

## MINUTES

### **BOARD OF TRUSTEES FEATHER RIVER COMMUNITY COLLEGE DISTRICT**

President Elliott called the regular meeting of the Feather River Community College District Board of Trustees to order at 3:07 p.m. on Thursday, January 20, 2011 at Feather River College, Science Room 104, 570 Golden Eagle Avenue, Quincy, California.

*Trustees present:* Elliott, Schramel, Shamberger, Sheehan, West, Student Trustee Oliphant

*Trustees absent:*

President Elliott announced that the Board of Trustees had met in Closed Session and that no action had been taken.

President Elliott also stated that he had received a request to amend the agenda and move Item C3c, Presentation of the Independent Audit Report for the Year Ended June 30, 2010 up in the agenda and place it for presentation prior to approval of the Consent Agenda. He also requested that agenda item B1a, Ratification of Personnel Requisitions, be moved from item B1a of the Consent Agenda to item C1a of the Regular Agenda. There being no objection, the agenda for the January 20, 2011 meeting was approved as amended, (Sheehan/West) unanimous.

The minutes of the Regular Meeting held on December 16, 2010 at Plumas Bank Notes Department, 32 Central Avenue, Quincy, California were approved as presented, (Shamberger/West) unanimous.

#### **A. ITEMS FROM THE PUBLIC**

None

#### **Presentation of the Independent Audit Report for the Year Ended June 30, 2010 – Tina Treis, Perry-Smith LLP Accountants/Jim Scoubes**

Jim Scoubes, Chief Financial Officer, introduced Tina Treis, Audit Services Partner, Perry-Smith LLP Accountants, who provided those present with an overview of the Independent Audit Report for Feather River College for the year ended June 30, 2010. Ms. Treis distributed a letter to accompany the presentation of the report and she noted that the audit was conducted in accordance with Governmental Auditing Standards as well as normal accounting principles. She briefly discussed adoption of, or change in, accounting policies, significant or unusual transactions, alternative treatments

within accounting principles of which there were none identified and she added that management's approach to accounting estimates and processes were found to be reasonable. Ms. Treis also reported that there were no significant audit adjustments, uncorrected misstatements, other information in documents containing audited financial statements, disagreements with management, consultations with other accountants, no major issues discussed with management and no other difficulties encountered in performing the audit. While providing an overview of the actual audit report, Ms. Treis stated that it was the unqualified opinion of Perry-Smith LLP Accountants that the basic financial statements listed in the report presented fairly, in all material respects, the net assets of Feather River Community College District. There was additional discussion regarding the audit report that included financial and enrollment highlights and the challenge that community colleges face as they continue to serve their communities. In closing review, Ms. Treis noted that the audit report also covered findings and recommendations that included state compliance for one instructional agreement, a significant deficiency with regards to the emergency loan fund, an internal control issue with regards to admissions office computer security, a recommendation for implementation of effective internal controls at the bookstore, a recommendation for implementation of internal controls with regards to approval and cancellation of employee credit cards, and a recommendation for improved internal controls to safeguard assets with regards to the associated student body. Ms. Treis also reviewed the Summary Schedule of Prior Audit Findings with those present and she noted that she was pleased to report that all recommendations from the prior year's audit had been implemented. Trustee Sheehan requested information on how American Recovery and Reinvestment Act (ARRA) funding may have impacted the audit and Ms. Treis responded that for community colleges the impact of these funds on audits is minimal. President Elliott thanked Ms. Treis for her informative and thorough report and he recognized the travel time involved for her to be in attendance at the meeting.

## **B. CONSENT AGENDA**

Ratification of Personnel Actions, Payroll and Commercial Warrants, Budget Transfers, Budget Augmentations and Reductions, Ratification of Agreement between Feather River College and High Sierra Grants, Cathy Raymeyer Representative, Ratification of Medi-Cal Administrative Activities (MAA) Agreement between Feather River College and Glenn County Office of Education, Ratification of Agreement between Feather River College and Force Consulting Services, and Ratification of Extension of Agreement between Feather River Community College and Counterpoint Construction Services, Inc. were approved as presented, (West/Shamberger) unanimous, Sheehan abstaining.

## **C. REGULAR AGENDA**

### **\* 1. Motion Items**

a) President Elliott requested approval or discussion of Ratification of Personnel Requisitions. Ron Taylor, Superintendent/President requested that the Board consider amending the title associated with requisition number FR000317 from Vice-President/Asst. Superintendent to Dean of Instruction/(CIO) and he added that the change was in response to several discussions and recommendations that he has received from staff in the last week. Dr. Taylor also requested that requisition number FR000316 be amended to read Associate Dean SS instead of Associate Dean SS & EM. There being no objection, the request for Approval of Personnel Requisitions was approved as amended, (Sheehan/West) unanimous.

b) Jim Scoubes requested Approval of Change in Plumas Bank Signatories for Raymond Devitt Loan Fund as of January 20, 2011. He explained that one of the authorized signatories has retired from Feather River College and the authorized signers on the account must be amended to reflect this change. There being no objection or further discussion, the request for Approval of Change in Plumas Bank Signatories as of January 20, 2011 was approved as presented, (Sheehan/Shamberger) unanimous.

c) Jim Scoubes requested Approval of 2011/2012 Non-Resident Tuition Fee. He stated that the Strategic Enrollment Management (SEM) Committee using several factors and sub-committee analysis has recommended that the non-resident tuition fee for 2011/2012 be set at \$199 per semester unit. He also stated that the recommended \$199 non-resident tuition rate falls within the parameters calculated on the fees worksheet attached for Board review. After further discussion and there being no objection, the request for Approval of the 2011-12 Non-Resident Tuition Fee of \$199 per semester unit was approved as presented, (Shamberger/Sheehan) unanimous.

d) Jim Scoubes requested Approval of 2011/2012 Schedule of Fees. He explained that the proposed fee schedule was attached for Board review and that it had been placed in backup documentation next to a comparison of fees for the prior year. He noted that some fees notated by asterisks are rates established by the State of California and are subject to change. Mr. Scoubes also stated that a new fee added to the schedule was a Library Reserve Material Fine of \$2.00 per day and he added that guidance and a recommendation on establishing the fee was provided by Tom Davis, Library Director and Academic Senate President. Mr. Davis explained that the fee will assist in the effort to assure that there is timely return of and access to required reserve material for all students. After further discussion that included comments from Tess Oliphant, Student Trustee, regarding her approval of the reduction in non-resident fees and information from Lisa Kelly, Interim Associate Dean of Student Services regarding the contract for student transportation, the request for Approval of 2011/2012 Schedule of Fees was approved as presented, (Sheehan/Shamberger) unanimous.

## **\*2. Roll Call Items**

None

### **3. Special Items/Reports**

- a) Ron Taylor presented Board Policy 2110, Vacancies on the Board, and Board Policy 2130, Term Limits in their current form for review by the Board of Trustees. Dr. Taylor explained that the report relates to the Board's request for continued review of existing policies as informational reports and as basis for comments and questions if there were any. Dr. Taylor noted that with regard to BP 2110, Vacancies on the Board, the policy is guided by Education Code and was implemented when Trustee Shamberger was provisionally appointed to the Board during a vacancy. Dr. Taylor also stated that BP 2130, Term Limits, simply states that there is no limit on the number of terms that a trustee may serve. Trustee Sheehan requested information on whether or not there would be any type of review tracking information developed as the Board moves through the progression of policy review, and Dr. Taylor responded that he has developed his own system for tracking that would prevent review duplication.
  
- b) Jim Scoubes presented the District's Quarterly Financial Status Report as of December 31, 2010. Mr. Scoubes referred those present to page five of the report that reflected the Unrestricted General Fund Summary and he indicated that District revenues as of December 31, 2010 were \$5,817,740 and expenses stood at \$5,470,465 which were 42% of the approved budget in comparison to 49% percent for expenses in the prior year. Mr. Scoubes also reviewed the Restricted General Fund, Child Development Fund, Capital Outlay Fund, Retiree Benefits Fund, and Student Financial Aid summaries and he noted that amounts are within Board approved budget guidelines. President Elliott requested information on how overages on expenses for the Learning Resource Center Construction Project are being covered and Mr. Scoubes responded that the project will not be over budget until all funds have been exhausted and that decisions regarding options for payment for any expenses over and above what was budgeted for are being discussed and will be finalized over the next few months.
  
- c) Jim Scoubes and Ron Taylor provided those present with an overview of the recent release of Governor Brown's budget proposal and the impact that the proposals would have on Feather River College. Cynthia Hall, Administrative Assistant, distributed budget handouts to those present that reflected a revenue reset and baseline revenue and expenditure mismatch as a current and future structural problem indicator for legislators. Mr. Scoubes reported that Governor Brown's budget plan projects a two-year state budget shortfall of 25.4 billion dollars with 8.2 billion in the 2010/2011 year and 17.2 billion in the 2011/2012 year. He also reported that the Governor's proposal includes 12.5 billion in spending reductions and 12 billion in revenue extensions and modifications with no mid-year cuts planned. Mr.

Scoubes continued his update on recent budget information with specific amounts and areas targeted for reduction as well as proposed revenues created through a ballot measure that may go before the voters in June. President Elliott asked Mr. Scoubes to recap the cut to community colleges and he replied that the cut would be 400 million dollars along with the rejuvenation of a proposal to reform the census date for classes creating the possibility of further reductions in funding. Mr. Scoubes also reported that the Governor is proposing a 1.9 percent enrollment growth incentive funded by 110 million dollars in reserves and generated by increases in student fees from \$26.00 per credit unit to \$36.00 per credit unit. There was further discussion of budget impact information including inter-year apportionment deferrals on top of intra-year deferrals that currently exist and Mr. Scoubes reported that these total 300 million in deferrals for community colleges. He added that virtually all sectors of the budget would experience severe cuts under this budget proposal and the negative impact would be felt by all Californians.

Ron Taylor commented that among all the negative aspects of the budget situation, the positive includes, as Jim Scoubes pointed out, no mid-year cuts and he added that the Governor's budget assumes that categorical funding will not be cut as they had already been sufficiently cut the previous year. He also stated that categorical flexibility is being discussed which would help in the current situation. He additionally mentioned that Jim Scoubes had mapped out a 6.4 percent minimum cut to Feather River College and a 14.4 top end cut and that in the middle somewhere there's a possibility of a 10 percent cut depending on whether the State funds Proposition 98 at the minimum. He also reported that developing plans for all scenarios of cuts will be a priority.

Dr. Taylor additionally explained that one of the handouts previously distributed reflects dips in State revenue which clearly correspond to the dot-com bust and that the same sort of thing occurred in 2008 with the real estate collapse. He added that nationally there is evidence of a slow recovery being experienced although California is lagging behind other states due to reasons too complex to discuss in the time allowed. He also reviewed the second handout which reflected a graph of baseline revenue and expenditure mismatches that continue to provide structural problems for the budget, and he added that unless the State adjusts its way of doing business and aligns revenues and expenses either through cutting, new revenues or both, the structural deficit problem will continue. Trustee Sheehan requested information on whether or not the Incarcerated Student Program was specifically targeted in any Department of Corrections budget proposal and Dr. Taylor replied that he did not believe so, but that there may be advocacy identified for a funding stream for this type of activity.

#### **4. Communications, Presentations, and Reports**

**a) Board of Trustees**

No Report

**b) Associated Students**

Tess Oliphant, Student Trustee, in the absence of Will Denison, ASFRC President, reported that due to a resignation, ASFRC has appointed Megan Godsil as the new ASFRC Vice-President. She also reported that ASFRC has developed a full calendar of events for the spring 2011 semester including a game night, a free monthly dinner to address the hunger issue on campus, and plans to continue with the Early Bird newsletter.

**c) Academic Senate**

Tom Davis, Academic Senate President, reported that the Academic Senate had their first meeting of the semester on January 14, 2011 and that the entire meeting was spent in discussion with Ron Taylor on the concept of administrative reorganization. He added that the exchange was constructive in nature and that the Academic Senate is sympathetic to the fact that the current administrative structure of the institution is horizontal in nature and at times cumbersome for the Superintendent/President, however, the Senate does not want to see the duties of the Chief Instructional Officer diluted in any way by pathways that might not be consistent with maintaining the highest level of instructional quality. In closing comments, Mr. Davis stated that he and those members of the Senate that he has spoken with are entirely supportive of Dr. Taylor's request to modify the Request for Approval of Personnel Requisitions as approved by the Board.

**d) Classified Senate**

Connie Litz, Classified Senate President, reported that she has also been in discussions with Dr. Taylor regarding the administrative reorganization proposal and that he has been receptive to answering all the questions set forth by members of the Classified Senate. Ms. Litz also reported that a new student orientation was offered to spring students for the first time and that participation was good and students felt that they received good information from the presentations provided.

**e) Instruction**

No Report

**f) Student Services**

Lisa Kelly stated that she is excited to report that there are 24 new students in the residence halls for the spring semester. She also reported that processes are being finalized on the hiring of a new manager for the residence halls and that scheduling continues for summer camps, clinics, and conferences to generate additional revenue for the facility. Dr. Kelly also reported that she is visiting classes, discussing student's rights and responsibilities, and focusing on student conduct so that students can be successful. She added that promotion of the meal plan continues and that five plans have been purchased for the spring semester. She also reported that testing for the Banner 8 upgrade continues and plans to go live in April are on track. Dr.

Kelly also reported that strategic enrollment management is progressing and the committee is making progress on establishing tools and systems for forecasting enrollment while managing institutional resources. She also reported that a meeting has been set to discuss graduation processes and that the Harlem Ambassadors is an additional upcoming community event planned in conjunction with the Foundation and that the mission of the Ambassadors is to keep young people in school and off drugs. She also reported that the Financial Aid office is currently short-handed and working hard to meet the increasing need for students and financial aid.

**g) Superintendent/President**

Ron Taylor stated that Institutional Day was held on Wednesday, January 12, 2011 and included a number of updates and discussions and concluded with staff training on Safe Spaces, a training devoted to raising awareness and sensitivity with regard to the perspectives and rights of homosexuals, gay, lesbian, and transgender individuals. Dr. Taylor also stated that he was pleased with the success of the new student orientation held for the spring semester and also glad to be informed that 24 new students have contracted with the residence halls for their housing. He also reported that he attended the first graduation ceremony at Chowchilla State Prison for students enrolled in the Incarcerated Student Program and the event held for 35 women was very special and concluded with the students providing him with a basket gift of hand-made poinsettias to bring back to campus.

There being no further business, the meeting was adjourned at 4:45 p.m.

RT/ch