\$ -	\$ 26,630,742
Other	1300	24,422,161	-	24,422,161	24,422,161	-	24,422,161
<b>Total Instructional Salaries</b>		<b>51,052,903</b>	<b>-</b>	<b>51,052,903</b>	<b>51,052,903</b>	<b>-</b>	<b>51,052,903</b>
<b>Noninstructional Salaries</b>							
Contract or Regular	1200	-	-	-	11,087,725	-	11,087,725
Other	1400	-	-	-	1,376,819	-	1,376,819
<b>Total Noninstructional Salaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>12,464,544</b>	<b>-</b>	<b>12,464,544</b>
<b>Total Academic Salaries</b>		<b>51,052,903</b>	<b>-</b>	<b>51,052,903</b>	<b>63,517,447</b>	<b>-</b>	<b>63,517,447</b>
<b>Classified Salaries</b>							
<b>Noninstructional Salaries</b>							
Regular Status	2100	-	-	-	23,405,914	-	23,405,914
Other	2300	-	-	-	1,041,930	-	1,041,930
<b>Total Noninstructional Salaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>24,447,844</b>	<b>-</b>	<b>24,447,844</b>
<b>Instructional Aides</b>							
Regular Status	2200	1,949,279	-	1,949,279	1,949,279	-	1,949,279
Other	2400	373,255	-	373,255	373,255	-	373,255
<b>Total Instructional Aides</b>		<b>2,322,534</b>	<b>-</b>	<b>2,322,534</b>	<b>2,322,534</b>	<b>-</b>	<b>2,322,534</b>
<b>Total Classified Salaries</b>		<b>2,322,534</b>	<b>-</b>	<b>2,322,534</b>	<b>26,770,378</b>	<b>-</b>	<b>26,770,378</b>
Employee Benefits	3000	12,048,250	-	12,048,250	28,793,209	-	28,793,209
Supplies and Material	4000	-	-	-	1,497,614	-	1,497,614
Other Operating Expenses	5000	-	-	-	11,978,551	-	11,978,551
Equipment Replacement	6420	-	-	-	1,414	-	1,414
<b>Total Expenditures</b>		<b>12,048,250</b>	<b>-</b>	<b>12,048,250</b>	<b>42,270,088</b>	<b>-</b>	<b>42,270,088</b>
<b>Prior to Exclusions</b>		<b>65,423,687</b>	<b>-</b>	<b>65,423,687</b>	<b>132,558,613</b>	<b>-</b>	<b>132,558,613</b>

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)  
WITH FUND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014**

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

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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

**Total Fund Balance and Retained Earnings:**

General Funds	\$ 22,322,370	
Special Revenue Funds	888,600	
Capital Outlay Projects	47,378,289	
Debt Service Funds	11,566,842	
Proprietary Fund	4,295,536	
Fiduciary Funds	<u>1,042,044</u>	
<b>Total Fund Balances and Retained Earnings - All District Funds</b>		<b>\$ 87,493,681</b>

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

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

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

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

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

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

Long-term obligations at year end consist of:

Bonds payable	248,640,821	
Capital leases payable	118,547	
Compensated absences	2,450,171	
Load banking	698,837	
Supplementary retirement plan (SRP)	2,130,916	
Other postemployment benefits (OPEB)	7,844,898	
Less compensated absences already recorded in funds	<u>(1,246,628)</u>	<u>(260,637,562)</u>
<b>Total Net Position</b>		<b><u><u>\$ 212,798,079</u></u></b>

See accompanying note to supplementary information.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**NOTE 1 - PURPOSE OF SCHEDULES**

**District Organization**

This schedule provides information about the District's organization, governing board members, and administration members.

**Schedule of Expenditures of Federal Awards**

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The following schedule provides reconciliation between revenues reported on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government and the related expenditures reported on the Schedule of Expenditures of Federal Awards.

Description	CFDA Number	Amount
Total Federal Revenues From the Statement of Revenues, Expenses, and Changes in Net Position:		\$ 61,721,576
Build America Bonds	N/A	(2,308,240)
Total Expenditures of Federal Awards		<u>\$ 59,413,336</u>

**Subrecipients**

Of the Federal expenditures presented in the schedule, the District provided Federal awards to subrecipients as follows:

Federal Grantor/Pass-Through Grantor/Program	CFDA Number	Amount Provided to Subrecipients
National Center of Excellence for Logistics and Supply Chain Technology	47.076	\$ 145,134
Title V - Transdisciplinary Cooperation for Academic and Career Success	84.031S	311,456
Total Pass-Through		<u>\$ 456,590</u>

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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#### **Schedule of Expenditures of State Awards**

The accompanying Schedule of Expenditures of State Awards includes the State grant activity of the District and is presented on the modified accrual basis of accounting. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The information in this schedule is presented to comply with reporting requirements of the California State 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.

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***INDEPENDENT AUDITOR'S REPORTS***

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

Board of Trustees  
Riverside Community College District  
Riverside, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the business-type activities of Riverside Community College District (the District) as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 24, 2014.

**Emphasis of Matter - Change in Accounting Principles**

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

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



Our consideration of internal control 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.

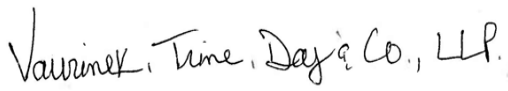
### **Compliance and Other Matters**

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

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

### **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.

  
Riverside, California  
November 24, 2014



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

Board of Trustees  
Riverside Community College District  
Riverside, California

**Report on Compliance for Each Major Federal Program**

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

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

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

## 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. 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.

Vauvinez, Tine, Day & Co., LLP.

Riverside, California  
November 24, 2014



## INDEPENDENT AUDITOR'S REPORT ON STATE COMPLIANCE

Board of Trustees  
Riverside Community College District  
Riverside, California

### Report on State Compliance

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

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance of each of the District's State programs based on our audit of the types of compliance requirements referred to above. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the standards and procedures identified in the California Community Colleges Chancellor's Office *District Audit Manual*. These standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the applicable programs noted below. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

### Unmodified Opinion for Each of the Programs

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

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 430 Schedule Maintenance Program
- Section 431 Gann Limit Calculation
- Section 435 Open Enrollment
- Section 438 Student Fees – Health Fees and Use of Health Fee Funds
- Section 439 Proposition 39 Clean Energy
- 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

*Vaurine, Time, Day & Co., LLP.*

Riverside, California  
November 24, 2014

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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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**FINANCIAL STATEMENTS**

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

**FEDERAL AWARDS**

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

Identification of major Federal programs:

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

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

**STATE AWARDS**

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

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

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None reported.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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None reported.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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None reported.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT**

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

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Except as specified in previous sections of this report, summarized below is the current status of all audit findings reported in the prior year's Schedule of Findings and Questioned Costs.

#### ***FINANCIAL STATEMENT FINDINGS***

None reported.

#### ***FEDERAL AWARDS FINDINGS***

None reported.

#### ***STATE AWARDS FINDINGS***

None reported.



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

We have audited the financial statements of the governmental activities and the business-type activities of Riverside Community College District (the District) for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and OMB Circular A-133), as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 2 to the financial statements. As described in Note 2 and Note 17 to the financial statements, the District changes accounting practices related to the recognition of issuance costs in relation to long term debt by adopting Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, in 2014. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statements of Revenues, Expenses, and Changes in Net Position - Primary Government. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was the cost of capital assets net of accumulated depreciation. Depreciation is the recognition of the use of the capital assets over time. Conditions may exist that result in assets having a longer or shorter useful life than is reflected within these statements. We evaluated the key factors and assumptions used to develop depreciation in determining that it is reasonable in relation to the financial statements taken as a whole. This information is disclosed in Note 5 to the financial statements.

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

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

#### *Difficulties Encountered in Performing the Audit*

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

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

#### *Corrected and Uncorrected Misstatements*

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

#### *Disagreements With Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 24, 2014.

#### *Management Consultations With Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention. We have issued a management letter which provides suggestions for improvements in internal control.

#### Other Matters

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

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

With respect to this supplementary information, 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.

Restriction on Use

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

*Vannest, Tine, Day & Co., LLP.*

Riverside, California  
November 24, 2014



Board of Trustees and Management  
Riverside Community College District  
Riverside, California

In planning and performing our audit of the financial statements of Riverside Community College District (the District) for the year ended June 30, 2014, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted matters that are opportunities for strengthening internal controls and operating efficiency. The following item represents a condition noted by our audit that we consider important enough to bring to your attention. This letter does not affect our report dated November 24, 2014, on the government-wide financial statements of the District.

#### ***Competitive Bidding***

During our testing over the District's competitive bidding process, we noted an instance at Norco College (the College) where the College administration permitted the contractor to start and complete the project prior to the District issuing an executed copy of the Contract, Notice to Proceed Letter, and Purchase Order. The District issued the Notice of Award letter, along with the contract documents for the "Norco College Joint Sealant" project (Bid# 2013/2014-11-UCCAP) on February 5, 2014. The award letter explicitly stated "no work may commence until all required documents are returned and a Notice to Proceed Letter is issued by the District". A delay in issuing the Notice to Proceed Letter occurred while the District resolved a question related to labor compliance monitoring.

In addition to violating regulations set forth by the California Uniform Public Construction Cost Accounting Act (CUPCCAA) and Board Policies 6340 and 6345, it could have exposed the District to legal and financial liabilities as this work was not properly authorized to proceed prior to the start of the work.

#### ***Recommendation***

We recommend that the College follow established District bidding and procurement procedures and regulations under CUPCCAA for public works/construction projects. Failure to follow these procedures and regulations may result in potential legal and financial liabilities to the District.

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

*Vavrinek, Trine, Day & Co., LLP.*

Riverside, California  
November 24, 2014

# Agenda Item (VIII-D-3)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Resources (VIII-D-3)
Subject	2013-2014 Independent Audit Report for the Riverside Community College District Foundation
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees receive the Riverside Community College District's independent audit report for the year ended June 30, 2014 for the permanent file of the District.

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## Background Narrative:

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

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

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

## Attachments:

[12092014\\_2013-2014 Foundation Audit Report and AAD SAS 114 Letter](#)



**RIVERSIDE COMMUNITY  
COLLEGE DISTRICT  
FOUNDATION**

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



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## Independent Auditors' Report

To the Board of Directors  
Riverside Community College District Foundation

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

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

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinion**

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

*Ahern Adcock Devlin LLP*

Riverside, California  
October 10, 2014

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**Statements of Financial Position**

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Statements of Activities and Changes in Net Assets**

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**  
**Statements of Cash Flows**

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

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



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Statements of Functional Expenses**

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

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

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

## RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

### Notes to Financial Statements

#### 1. Organization and Summary of Significant Accounting Policies

The Riverside Community College District Foundation (the "Foundation") was formed as a nonprofit corporation on October 21, 1975, to solicit funds, provide support for the programs and projects of the Riverside Community College District (the "District"), and to account for the issuance of scholarships to the students of the District. The Foundation also serves as a link between the District and the community.

#### Financial Statement Presentation

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

The Foundation reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows. The Foundation does not use fund accounting. Revenues and expenses are recorded when incurred in accordance with the accrual basis of accounting.

The Foundation and the District are financial interrelated organizations as defined by the Financial Accounting Standards Board (FASB), Accounting Standards Codification 958-20, *Transfers of Assets to a Nonprofit or Charitable Trust that Holds Contributions for Others* (formerly FAS 136). The Foundation reflects contributions received for the benefit of the District as revenue in its financial statements. The expenses related to these contributions are accounted for under program expenses.

#### Fair Value Measurements

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

#### Net Asset Classifications

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

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

*Permanently restricted net assets* contain donor-imposed restrictions and stipulate that the resources be maintained permanently, but permit the Foundation to use, or expend part or all of the income derived from the donated assets for either specified or unspecified purposes. As restrictions on the net assets expire, due to time passing and earnings becoming available for expenditure, the funds are released to either temporarily restricted net assets or unrestricted net assets as applicable.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

### Notes to Financial Statements

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

##### Expiration of Donor-Imposed Restrictions

Temporarily restricted net assets have donor-imposed restrictions that permit the Foundation to use up or expend the donated assets as specified and are satisfied either by the passage of time or by actions of the Foundation. As the restrictions expire and become available for expenditure, the funds are released to unrestricted net assets.

##### Endowment Funds

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

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

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

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

##### Public Support and Revenue

The Foundation receives substantially all of its revenue from direct donations and pledges. Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Realized gains/losses and unrealized gains/losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expiration of restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as assets are released from restriction between the applicable classes of net assets.

## **RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

### **Notes to Financial Statements**

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

Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. Contributions of assets, other than cash, are recorded at their estimated fair value at the time of the gift.

#### **Comparative Financial Information**

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

#### **Donated Assets, Services, and Facilities**

The Foundation records the value of donated assets, services, and facilities when there is an objective basis available to measure their value. Donated facilities are reflected as support in the accompanying statements at their estimated values at date of donation and fair market value of facilities for the year. Donated assets, if received for the benefit of the Foundation, are capitalized at the stated donated value and depreciated in accordance with Foundation policies, unless they are passed through to the District. During the years ended June 30, 2014 and 2013, all donated assets have been passed through to the District. Donated services are reflected in the accompanying statements when the criteria for recognition have been met and are recorded at fair value.

#### **Use of Estimates**

The preparation of financial statements in conformity with United States of America generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period, as well as the disclosure of contingent assets and liabilities at the date of the financial statements and accompanying notes. While management believes that these estimates are adequate, actual results could differ from those estimates.

#### **Income Taxes**

The Foundation is a charitable, not-for-profit, tax-exempt organization qualified under provisions of Section 501(c)(3) of the Internal Revenue Code and corresponding California provisions. Accordingly, no provision for income taxes has been provided in the financial statements. The Foundation has also been classified as an entity that is not a private foundation within the meaning of Section 509(a). The Foundation annually files information returns, Forms 990, 199, and RRF-1, with the appropriate agencies. There were no unrelated business activities during the years ended June 30, 2014 and 2013. The Foundation is no longer subject to United States federal or state examinations by tax authorities for the years before 2010 and 2009, respectively. During the years ended June 30, 2014 and 2013, the Foundation did not recognize any interest or penalties associated with any tax positions.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Notes to Financial Statements**

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

**Cash Equivalents for Statements of Cash Flows**

For purposes of the statements of cash flows, the Foundation considers all highly liquid unrestricted investments available for current use purchased with an initial maturity of three months or less to be cash equivalents.

**Pledges Receivable**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Foundation uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. Management has determined the amount of allowance for uncollectible promises to give at June 30, 2014 and 2013 to be \$4,776 and \$6,955, respectively.

**Functional Allocation of Expenses**

The costs of providing various programs and activities have been summarized on a functional basis. Accordingly, based upon management's estimates, certain costs have been allocated among the programs, support services, and fundraising activities.

**2. Concentration of Risk**

The Foundation has cash and cash equivalents in financial institutions that may or may not be insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. At various times throughout the year, the Foundation may have cash balances at financial institutions which exceed the FDIC insurance limit. Additionally, the Foundation deposits are covered under the collateralization of governmental funds agreement which provides for collateralization of deposits with eligible securities at a rate of 110 percent of the deposit on hand. As of June 30, 2014, the balances held in financial institutions of \$670,475 were not fully insured, but were collateralized with securities held by the financial institution, but not in the Foundation's name. Management reviews the balances and the financial condition of these financial institutions on a periodic basis and does not believe this concentration of cash results in a high level of risk for the Foundation.

**3. Unconditional Promises to Give**

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Notes to Financial Statements**

**4. Investments**

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

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

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

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

**Market Value of Financial Assets and Liabilities**

The Foundation determines the fair market values of certain financial instruments based on the fair value hierarchy established in FASB ASC 820, *Fair Value Measurements*, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

### Notes to Financial Statements

#### 4. Investments (Continued)

The following provides a summary of the hierarchical levels used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 asset and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.
- Level 2 Observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities may include debt securities with quoted prices that are traded less frequently than exchange-traded instruments and other instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes U.S. Government and agency mortgage-backed debt securities, corporate debt securities, derivative contracts, residential mortgage, and loans held-for-sale.
- Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private equity investments, where independent pricing information was not able to be obtained for a significant portion of the underlying assets.

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

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

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

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

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



**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Notes to Financial Statements**

**4. Investments (Continued)**

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

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

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

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

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

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

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

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION**

**Notes to Financial Statements**

**6. Accounts Payable**

Accounts payable for the Foundation consisted of the following:

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

**7. Refundable Advances**

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

**8. Net Assets**

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

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

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

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

**9. Related Party Transactions**

The Foundation provides various levels of monetary support and service to the District. The transactions are recorded within the financial statements as instructional and student programs and scholarship expense. The Foundation has contributed \$390,656 and \$491,720 to the District for student programs for the years ended June 30, 2014 and 2013, respectively. The Foundation has contributed \$504,730 and \$521,911 to the District for student scholarships for the years ended June 30, 2014 and 2013, respectively. Additionally, the Foundation promised to give a total \$5,833,783 of which \$1,700,000 and \$3,054,000 were to be passed through from the County of Riverside and the City of Riverside, respectively, under a memorandum of understanding with the District for construction of the Aquatics Complex. As of June 30, 2014 and 2013, the Foundation owed the District \$97,138 and \$155,582, respectively.

## RIVERSIDE COMMUNITY COLLEGE DISTRICT FOUNDATION

### Notes to Financial Statements

#### 9. Related Party Transactions (Continued)

The District provides office space and other support to the Foundation. The Foundation office is currently housed in a building, which is owned by the District, and is jointly used by both the District and the Foundation. The Foundation leases the property at a cost of \$1.00 per year. This agreement expires November 30, 2018.

The Foundation received contributed employee services, other professional services, and materials valued at \$463,856 and \$540,374 from the District for the years ended June 30, 2014 and 2013, respectively.

#### 10. Commitments

The Foundation is the fiscal agent for a scholarship component of a District Gear-Up Grant through the Department of Education. As of June 30, 2014, the Foundation has received a total of \$1,293,212 for years one through five of the five-year grant. At June 30, 2014, the funds, including interest income less a small amount expended for investment management fees, are included in the Foundation's temporarily restricted scholarship funds and total \$4,500. The Foundation began distributing the funds in the summer of 2007. During the year ended June 30, 2014, the Foundation has expended \$54,523 in scholarships and expenses related to the program.

#### 11. Risks and Uncertainties

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

#### 12. Subsequent Events

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

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

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

A California Limited Liability Partnership  
Certified Public Accountants



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Governmental Audit  
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California Society of  
Certified Public Accountants

**To the Board of Directors  
Riverside Community College District Foundation**

We have audited the financial statements of Riverside Community College District Foundation (the "Foundation") for the year ended June 30, 2014, and have issued our report thereon dated October 10, 2014. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 5, 2014. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Findings**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2014. We noted no transactions entered into by the Foundation during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

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

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

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

*Difficulties Encountered in Performing the Audit*

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

*Corrected and Uncorrected Misstatements*

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

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 10, 2014.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Foundation's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Foundation's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

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

*Ahern Adeock Devlin LLP*

Riverside, California  
October 10, 2014

# Agenda Item (VIII-D-4)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Resources (VIII-D-4)
Subject	2013-2014 Proposition 39 Independent Financial and Performance Audits
College/District	District
Funding	N/A
Recommended Action	It is recommended that the Board of Trustees receive the Proposition 39 independent financial and performance audits of the District's Measure C general obligation bond for the year ended June 30, 2014 for the permanent file of the District.

---

## Background Narrative:

In accordance with the provisions of Proposition 39, independent financial and performance audits of the District's Measure C general obligation bond were performed by Vicenti, Lloyd and Stutzman LLP (VLS). A representative of the audit firm will be available to present the reports. Results of the audits are summarized below.

- Auditor's Opinion – The auditors have issued unmodified opinions for both the financial and performance audits as of June 30, 2014 and 2013.
- Audit Findings – There were no findings or questioned costs.
- Auditor's Required Communication – In accordance with the Statement on Auditing Standards No. 114, at the conclusion of the audit engagement VLS is required to communicate information to the Board of Trustees regarding their responsibility under United States Generally Accepted Auditing Standards. Attached for your information is the required communication.
- The audit report was presented to the Citizens Bond Oversight Committee on October 16, 2014.

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

## Attachments:

[12092014\\_2013-2014 Proposition 39 SAS 114 Letter and Financial and Performance Audits](#)



October 16, 2014

The Board of Trustees  
The Measure C Citizens' Bond Oversight Committee  
Riverside Community College District  
Riverside, California

This letter is intended to ensure that the Board of Trustees and the Measure C Citizens' Bond Oversight Committee of Riverside Community College District (the "District") receives additional information regarding the scope and results of the audit of the General Obligation Bond Funded Capital Outlay Projects that may assist in overseeing the financial reporting and disclosure process for which management is responsible.

These communications relate to the financial statement audit of the General Obligation Bond Funded Capital Outlay Projects that has been performed by Vicenti, Lloyd & Stutzman LLP ("VLS") for the year ended June 30, 2014, and other relevant information relating to VLS' relationship with the District. Our objective is to communicate certain information that is required to be communicated to those charged with governance by professional auditing standards.

The following summarizes various matters which must be communicated to you under auditing standards generally accepted in the United States of America.

### **The Auditor's Responsibility under Applicable Auditing Standards**

Our audit of the financial statements of the General Obligation Bond Funded Capital Outlay Projects for the year ended June 30, 2014 was conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplished that objective.

2210 E. Route 66, Suite 100, Glendora, CA 91740

Tel 626.857.7300 | Fax 626.857.7302 | E-Mail [INFO@VLSLLP.COM](mailto:INFO@VLSLLP.COM) | Web [WWW.VLSLLP.COM](http://WWW.VLSLLP.COM)

Riverside Community College District  
October 16, 2014  
Page 2

### **Qualitative Aspects of Accounting Practices**

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The significant accounting policies used by the District are described in Note 1 to the financial statements. The District did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period which should be brought to your attention for approval. No significant or unusual transactions or significant accounting policies related to controversial or emerging areas for which there is a lack of authoritative guidance or consensus were noted. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses its knowledge and experience about past and current events, and certain assumptions about future events. Management has informed us it used all the relevant facts available at the time to make the best judgments about accounting estimates, and we considered this information in the scope of our audit. Estimates significant to the financial statements include such items as establishing the accruals of receivables and liabilities. We believe management's estimates are reasonable, based on our audit. However, estimates are subject to change because of future events, and the ultimate amounts realized may differ from those provided.

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

### **Difficulties Encountered in Performing the Audit**

There were no difficulties encountered in dealing with management in performing and completing both the financial and performance audits.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no audit adjustments made to the original trial balance presented to us. In addition, we accumulated no uncorrected misstatements for the fiscal year ended June 30, 2014.

### **Disagreement 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 audit report. We are pleased to report that we encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments or any significant matters.



Riverside Community College District  
October 16, 2014  
Page 3

### **Management Representations**

We have requested certain representations from management including but not limited to the fair presentation of the financial statements, application of generally accepted accounting principles and management's responsibility for establishing and maintaining effective internal controls. These as well as other representations are included in the management representation letter dated September 16, 2014.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. We are not aware of any consultations management had with other accountants about auditing and accounting matters related to the General Obligation Bond Funded Capital Outlay Projects.

### **Other Information in Documents Containing Audited Financial Statements**

We are not aware of other documents that contain the audit report of the General Obligation Bond Funded Capital Outlay Projects. When such documents are to be published, such as an Annual Report, we have a responsibility to determine that such financial information is not materially inconsistent with the audited statements of the General Obligation Bond Funded Capital Outlay Projects.

### **Other Audit Findings or Issues**

No management letter was issued related to the audit of the General Obligation Bond Funded Capital Outlay Projects for the year ended June 30, 2014. Similarly, no major issues were discussed with management prior to our recurring retention to perform the aforementioned audit.

### **Independence**

Vicenti Lloyd & Stutzman LLP is independent with respect to the District. Our quality control processes are established to ensure our continuing independence.

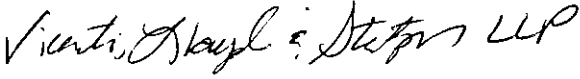
### **Closing**

We will be pleased to respond to any questions you have about the foregoing. If you would like any information or would like to discuss any of the matters raised, please do not hesitate to contact Renee Graves at (626) 857-7300. We appreciate the opportunity to continue to be of service to Riverside Community College District.

Riverside Community College District  
October 16, 2014  
Page 4

**Closing (continued)**

This letter is intended solely for the information and use of the Board of Trustees, Measure C Citizens' Bond Oversight Committee, management and others within the District and is not intended to be and should not be used by anyone other than these specified parties.

  
VICENTI, LLOYD & STUTZMAN LLP

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**RIVERSIDE COUNTY**

**REPORT ON PROPOSITION 39 FUNDING  
FINANCIAL AND PERFORMANCE AUDITS**

**June 30, 2014**

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**REPORT ON PROPOSITION 39 FUNDING  
FINANCIAL AND PERFORMANCE AUDIT**

**June 30, 2014**

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**INDEPENDENT AUDITOR'S REPORT ON  
PROPOSITION 39 GENERAL OBLIGATION BOND  
FUNDED CAPITAL OUTLAY PROJECTS**

The Board of Trustees  
The Measure C Citizens' Bond Oversight Committee  
Riverside Community College District  
Riverside, California

**Report on the Financial Statements**

We have audited the accompanying Balance Sheet, Statement of Revenues, Expenditures and Change in Fund Balance and Statement of Revenues, Expenditures and Change in Fund Balance – Budget and Actual for the General Obligation Bond Funded Capital Outlay Projects of the Riverside Community College District (the District) as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's General Obligation Bond Funded Capital Outlay Projects 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 misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain 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, we consider 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 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 respective financial position of the General Obligation Bond Funded Capital Outlay Projects of the District as of June 30, 2014, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the District's General Obligation Bond Funded Capital Outlay Projects financial statements. The supplementary schedule is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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 September 16, 2014 on our consideration of the District's internal control over General Obligation Bond Funded Capital Outlay Projects financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over the General Obligation Bond Funded Capital Outlay Projects 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 the General Obligation Bond Funded Capital Outlay Projects financial reporting and compliance.



VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
September 16, 2014

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**  
**BALANCE SHEET**  
**GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**  
**June 30, 2014**

**Assets**

Cash in county treasury	\$ 41,639,548
Accounts receivable	131,899
Due from other funds	<u>40,380</u>
<b>Total Assets</b>	<b><u>\$ 41,811,827</u></b>

**Liabilities and Fund Balance**

**Liabilities**

Accounts payable	\$ 1,618,515
Due to other funds	<u>19,624</u>
<b>Total Liabilities</b>	<b><u>1,638,139</u></b>

**Fund Balance**

Restricted	<u>40,173,688</u>
<b>Total Fund Balance</b>	<b><u>40,173,688</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 41,811,827</u></b>

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS  
For the Fiscal Year Ended June 30, 2014**

<b>Revenues</b>	
Contributions	\$ 203,618
Interest and investment income	159,566
<b>Total Revenues</b>	<u>363,184</u>
<b>Expenditures</b>	
Classified salaries	332,201
Benefits	136,207
Supplies	8,506
Other services	524,603
Capital outlay	19,579,429
<b>Total Expenditures</b>	<u>20,580,946</u>
Deficiency of revenues over expenditures	<u>(20,217,762)</u>
<b>Other Financing Uses</b>	
Transfers out	<u>(98,675)</u>
<b>Total Other Financing Uses</b>	<u>(98,675)</u>
Net change in fund balance	(20,316,437)
Fund Balance at Beginning of Year	<u>60,490,125</u>
Fund Balance at End of Year	<u>\$ 40,173,688</u>

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



**RIVERSIDE COMMUNITY COLLEGE DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Budget *</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Contributions	\$ 139,456	\$ 203,618	\$ 64,162
Interest and investment income	200,000	159,566	(40,434)
<b>Total Revenues</b>	<u>339,456</u>	<u>363,184</u>	<u>23,728</u>
<b>Expenditures</b>			
Classified salaries	537,727	332,201	205,526
Benefits	217,368	136,207	81,161
Supplies	8,506	8,506	-
Other services	681,408	524,603	156,805
Capital outlay	<u>118,240,559</u>	<u>19,579,429</u>	<u>98,661,130</u>
<b>Total Expenditures</b>	<u>119,685,568</u>	<u>20,580,946</u>	<u>99,104,622</u>
Deficiency of revenues over expenditures	<u>(119,346,112)</u>	<u>(20,217,762)</u>	<u>99,128,350</u>
<b>Other Financing Uses</b>			
Transfers out	<u>(313,550)</u>	<u>(98,675)</u>	<u>214,875</u>
<b>Total Other Financing Uses</b>	<u>(313,550)</u>	<u>(98,675)</u>	<u>214,875</u>
Net change in fund balance	<u>\$ (119,659,662)</u>	<u>(20,316,437)</u>	<u>\$ 99,343,225</u>
Fund Balance at Beginning of Year		<u>60,490,125</u>	
Fund Balance at End of Year		<u>\$ 40,173,688</u>	

\* The budget for revenues reflects estimated amounts to be received in the current year. The budget for expenditures reflects amounts remaining and available for current and subsequent years' expenditures and does not necessarily coincide with actual planned expenditures in the current year.

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

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board and *Audits of State and Local Governmental Units* issued by the American Institute of Certified Public Accountants.

**FUND STRUCTURE**

The Statement of Revenues, Expenditures and Change in Fund Balance is a statement of financial activities of the General Obligation Bond Funded Capital Outlay Projects related to the current reporting period. Fund expenditures frequently include amounts for land, buildings, equipment, retirement of indebtedness, transfers to other funds, etc. Consequently, this statement does not purport to present the result of operations or the net income or loss for the period as would a statement of income for a profit-type organization.

**BASIS OF ACCOUNTING**

The General Obligation Bond Funded Capital Outlay Projects is maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, which is to say, when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered).

During the year, Cash in the County Treasury is recorded at cost, which approximates fair value, in accordance with the requirements of GASB Statement No. 31.

**BUDGET**

The Statement of Revenues, Expenditures and Change in Fund Balance – Budget and Actual includes a column titled “Budget”. The amounts in this column represent the budget adopted by the Board and all amendments throughout the year.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014**

**NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)**

**FUND BALANCE CLASSIFICATION**

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the governmental fund financial statements present fund balance classifications that comprise a hierarchy based on the extent to which the District is bound to honor constraints on the specific purposes for which amounts can be spent. Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are considered restricted. The fund balance of the General Obligation Bond Funded Capital Outlay Projects is therefore classified as restricted.

**CAPITAL ASSETS AND LONG-TERM DEBT**

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the General Obligation Bond Funded Capital Outlay Projects are determined by its measurement focus. The General Obligation Bond Funded Capital Outlay Projects is accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered a measure of “available spendable resources”. Thus, the capital assets and long-term liabilities associated with the General Obligation Bond Funded Capital Outlay Projects are accounted for in the basic financial statements of the Riverside Community College District.

**ESTIMATES**

The preparation of the financial statements in conformity with generally accepted accounting principles 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.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 2 - DEPOSITS – CASH IN COUNTY TREASURY:**

In accordance with Education Code Section 41001, the District maintains all of its cash in the Riverside County Treasury as part of the common investment pool. These pooled funds are carried at amortized cost which approximates fair value. The fair value of the District's deposits for the General Obligation Bond Funded Capital Outlay Projects in this pool as of June 30, 2014, as provided by the County Treasurer, was \$41,617,480, based on the District's pro-rata share of the fair value for the entire portfolio.

The County is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et. seq. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The funds maintained by the County are either secured by federal depository insurance or are collateralized. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

**NOTE 3 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS:**

There were no excess of expenditures over appropriations, by major object accounts.

**NOTE 4 – BONDED DEBT:**

On March 2, 2004, the voters of Riverside Community College District approved Measure C, a \$350 million bond measure designed to provide funds to improve facilities and safety at the Moreno Valley, Norco, and Riverside Colleges. The outstanding related bonded debt for the District at June 30, 2014 is:

<u>Issue Date</u>	<u>Interest Rate %</u>	<u>Maturity Date</u>	<u>Amount of Original Issue</u>	<u>Outstanding July 1, 2013</u>	<u>Issued Current Year</u>	<u>Redeemed Current Year</u>	<u>Outstanding June 30, 2014</u>
2004A	4.00-5.25%	2015	\$ 55,205,000	\$ 2,355,000	\$	\$ 1,355,000	\$ 1,000,000
2005 Refunding	3.00-5.00%	2016	58,386,109	48,498,032		46,802,747	1,695,285
2007C	4.00-5.00%	2033	90,000,000	68,510,000		24,080,000	44,430,000
2010D	2.36-5.53%	2026	7,699,278	7,699,278			7,699,278
2010D-1	6.97-7.02%	2040	102,300,000	102,300,000			102,300,000
2014 Refunding	0.40-5.00%	2028	73,090,000		73,090,000		73,090,000
			<u>\$ 386,680,387</u>	<u>\$ 229,362,310</u>	<u>\$ 73,090,000</u>	<u>\$ 72,237,747</u>	<u>\$ 230,214,563</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Series A & B**

In August 2004, the District issued the General Obligation Bonds, Series A in the amount of \$55,205,000. Series A Bonds were issued to finance the acquisition, construction, and modernization of property and school facilities and to refund the District's outstanding Certificates of Participation (1993 Financing Project). Series B Bonds for \$9,795,000 were also issued in August 2004 to advance refund the District's outstanding Certificates of Participation (2001 Refunding Project). The Series B Bonds were paid in full as of June 30, 2008. The annual requirements to amortize all Series A Bonds payable, outstanding as of June 30, 2014, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	<u>\$ 1,000,000</u>	<u>\$ 20,000</u>	<u>\$ 1,020,000</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Refunding**

In June 2005, the District issued the General Obligation Refunding Bonds, Series 2004A in the amount of \$58,386,109 to advance refund all or a portion of the outstanding principal amount of the District's General Obligation Series A Bonds and to pay costs of issuance associated with the Bonds. The annual requirements to amortize Refunding Bonds payable, outstanding as of June 30, 2014, are as follows:

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Accreted Interest Component</b>	<b>Total</b>
2015	\$ 797,240	\$	\$ 1,517,760	\$ 2,315,000
2016	898,045		2,031,955	2,930,000
	<u>\$ 1,695,285</u>	<u>\$ -</u>	<u>\$ 3,549,715</u>	<u>\$ 5,245,000</u>

Capital appreciation bonds were issued as part of the 2005 refunding issuance. Prior to their applicable maturity dates, each capital appreciation bond will accrete interest on the principal component, with all interest accreting through the applicable maturity date and payable only upon maturity or prior payment of the principal component. Accreted interest accrued has been reflected in the long term debt balance on the District's financial statements.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Series C**

In June 2007, the District issued the General Obligation Bonds, Series C in the amount of \$90,000,000. The bonds were issued to finance 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 annual requirements to amortize Series C Bonds payable, outstanding as of June 30, 2014, are as follows:

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$	\$ 1,110,750	\$ 1,110,750
2016		2,221,500	2,221,500
2017		2,221,500	2,221,500
2018		2,221,500	2,221,500
2019		2,221,500	2,221,500
2020-2024		11,107,500	11,107,500
2025-2029	9,520,000	11,107,500	20,627,500
2030-2033	34,910,000	3,686,000	38,596,000
	<u>\$ 44,430,000</u>	<u>\$ 35,897,750</u>	<u>\$ 80,327,750</u>

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Series D & D-1**

In October 2011, the District issued General Obligation Bonds, Series D and D-1 in the amount of \$109,999,278. These bonds consisted of \$7,699,278 tax-exempt Series D bonds and \$102,300,000 in federally taxable Build America Bonds Series D-1. The Build America Bonds program was created by the American Recovery and Reinvestment Act to assist state and local governments in financing capital projects at lower borrowing costs and to stimulate the economy and create jobs.

The District elected to treat the Series D-1 bonds as “Build America Bonds” under Section 54AA of the Tax Code, and the Series D-1 Bonds be “qualified bonds” under Section 54AA(g)(2) of the Tax Code which make the District eligible for a cash subsidy payment from the United States Treasury equal to 35% of the interest payable on the Series D-1 Bonds. The District will deposit the cash subsidy payments with the County to be credited to the Debt Service Fund for the Series D-1 Bonds. Cash subsidy payments are expected to be received contemporaneously with each interest payment date. The annual requirements to amortize Series D Bonds payable, outstanding as of June 30, 2014, are as follows:

<b><u>Year Ended June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Accreted Interest</u></b>	<b><u>Total</u></b>
2015	\$ -	\$ -	\$ -
2016	216,214	158,786	375,000
2017	292,495	277,505	570,000
2018	349,375	415,625	765,000
2019	394,266	575,734	970,000
2020-2024	3,950,471	3,894,529	7,845,000
2025-2026	2,496,457	2,898,543	5,395,000
	<b><u>\$ 7,699,278</u></b>	<b><u>\$ 8,220,722</u></b>	<b><u>\$ 15,920,000</u></b>

Capital appreciation bonds were issued as part of the 2011 Series D issuance. Prior to their applicable maturity dates, each capital appreciation bond will accrete interest on the principal component, with all interest accruing through the applicable maturity date and payable only upon maturity or prior payment of the principal component. Accreted interest accrued has been reflected in the long term debt balance on the District’s financial statements.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Series D & D-1 (continued)**

The annual requirements to amortize Series D-1 Build America Bonds payable, outstanding as of June 30, 2014, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$	\$ 7,164,193	\$ 7,164,193
2016		7,322,979	7,322,979
2017		7,441,698	7,441,698
2018		7,579,818	7,579,818
2019		7,739,927	7,739,927
2020-2024		39,715,494	39,715,494
2025-2029		38,719,509	38,719,509
2030-2034	16,840,000	35,198,803	52,038,803
2035-2039	70,215,000	24,810,541	95,025,541
2040	15,245,000	1,070,351	16,315,351
	<u>\$ 102,300,000</u>	<u>\$ 176,763,313</u>	<u>\$ 279,063,313</u>

**Refunding**

In April 2014, the District issued General Obligation Refunding Bonds, Series A (Tax Exempt) in the amount of \$29,130,000 to advance refund all or a portion of the outstanding principal amount of the District's General Obligation Series A Bonds, 2005 Refunding Bonds and General Obligation Series C Bonds and to pay costs of issuance associated with the Bonds. General Obligation Refunding Bonds, Series B (Federally Taxable) in the amount of \$43,960,000 were also issued to advance refund a portion of the outstanding principal amount of the District's 2005 Refunding Bonds and to pay costs of issuance associated with the Bonds. The annual requirements to amortize Refunding Bonds payable, outstanding as of June 30, 2014, are as follows:

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2014**

**NOTE 4 – BONDED DEBT: (continued)**

**Refunding (continued)**

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2015	\$ 1,320,000	\$ 442,992	\$ 1,762,992
2016	615,000	2,558,866	3,173,866
2017	3,780,000	2,555,188	6,335,188
2018	4,085,000	2,510,946	6,595,946
2019	4,400,000	2,445,195	6,845,195
2020-2024	28,385,000	10,158,193	38,543,193
2025-2028	30,505,000	3,793,067	34,298,067
	<u>\$ 73,090,000</u>	<u>\$ 24,464,447</u>	<u>\$ 97,554,447</u>

**NOTE 5 – COMMITMENTS AND CONTINGENCIES**

**A. Litigation**

The District is involved in various claims and legal actions related to various construction projects. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's General Obligation Bond Funded Capital Outlay Projects financial statements

**B. Purchase Commitments**

As of June 30, 2014, the District was committed under various capital expenditure purchase agreements for bond projects in process totaling approximately \$88,300,000.



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

The Board of Trustees  
The Measure C Citizens' Bond Oversight Committee  
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 Balance Sheet, Statement of Revenues, Expenditures and Change in Fund Balance and Statement of Revenues, Expenditures and Change in Fund Balance – Budget and Actual for the General Obligation Bond Funded Capital Outlay Projects of the Riverside Community College District (the District), as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the General Obligation Bond Funded Capital Outlay Projects basic financial statements, and have issued our report thereon dated September 16, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over the General Obligation Bond Funded Capital Outlay Projects financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the 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.

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

Our consideration of internal control 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 audit 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 General Obligation Bond Funded Capital Outlay Projects financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance 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.



VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
September 16, 2014

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**FINANCIAL AUDIT  
SCHEDULE OF FINDINGS AND RESPONSES  
June 30, 2014**

There were no findings related to the financial audit of the General Obligation Bond Funded Capital Outlay Projects for the fiscal years ended June 30, 2014, and June 30, 2013.

**PERFORMANCE AUDIT OF THE GENERAL OBLIGATION BOND  
FUNDED CAPITAL OUTLAY PROJECTS**



**INDEPENDENT AUDITOR'S REPORT  
ON PROPOSITION 39 GENERAL OBLIGATION  
BOND FUNDED CAPITAL OUTLAY PROJECTS  
COMPLIANCE REQUIREMENTS**

The Board of Trustees  
The Measure C Citizens' Bond Oversight Committee  
Riverside Community College District  
Riverside, California

We have conducted a performance audit of the Riverside Community College District (the "District"), Measure C General Obligation Bond funds for the fiscal year ended June 30, 2014.

We conducted our performance audit in accordance with *Governmental Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 20 of this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure C General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15264 and 15272 – 15286 of the California Education Code as they apply to the Bonds and the net proceeds thereof. Management is responsible for the District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal control of the District to determine if internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15264 and 15272 – 15286 of the California Education Code. Accordingly, we do not express any assurance on internal control.

The results of our tests indicated that, in all significant respects, the District expended Measure C General Obligation Bond funds for the fiscal year ended June 30, 2014, only for the specific projects developed by the District's Board of Trustees, and approved by the voters in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15264 and 15272 – 15286 of the California Education Code.

*Vicenti, Lloyd & Stutzman LLP*

VICENTI, LLOYD & STUTZMAN LLP  
Glendora, California  
September 16, 2014

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
June 30, 2014**

**BACKGROUND INFORMATION**

In November, 2000, the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges under certain circumstances and subject to certain conditions. On March 2, 2004, the voters of Riverside Community College District approved Measure C, a \$350 million bond measure designed to provide funds to improve facilities and safety at the Moreno Valley, Norco, and Riverside campuses.

Pursuant to the requirements of Proposition 39, and related state legislation, the Board of Trustees of the District established a Citizens' Bond Oversight Committee and appointed its members. The principal purpose of the Citizens' Bond Oversight Committee, as set out in state law, is to inform the public as to the expenditures of the proceeds of the bonds issued pursuant to the Measure C Bond authorization. The Citizens' Bond Oversight Committee is required to issue at least one report annually as to its activities and findings.

Section 1(b)(3)(C) of Article XIII A of the California Constitution requires the District to conduct, an annual independent performance audit to ensure that the proceeds of the bonds deposited into the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program have been expended only for the authorized bond projects.



**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
June 30, 2014**

**OBJECTIVES**

The objectives of our Performance Audit were to:

- Determine the expenditures charged to the Riverside Community College District Measure C General Obligation Bond Funded Capital Outlay Projects.
- Determine whether expenditures charged to the Measure C General Obligation Bond Funded Capital Outlay Projects have been made in accordance with the bond project list approved by the voters through the approval of Measure C in March 2004.
- Note incongruities, system weaknesses, or non-compliance with specific California Education Code sections related to bond oversight and provide recommendations for improvement.
- Provide the District Board of Trustees and the Measure C Citizens' Bond Oversight Committee with a performance audit as required under the provisions of the California Constitution and Proposition 39.

**SCOPE OF THE AUDIT**

The scope of our Performance Audit covered the fiscal period from July 1, 2013 to June 30, 2014. The sample of expenditures tested included object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other state or local funding sources, other than the proceeds of the bonds, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2014, were not reviewed or included within the scope of our audit or in this report.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
June 30, 2014**

**PROCEDURES PERFORMED**

We obtained the general ledger and the project expenditure summary reports and detail prepared by the District for the fiscal year ended June 30, 2014 for the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program. We also reviewed documentation, including the District website, for compliance with Education Code Sections 15264 and 15272 – 15286. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for expenditures to ensure compliance with the requirements of Proposition 39 and Measure C with regards to the approved bond projects list. We performed the following procedures:

- We reviewed the projects listed to be funded with general obligation bond proceeds as set forth in the Measure C election documents.
- We selected a sample of expenditures for the fiscal year ended June 30, 2014 and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects.
- We verified on a sample basis that funds from the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program were expended on authorized bond projects. In addition, we verified that funds held in the General Obligation Bond Funded Capital Outlay Projects – Measure C Bond Program were used for salaries of administrators only to the extent they perform administrative oversight work on construction projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
June 30, 2014**

**CONCLUSION**

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures of the funds held in the Bond Funded Capital Outlay Projects – Measure C Bond Program and that such expenditures were made for authorized bond projects. Further, it was noted that the funds held in the Bond Funded Capital Outlay Projects – Measure C Bond Program and expended by the District, were used for salaries of administrators only to the extent they perform administrative oversight work on construction projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
SCHEDULE OF FINDINGS AND RESPONSES  
June 30, 2014**

There were no findings related to the performance audit for the fiscal year ended June 30, 2014.

**SUPPLEMENTARY INFORMATION**

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
BOND PROJECT SUMMARY  
June 30, 2014**

The District has identified the following projects to be funded with proceeds from the general obligation bonds. The District incurred costs of \$241,008,126 through June 30, 2014 for these construction projects. Capital outlay and other financing expenditures were as follows:

	BUDGET	TOTAL PROJECT COSTS THROUGH June 30, 2013	2014 ACTUAL COSTS	TOTAL PROJECT COSTS THROUGH June 30, 2014
Parking Structure - Riverside	\$ 20,940,662	\$ 20,940,661		\$ 20,940,661
PE Complex / Athletic Field Phase I - Riverside	4,516,435	4,516,435		4,516,435
Lovekin Complex (Swing Space)	3,958,308	3,958,308		3,958,308
Quad Modernization Project	8,918,800	9,171,523	284	9,171,807
RCC System Office - Purchase Option	2,629,982	2,629,982		2,629,982
MLK Renovation	1,010,614	1,010,614		1,010,614
Bridge Space Project	1,175,132	1,175,132		1,175,132
Phase III - Norco	9,620,416	9,715,349		9,715,349
District Computer / Network / Phone Upgrades	1,351,043	1,351,053		1,351,053
Scheduled Maintenance - District Match for State Allocation	1,403,045	1,403,045		1,403,045
Administration Building Remodel	186,100	186,100		186,100
Business Education Building Remodel	129,325	129,325		129,325
Nursing / Sciences Building Riverside	18,272,600	16,294,560	104,994	16,399,554
Phase III - Moreno Valley	7,044,265	4,716,434	1,078,582	5,795,016
Physical Education Phase II	13,738,332	13,106,903	15,613	13,122,516
Feasibility and Planning	1,946,085	1,347,910	198,559	1,546,469
Innovative Learning Center	7,399,505	7,399,505		7,399,505
Moreno Valley Secondary Effects	286,227	286,226		286,226
Norco Campus Room Renovations	100,019	100,019		100,019
Riverside Food Services Remodel	987,705	987,705		987,705
Moreno Valley Food Services Remodel	2,654,335	2,649,608		2,649,608
Infrastructure Studies Project	484,414	484,414		484,414
Moreno Valley Hot Water Loop System	869,848	869,848		869,848
Emergency Phones Installation Project	379,717	379,717		379,717
Noresco Utility Retrofit Improvement	6,181,188	6,181,189		6,181,189
Modular Redistribution Norco/MoVal/BC/Riv	8,431,362	8,425,861		8,425,861
ECS Upgrade/Retrofit Norco/MoVal	389,561	389,561		389,561
PBX Operations Center - Riverside	428,119	428,119		428,119
PBX Operations Center - Norco NOC	11,775,000	11,123,252	191,572	11,314,824
PBX Operations Center - Moreno Valley NOC	3,024,082	109,634	98,831	208,465
Phys/Life Science Secondary Effects StSvc	152,500	152,500		152,500
Norco Campus Student Support Center	15,635,918	15,633,873		15,633,873
Staff Costs	2,250,470	1,792,891	457,584	2,250,475
Long Range Master Plan Project	1,439,077	1,439,077		1,439,077
Construction Management Services	210,331	210,331		210,331
Logic Domain CPMX	162,375	136,875	12,750	149,625
Aquatic Pool Project	11,028,683	10,833,976	32,008	10,865,984
Norco Soccer Field	3,904,973	3,904,973	(25,659)	3,879,314
Moreno Valley Parking Structure	5,269,307	5,058,274	698	5,058,972
Bradshaw Building Electrical	366,353	366,353		366,353

See independent auditor's report.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
BOND PROJECT SUMMARY  
June 30, 2014**

	BUDGET	TOTAL PROJECT COSTS THROUGH June 30, 2013	2014 ACTUAL COSTS	TOTAL PROJECT COSTS THROUGH June 30, 2014
Quad Basement Remodel	467,500	352,941		352,941
Black Box Theatre Remodel	10,955	10,955		10,955
Technology Building - A	11,375	11,375		11,375
Center for Health, Wellness and Kinesiology	86,500	86,500		86,500
Health Science Center	164,971	164,970		164,970
ADA Transition Plan	6,360,000	3,513,078	2,506,984	6,020,062
March Dental Education Center	9,914,549	9,878,445		9,878,445
Norco Secondary Effects Project	16,044,292	15,563,941	124,653	15,688,594
Utility Infrastructure Upgrade Project	7,085,632	1,985,350	3,934,990	5,920,340
Norco Campus Safety & Site Improvement Project	967,442	967,442		967,442
Moreno Valley Campus Safety & Site Improvement Project	719,827	719,827		719,827
Moreno Valley Campus Administrative Move to Humanities	25,990	25,990		25,990
Moreno Valley Campus Science Laboratories Remodel	500,000	302,541	262	302,803
Ben Clark Public Safety Training Center Project	84,500	53,125		53,125
Riverside Interim Parking Lease	177,023	177,023		177,023
Moreno Valley Center for Human Performance	112,009	112,009		112,009
Riverside Cosmetology Building	142,500	142,500		142,500
Alumni Carriage House Restoration Project	150,000	121,513	756	122,269
District Wide IT Audit	5,840,000	1,709,750	451,340	2,161,091
District Culinary Arts / District Office Building	32,484,261	3,651,431	3,146,079	6,797,510
Parking Structure Fall Deterrent	7,576	7,576		7,576
Nursing Portables	705,338	705,338		705,338
Central Plant Boiler Project	161,848	161,847		161,847
DSA Project Closures	7,434	7,290		7,290
Scheduled Maintenance	2,860,000	1,890,330	306,226	2,196,556
Electronic Contract Document Storage	50,000			
2013-14 IPP/FPP District	350,000			
Program Contingency	4,439,146			
Program Reserve	4,310,463			
District Design Standards	355,000	335,785	9,247	345,032
Moreno Valley Learning Center	127,000	127,000		127,000
Student Services and Workforce Development Bldg.	25,925,000	272,078	1,175,481	1,447,559
Lovekin Parking/Tennis Project	4,475,000	1,356,068	2,967,760	4,323,828
Food Services "grab-n-go" Facility Project	1,600,000	77,390	5,348	82,738
Master Plan Updates	729,800	403,403	305,506	708,909
Swing Space - Market Street Properties	866,500	366,190	121,301	487,491
Groundwater Monitoring Wells	517,660	121,137	28,308	149,445
Emergency Phone Project - Moreno Valley	450,000	341,582		341,582
Self-Generation Incentive Program- Norco	3,110,000	945,261	1,580,045	2,525,306
Physicians Assistant Laboratory Remodel - Moreno Valley	120,000	10,163	39,029	49,192
Visual and Performing Arts Center - Norco	114,000	114,000		114,000
Audio Visual Upgrade Project - Moreno Valley	200,000	51,550		51,550
Mechanical Upgrade Project - Moreno Valley	875,000	657,413	2,832	660,245

See independent auditor's report.

**RIVERSIDE COMMUNITY COLLEGE DISTRICT  
 GENERAL OBLIGATION BOND FUNDED CAPITAL OUTLAY PROJECTS**

**PROPOSITION 39 PERFORMANCE AUDIT  
 BOND PROJECT SUMMARY  
 June 30, 2014**

	BUDGET	TOTAL PROJECT COSTS THROUGH June 30, 2013	2014 ACTUAL COSTS	TOTAL PROJECT COSTS THROUGH June 30, 2014
Coil School for the Arts	24,280,000	1,927,958	1,708,982	3,636,940
Coil School for the Arts - Parking Structure	1,456,076			
<b>Total Capital Outlay</b>	<b>340,094,380</b>	<b>220,427,180</b>	<b>20,580,946</b>	<b>241,008,126</b>
Series A Refunding Escrow	57,686,474	57,686,474		57,686,474
COPS Payoffs	11,582,875	11,582,873		11,582,873
Costs of issuance	2,839,859	2,839,858		2,839,858
Debt service	2,835,612	2,835,612		2,835,612
Election costs	98,236	98,236		98,236
<b>Total Other Financing Uses</b>	<b>75,043,056</b>	<b>75,043,053</b>	<b>-</b>	<b>75,043,053</b>
<b>TOTALS</b>	<b>\$ 415,137,436</b>	<b>\$ 295,470,233</b>	<b>\$ 20,580,946</b>	<b>\$ 316,051,180</b>

See independent auditor's report.





# Agenda Item (VIII-E-1)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Facilities (VIII-E-1)
Subject	Change Order No.1 for Coil School for the Arts with Neal Electric Phase I Ground Work
College/District	Riverside
Funding	Riverside City College/Program Reserve Measure C Funds, Redevelopment Funds, and La Sierra Funds
Recommended Action	It is recommended that the Board of Trustees approve: 1) project Change Order No.1 with Neal Electric in the amount of \$35,773.73; and 2) the change order in excess of ten percent by a total of \$6,073.73.

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## Background Narrative:

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

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

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

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

## Attachments:

[Change Order Summary\\_Neal Electric](#)

Exhibit I

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

CHANGE ORDER SUMMARY

Change Order: 1

Contractor: **Neal Electric**

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

Change Order Description:

Item No. 1

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

\$35,773.33

*Requested by:* City of Riverside, Riverside Public Utilities

*Accountability:* Riverside Public Utilities / Riverside Community College District

**TOTAL ADD/CREDIT:**

**\$35,773.73**



# Agenda Item (VIII-E-2)

Meeting	12/9/2014 - Regular
Agenda Item	Committee - Facilities (VIII-E-2)
Subject	Change Order No. 1 for Culinary Arts Academy and District Office Building with Kamran and Co., Inc.
College/District	District
Funding	District Allocated Measure C Funds
Recommended Action	It is recommended that the Board of Trustees approve: 1) project Change Order No.1 with Kamran and Co., Inc. in the amount of \$106,243.18; and 2) the change order in excess of ten percent by a total of \$15,243.18

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## Background Narrative:

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

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

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

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

## Attachments:

[Change Order Summary\\_Kamran](#)

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

**CHANGE ORDER SUMMARY**

Change Order: 1

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

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

Change Order Description:

Item No. 1

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

\$ 106,243.18

*Requested by: Owner/Architect*

*Accountability: Architect-Mechanical Engineer*

**TOTAL ADD/CREDIT:**

**\$ 106,243.18**



# Agenda Item (XII -A)

Meeting 12/9/2014 - Regular

Agenda Item Business From Board Members (XII-A)

Subject Update from Members of the Board of Trustees on Business of the Board.

College/District District

Information Only

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## 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 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	12/9/2014 - Regular
Agenda Item	Closed Session (XIII-A)
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

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## Background Narrative:

None.

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

Attachments: