

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. A

Fiscal Services
College Area

Proposal:

That the Governing Board review and discuss the updated 2013-2014 Monthly Financial Report for the period ending June 30, 2014.

Background:

The Board routinely reviews financial data regarding expenses and revenues to monitor District fiscal operations. In addition to this data, a description of each of the Governmental Funds and Trusts Funds held by the District has been included this month per the request of the Governing Board at the July 2014 Board meeting.

Budgetary Implications:

None.

☒ **RESOLUTION: BE IT RESOLVED**, that the 2013-2014 Monthly Financial Report for the period ending June 30, 2014, be accepted.

Recommended By:



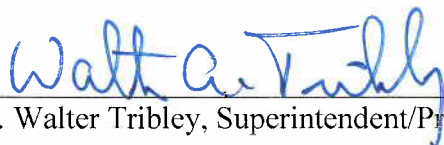
C. Earl Davis, Vice President for Administrative Services

Prepared By:



Rosemary Barrios, Controller

Agenda Approval:



Dr. Walter Tribley, Superintendent/President

Monterey Peninsula College
Fiscal Year 2013-14
Financial and Budgetary Report
June 30, 2014

Enclosed please find attached **the summary of all funds updated for the month ending June 30, 2014** for your review and approval. The financial report is an internal management report submitted to the Board of Trustees to compare actual financial activities to the approved budgets.

Operating Fund net revenue through June 30, 2014 is \$48,157,864 which is 102.6% of the operating budget for this fiscal year. Expenditures year-to-date total \$45,508,762 which is 98.3% of the operating budget for this fiscal year, for a net difference of \$2,649,102.

Actual Revenue and Expense on the financial reports are prior to year-end closing entries at 6/30/14.

The Fiscal Services office is still in the process of setting up year-end receivables, liabilities, and other accounting entries for all funds. The numbers and budgets will continue to change until we are officially closed out with the fiscal year.

Highlights of financial activities year-to-date are as follows:

Unrestricted General Fund

Revenues

- \$4.3M has been setup as a receivable for the additional general apportionment revenue owed from the state.
- Vendor liabilities are being setup.
- Vendor accounts receivables are being setup.
- Additional year-end accounting entries and budget revisions are being made during this time.

Expenditures

Overall the District operating funds expenditures continue to track as projected.

Restricted General Fund

Revenues/Expenditures

- Vendor liabilities are being setup.
- Vendor receivables are being setup.
- Additional year-end accounting entries and budget revisions are being made during this time.
- Revenue/Expense % Actual to Budget are low due to year-end entries to still be completed for the state categorical programs and for the federal programs.

Child Development Fund - Unrestricted

Revenues/Expenditures

- A year-end entry has been completed to transfer additional funds over to the unrestricted child development fund from the unrestricted general fund as part of the district support to the child development program.
- Vendor liabilities are being setup.
- Vendor receivables are being setup.
- Additional year-end accounting entries and budget revisions are being made during this time.

Child Development Fund – Restricted

Revenues/Expenditures

- An error was corrected from the first June report, the error was a keying error in object code 3000 that caused the % Actual to Budget to be 175.6%.
- Vendor liabilities are being setup.
- Vendor receivables are being setup.
- Additional year-end accounting entries and budget revisions are being made during this time

Student Center Fund

Revenues/Expenditures

- Vendor liabilities are being setup.
- Vendor receivables are being setup.
- Additional year-end accounting entries and budget revisions are being made during this time

Self Insurance Fund

- Self Insurance expenses are at 103.6% of budgeted expenditures. The expenditure amount is 8.8% more than the amount for the same period last fiscal year.

Capital Outlay Fund

- Budget revisions are being completed in this fund and additional review is being completed before closing.

Debt Service Fund

- The District paid off the lease with Sun Trust Leasing Services in March for the Siemens Energy Conservation Project. No additional expenditures will be reflected in this fund this fiscal-year.
- A budget transfer was completed this month to increase the budgeted revenue and budgeted expense to meet actual revenue and expense paid from the debt service fund. Funds were transferred during the year from the capital outlay fund to the debt service fund to pay off the lease with Sun Trust Leasing Services as noted above.

Financial Aid

- Additional revenues and expense were posted this month this brings the actual revenue and expense in line with budgets.

Orr Estate

- Budget revisions will be completed once all year end postings are completed to bring the revenue and expense in line with budgets.
- Revenue sources are from MPC Foundation, Community Foundation, and student repayment of loans.
- Expenditures are student loans, grants, and scholarships that are awarded and disbursed through the fiscal year.

Other Fiduciary Funds

- All other Fiduciary Funds are tracking close to budget and budget revisions will be completed before year-end closing if needed.

Cash Balance:

The total cash balance for all funds is \$25,597,564 including bond cash of \$12,891,576 and \$12,705,988 for all other funds. Operating funds cash is \$4,807,249. Cash balance in the General Fund is at \$3.9M for the month ending June 30, 2014. This is sufficient cash to make month end payroll and accounts payable.

Monterey Peninsula Community College

Monthly Financial Report

June 30, 2014

Summary of All Funds

<u>Funds</u>	<u>Beginning</u> <u>Fund Balance</u>	<u>Revised Budgets</u> <u>2013 - 2014</u>		<u>Ending</u> <u>Fund Balance</u>	<u>Year to Date Actual</u> <u>2013 - 2014</u>			<u>% Actual</u> <u>to Budget</u>		<u>Cash</u> <u>Balance</u>
	<u>07/01/13</u>	<u>Revenue</u>	<u>Expense</u>	<u>6/30/2014</u>	<u>*Revenue</u>	<u>*Expense</u>	<u>Encumbrances</u>	<u>Rev</u>	<u>Exp</u>	<u>6/30/2014</u>
General - Unrestricted	\$3,895,081	\$38,614,399	\$38,500,756	\$4,008,724	\$40,808,396	\$38,831,689	0	105.7%	100.9%	\$3,968,115
General - Restricted	0	6,591,446	6,495,955	95,491	5,634,128	5,574,131	0	85.5%	85.8%	0
Child Dev - Unrestricted	0	310,573	310,572	0	286,499	286,499	0	92.2%	92.2%	3,893
Child Dev - Restricted	0	264,326	259,934	4,392	300,515	226,653	0	113.7%	87.2%	0
Student Center	226,052	264,200	252,029	238,223	216,466	145,537	0	81.9%	57.7%	303,999
Parking	62,380	911,860	486,495	487,745	911,860	444,253	0	100.0%	91.3%	531,242
Subtotal Operating Funds	\$4,183,513	\$46,956,804	\$46,305,741	\$4,834,575	\$48,157,864	\$45,508,762	\$0	102.6%	98.3%	\$4,807,249
Self Insurance	8,328,770	6,349,078	8,089,106	6,588,742	6,692,636	8,378,862	0	105.4%	103.6%	6,580,793
Capital Project	1,985,066	1,492,827	2,400,714	1,077,179	1,123,915	2,447,841	0	75.3%	102.0%	430,441
Building	25,811,907	56,959	13,872,011	11,996,855	56,959	13,872,011	0	100.0%	100.0%	12,891,576
Debt Service	52,963	1,330,169	1,383,121	11	1,330,169	1,383,121	0	100.0%	100.0%	12
Revenue Bond	21,768	18,075	18,075	21,768	18,559	18,075	0	102.7%	100.0%	22,253
Associated Student	92,451	90,000	90,000	92,451	96,073	59,017	0	106.7%	65.6%	154,820
Financial Aid	17,745	5,300,000	5,300,000	17,745	5,286,193	5,286,193	0	99.7%	99.7%	113,380
Scholarship & Loans	272,948	2,531,700	2,531,700	272,948	2,199,477	2,212,724	0	86.9%	87.4%	192,781
Trust Funds	---	469,102	469,102	---	645,664	502,521	0	137.6%	107.1%	379,773
Orr Estate	37,302	13,000	28,000	22,302	7,474	12,944	0	57.5%	46.2%	24,487
Total all Funds	\$40,804,433	\$64,607,714	\$80,487,570	\$24,924,576	\$65,614,983	\$79,682,071	\$0	101.6%	99.0%	\$25,597,564

*ACTUAL REVENUE and EXPENSE are prior to closing entries.

Monterey Peninsula College

Governmental Fund Groups & Descriptions

Fiduciary Fund Groups & Descriptions

Unrestricted General Fund:

- This fund is the primary day to day operating fund of the district.
- This fund is used for the general purpose of district operations and support of the district's educational programs.
- The governing board retains discretionary authority to re-designate these resources for some other purpose (assuming no legal obligation has been entered into).
- The major revenue source of this fund is the state general apportionment revenue, along with property taxes, enrollment fee revenue, lottery, and non-resident fee.
- The major expenditures of this fund is employee salary and related benefits, health and welfare, instructional service agreements, supplies, and transfers.

Restricted General Fund:

- This fund is used to account for resources available to the district for the operation and support of educational programs that are specifically restricted by laws, regulations, donors, or other outside agencies as to their expenditures.
- Restricted funds are generally from an external source that requires the moneys to be used for a specific purpose.
- The major revenue sources of restricted funds come from the state, federal and local agencies. Some of the categorical programs that are funded through the state are: Supportive Services, CALWORKS, EOPS, and Basic Skills. Some of the programs funded through federal sources are: National Science Foundation (aka MATE), Math Science, Upward Bound, New Scholars. Local funds are received as grants from local agencies.
- The major expenditures of this fund are employee salary and related benefits, health and welfare, supplies, and student support.

Child Development Fund:

- This fund is setup to account for all revenues for, or from the operation of, child care and development services, including student fees for child development services. Costs incurred in the operation and maintenance of the child care and development services are paid from this fund.
- This fund is setup as Unrestricted Child Development and Restricted Child Development Fund.
- The Unrestricted Child Development Fund major revenue source is from district support and child care fees. The major expenditures include: salary and related benefits, health and welfare, supplies.
- The Restricted Child Development Fund major revenue sources are from a state grant, and other local grants. The major expenditures include: salary and related benefits, health and welfare, and supplies.

Capital Outlay Projects Fund:

- This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities and other capital outlay projects.
- Resources accumulated for future acquisitions or construction of capital projects are recorded in this fund.
- The capital outlay fund is also used to account for the receipt and expenditure of State funded projects, and scheduled maintenance projects.
- In addition the governing board by formal resolution may provide for the accumulation of moneys over a period of years for specific capital outlay purposes, including district match.
- Revenue sources are state revenue, local grants, and district funds directed by the governing board to be placed in this fund.
- Expenditures include but are not limited to, scheduled maintenance projects, PE facilities, library equipment and reserves, and technology resources.

Debt Service Fund:

- This fund is used for the accumulation of resources for, and the payment of, other types of general long-term debt principal and interest.
- Repayment of the district's energy loan has been recorded in this fund.
- The revenue source of this fund is from a transfer-in from the district unrestricted general fund.
- The expenditure made was for the payment on the energy loan the district had with Sun Trust.

Self Insurance Fund:

- This fund is the fund designated to account for income and expenditures of self-insurance programs for employee's health and welfare plans.
- The major revenue source of this fund includes: funds transferred-in from the unrestricted general fund, the restricted general fund, child development fund, parking fund, and student center fund for the estimated premium for the health and welfare plan.
- The major expenditure of this fund includes: payment of claims, payment to contractors for administrative services, and related consulting services

Parking Fund:

- This fund is designated to receive all revenue from the operation of student parking permit sales, and parking fines.
- Moneys in this fund are used to pay for the costs of operation and maintenance of the projects and for any other purposes authorized by resolution of the board, subject to any restrictions provided by law.
- The major expenditures of this fund include: security employee salary and related benefits, health and welfare, supplies, and maintenance of parking lots.

Bond Interest & Redemption Fund:

- This fund is to be used only to record transactions related to the receipt and expenditure of local revenues derived from the property tax levied for the payment of the principal and interest on outstanding bonds of the district.
- Revenue source is a transfer-in from the student center fund the amount owed for principal and interest for the fiscal year for the bond payment on the student center building.
- Expense is payment of principal and interest owed for the fiscal year on the revenue bond on the student center building.
- This bond will be paid off in FY 17-18.

Student Center Fund:

- This fund is to be used for recording financial transactions of the student center building that was partially constructed using lease revenue bonds.
- The major revenue source of this fund includes: student use fees, bookstore commission, cafeteria commission, and interest.
- The major expenditures of this fund include: employee salary and related benefits, health and welfare, supplies, and utilities.

Building Fund:

- This fund is designated to account for the proceeds from the sale of bonds under Proposition 39, and the related expenditures related to acquisition and construction of projects voted and approved by local property owners.
- Moneys may be only expended for the purposes authorized by the language of the Proposition 39 bond voter approved ballot measure.
- Expenses associated with the district's Measure I, the \$145 million Proposition 39 bond, are accounted for in the Building Fund.

FIDUCIARY FUNDS GROUP:

This category of funds include: trust funds and agency funds. This funds group is used to account for assets held by the district in a trustee or agency capacity for individuals, private organizations, other governmental units and/or funds.

The primary difference of the trust and agency funds is that the district may exercise some discretion in the disbursement or expenditure of moneys in the trust funds but does not have discretionary power in the agency funds.

The fiduciary funds that the district holds are all considered trust funds which include: associated student, financial aid, scholarship and loans, trust funds, and Orr Estate.

Associated Students Trust Fund:

- This fund is used to account for moneys held in trust by the district for organized student body associations (excluding clubs).
- Student body funds shall be expended in accordance with procedures established by the student body organization.
- Each disbursement shall be subject to the approval of: an employee of the district designated by the governing board, academic employee who is the designated advisor, a representative of the particulars student body organization.

- There is a separate student representation fee account held within this fund, which is to be accounted for separately. The student representation fee is to be used for governmental affairs representative's activities.

Financial Aid Trust Fund:

- This fund is used to account for the deposit and direct payment of government-funded student financial aid through the Department of Education.
- The funds disbursed through this fund include PELL grants, and SEOG grants to students.
- There are two large disbursements per semester to students and several small disbursements to students throughout the semester.

Scholarship and Loan Trust Fund:

- This direct student loan fund is used to account for the deposit and direct payment of government –funded student financial aid through the Department of Education. The loans to students include unsubsidized Stafford loans and subsidized Stafford loans.
- This scholarship and loan fund is also used to account for such gifts, donations, bequests, and devises (subject to donor restrictions) which are to be used for scholarships or for grants in aid and loans to students.

Trust Fund:

- This fund is used to account for all other moneys held in a trustee capacity by the college or district for individuals, organizations, or clubs.

Orr Estate Fund:

- This fund is used to account for moneys received from the MPC Foundation, the Community Foundation and repayment of loans by students. Expenditures include student loans, grants, and scholarships.

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. B

Fiscal Services
College Area

Proposal:

That the Governing Board review and discuss the 2014-2015 Monthly Financial Report for the period ending July 31, 2014.

Background:

The Board routinely reviews financial data regarding expenses and revenues to monitor District fiscal operations.

Budgetary Implications:

None.

☒ **RESOLUTION: BE IT RESOLVED**, that the 2014-2015 Monthly Financial Report for the period ending July 31, 2014, be accepted.

Recommended By:



C. Earl Davis, Vice President for Administrative Services

Prepared By:



Rosemary Barrios, Controller

Agenda Approval:



Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College

Monthly Financial Report

July 31, 2014

Summary of All Funds

Funds	Beginning Fund Balance	Revised Budgets 2014 - 2015		Ending Fund Balance	Year to Date Actual 2014 - 2015			% Actual to Budget		Cash Balance
	07/01/14	Revenue	Expense	6/30/2015	Revenue	Expense	Encumbrances	Rev	Exp	7/31/2014
General - Unrestricted	\$3,792,976	\$37,927,966	\$37,927,966	\$3,792,976	\$0	\$2,024,112	1,785,514	0.0%	10.0%	\$7,489,078
General - Restricted	0	6,472,678	6,472,678	0	0	322,848	188,759	0.0%	7.9%	0
Child Dev - Unrestricted	0	307,667	307,667	0	0	11,055	0	0.0%	3.6%	6,645
Child Dev - Restricted	0	190,565	190,565	0	0	2,792	0	0.0%	1.5%	0
Student Center	291,343	260,200	260,200	291,343	0	3,892	67,588	0.0%	27.5%	309,837
Parking	85,280	522,000	522,000	85,280	0	24,434	5,230	0.0%	5.7%	544,729
Subtotal Operating Funds	\$4,169,599	\$45,681,076	\$45,681,076	\$4,169,599	\$0	\$2,389,133	\$2,047,091	0.0%	9.7%	\$8,350,289
Self Insurance	7,078,370	6,293,424	7,674,819	5,696,975	0	486,314	0	0.0%	6.3%	5,844,207
Capital Project	712,870	242,916	770,207	185,579	0	0	21,820	0.0%	2.8%	852,632
Building	14,355,835	25,000	2,232,397	12,148,438	0	2,371	443,041	0.0%	20.0%	11,863,329
Revenue Bond	20,722	17,625	17,625	20,722	0	0	0	0.0%	0.0%	22,253
Associated Student	92,451	90,000	90,000	92,451	2,100	327	0	2.3%	0.4%	160,140
Financial Aid	17,745	5,200,000	5,200,000	17,745	0	0	0	0.0%	0.0%	56,269
Scholarship & Loans	272,948	2,500,000	2,500,000	272,948	25,635	325	0	1.0%	0.0%	211,097
Trust Funds	293,917	510,000	510,000	293,917	29,532	64,232	0	5.8%	12.6%	334,206
Orr Estate	22,302	10,000	20,000	12,302	0	0	0	0.0%	0.0%	24,487
Total all Funds	\$27,036,759	\$60,570,041	\$64,696,124	\$22,910,676	\$57,267	\$2,942,702	\$2,511,952	0.1%	8.4%	\$27,718,909

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting Date

New Business Agenda Item No. C

Fiscal Services

College Area

Proposal:

That the Governing Board approve 2014-2015 Appropriation Limit per Article XIII-B, California Constitution (GANN Limit).

Background:

Pursuant to Article XIII-B of the Constitution and Chapter 1205, Statutes of 1980, all community college districts are required to compute an annual appropriation limit. That appropriation limit is adjusted annually for changes in price index, population and other factors (if applicable). The Chancellor's Office of the California Community Colleges informs districts of the price factor to be used in establishing the appropriation limit. This price factor is defined as the change in fourth quarter California per capita personal income. The price factor to be used in setting the 2014-2015 appropriation limit is -0.23%.

Additionally, each community college district is required to report to the Chancellor of the California Community Colleges at least annually its appropriation limit, appropriations subject to limit, the amount of state aid apportionments and subventions included within the proceeds of taxes of the district, and amounts excluded from the appropriations subject to limit. Prop 30 Funds are included in Section II, line B.

The information on the attached Gann Limit Worksheet is submitted on the CCFS-311, the budget document filed in October with the Chancellor's Office.

Budgetary Implications:

None.

☐ Information Only

☐ **Resolution:** **BE IT RESOLVED**, That the Governing Board approve the 2014-2015 Appropriation Limit per Article XIII-B, California Constitution (Gann Limit) as computed on the attached worksheet.

Recommended By:



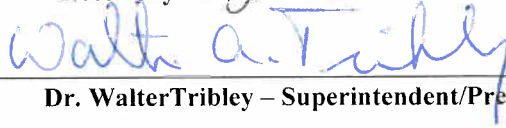
C. Earl Davis –Vice President for Administrative Services

Prepared By:



Rosemary Barrios – Controller

Agenda Approval:



Dr. Walter Tribley – Superintendent/President

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CALIFORNIA COMMUNITY COLLEGES
GANN LIMIT WORKSHEET
2014-15

DISTRICT NAME Monterey Peninsula College
DATE: 08/18/14

I. 2014-15 Appropriations Limit:

A. 2013-14 Appropriations Limit		\$ 61,247,779
B. 2014-15 Price Factor:	0.9977	
C. Population factor:		
1 2012-13 Second Period Actual FTES	6,803.46	
2 2013-14 Second Period Actual FTES	6,659.94	
3 2014-15 Population change factor	0.9789	
(line C.2. divided by line C.1.)		
D. 2012-13 Limit adjusted by inflation and population factors		\$ 59,817,553
(line A multiplied by line B and line C.3.)		
E. Adjustments to increase limit:		
1 Transfers in of financial responsibility	\$ -	
2 Temporary voter approved increases	0	
3 Total adjustments - increase		
Sub-Total		\$ -
F. Adjustments to decrease limit:		
1 Transfers out of financial responsibility	\$ -	
2 Temporary voter approved increases	0	
3 Total adjustments - decrease		\$ -
G. 2014-15 Appropriations Limit		\$ 59,817,553

II. 2014-15 Appropriations Subject to Limit:

A. State Aid (General Apportionment, Apprenticeship Allowance, Basic Skills, and Partnership for Excellence)	\$ 11,969,186
B. State Subventions (Home Owners Property Tax Relief, Timber Yield tax, etc.)	75,000
C. Local Property taxes	14,443,235
D. Estimated excess Debt Service taxes	-
E. Estimated Parcel taxes, Square Foot taxes, etc.	-
F. Interest on proceeds of taxes	6,600
G. Local appropriations from taxes for unreimbursed State, court, and federal mandates	
H. 2014-15 Appropriations Subject to Limit	\$ 26,494,021

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. D

Fiscal Services
College Area

Proposal:

That the Governing Board reviews the attached County of Monterey Investment Report for the quarter ending June 30, 2014

Background:


The majority of the funds are on deposit with the Monterey County Treasury pursuant to Ed Code. The County Treasurer provides a quarterly report to participating agencies detailing asset allocation and investment performance. The portfolio's net earned income yield for the period ending June 30, 2014, was 0.51%. Approximately 95% of the investment portfolio is comprised of U.S. Treasuries, Federal Agency securities and other liquid funds. The remaining 5% is invested in corporate debt and is rated in the higher levels of investment grade.

Budgetary Implications:

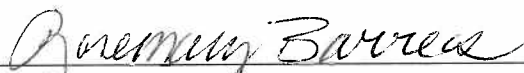
None.

☒ **INFORMATION:** County of Monterey Investment Report for the quarter ending June 30, 2014.


Recommended By:


C. Earl Davis, Vice President for Administrative Services

Prepared By:


Rosemary Barrios, Controller

Agenda Approval:


Dr. Walter Tribley, Superintendent/President



Monterey County

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Upon motion of Supervisor Salinas, seconded by Supervisor Parker and carried by those members present, the Board of Supervisors hereby:

- a. Received and accepted the Treasurer's Report of Investments for the quarter ending June 30, 2014;
- b. Received and approved the Treasurer's Investment Policy for FY 2014-15;
- c. Received and approved the Treasury Oversight Committee's amended Charter; and
- d. Renewed the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

PASSED AND ADOPTED on this 29th day of July 2014, by the following vote, to wit:

AYES: Supervisors Armenta, Calcagno, Salinas, Parker and Potter

NOES: None

ABSENT: None

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 77 for the meeting on July 29, 2014.

Dated: July 31, 2014
File Number: 14-814

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Donise Hancock
Deputy



Monterey County

07-29-2014

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: 14-814

Introduced: 7/15/2014

Version: 1

Current Status: Agenda Ready

Matter Type: General Agenda Item

- a. Receive and Accept the Treasurer's Report of Investments for the quarter ending June 30, 2014;
- b. Receive and Approve the Treasurer's Investment Policy for FY 2014-15;
- c. Receive and Approve the Treasury Oversight Committee's amended Charter; and
- d. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive and Accept the Treasurer's Report of Investments for the quarter ending June 30, 2014.
- b. Receive and Approve the Treasurer's amended Investment Policy for FY 2014-15.
- c. Receive and Approve the Treasurer's amended Treasury Oversight Committee Charter.
- d. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

SUMMARY:

Government Code Section 53646 (b) (1) states the Treasurer may submit a quarterly report of investments. The attached exhibits provide a narrative portfolio review of economic and market conditions that support the investment activity during the April - June period, the investment portfolio position by investment type, a listing of historical Monterey County Treasury Pool yields versus benchmarks, the investment portfolio by maturity range, and an overview of the short term funds that the Treasurer invests in overnight, liquid assets.

The Treasurer has also amended the Monterey County Investment Policy to provide additional clarification and revise outdated language. The Treasury Oversight Committee Charter is included as it has been updated to reflect the amended meeting requirement. Annual Board approval of the Investment Policy and delegation of investment authority are prescribed by Government Code sections 53646 and 53607.

DISCUSSION:

During the April to June quarter, Treasury yields paused from their slow, upward climb and there was very little change in the yield of maturities of 5 years and under. In April, the first quarter U.S. Gross Domestic Product (Jan - March) had a reported growth rate of only 0.1%, which was far below the consensus estimate of 1.1%. In June, the rate was revised to -2.9%, which marked the first economic contraction in three years. When combined with other positive economic indicators such as increases in new and existing home sales in April, the economic news continued to reinforce a "wait and see" approach with investors. In June, the European Central bank cut its main interest rate to a record low of 0.15% and cut its interest rate on

deposits to -0.1%, effectively charging the region's banks to hold their reserves. The combination of mixed economic indicators in the U.S. and increased efforts to lower interest rates in the European Union continues to make U.S. bonds attractive to all investors and kept rates low during the quarter under report.

On June 30, 2014, the Monterey County investment portfolio contained an amortized book value of \$987,543,563 spread among 73 separate securities and funds. The par value of those funds was \$986,408,421, with a market value of \$986,698,521 or 99.91% of amortized book value. The portfolio's net earned income yield for the period was 0.51%. The portfolio produced an estimated income of \$1,341,687 for the quarter which will be distributed proportionally to all agencies participating in the Investment Pool. The investment portfolio had a weighted average maturity of 461 days.

The investment portfolio was in compliance with all applicable provisions of state law and the adopted Investment Policy, and contained sufficient liquidity to meet all projected outflows over the next six months. Market value pricings were obtained through Bloomberg LLP, Union Bank of California and included live-bid pricing of corporate securities.

OTHER AGENCY INVOLVEMENT:

A copy of this report will be distributed to all agencies participating in the County Investment Pool and the Treasury Oversight Committee. In addition, the report will be published on the County Treasurer's web site. A monthly report of investment transactions is provided to the Board of Supervisors as required by GC 53607.

FINANCING:

The investment portfolio contains sufficient liquidity to meet all projected expenditures over the next six months. We estimate that the investment earnings in the General Fund will be consistent with budgeted revenue, but at historically low levels, as the Federal Reserve is expected to continue keeping short term interest rates at the current rate of 0.00 - 0.25%.

Prepared by: Eamonn M. Mahar, Investment Officer, Ext 5490



Approved by: Mary A. Zeeb, Treasurer - Tax Collector, Ext 5015



Attachments:

- Exhibit A - Investment Portfolio Review - 06.30.14
- Exhibit B - Portfolio Management Report - 06.30.14
- Exhibit C - Monterey County Historical Yields vs. Benchmarks
- Exhibit D - Aging Report - 07.01.14
- Exhibit E - Overnight (Liquid) Asset Distribution

Exhibit F - Monterey County Investment Policy - Red Line
Exhibit G - Monterey County Investment Policy - Final
Exhibit H - Treasury Oversight Committee Charter - Red Line
Exhibit I - Treasury Oversight Committee Charter - Final

cc:

County Administrative Office
County Counsel
Auditor-Controller - Internal Audit Section
All depositors
Treasury Oversight Committee

Exhibit A

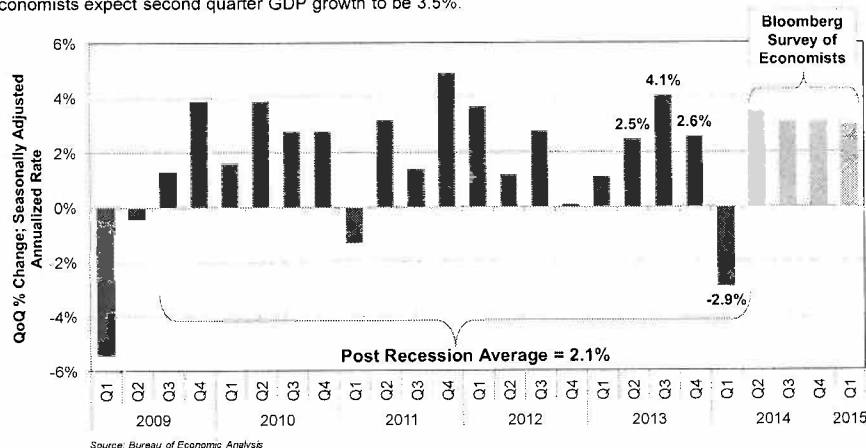
Investment Portfolio Review Quarter Ending June 30, 2014

OVERVIEW – April 1 – June 30, 2014

During the April to June quarter, Treasury yields paused from their slow, upward climb and there was very little change in the yield of maturities of 5 years and under. In April, the first quarter U.S. Gross Domestic Product (Jan – March) had a reported growth rate of only 0.1%, which was far below the consensus estimate of 1.1%. In June, the rate was revised to -2.9%, which marked the first economic contraction in three years. When combined with other positive economic indicators such as increases in new and existing home sales in April, the economic news continued to reinforce a “wait and see” approach with investors. In June, the European Central bank cut its main interest rate to a record low of 0.15% and cut its interest rate on deposits to -0.1%, effectively charging the region’s banks to hold their reserves. The combination of mixed economic indicators in the U.S. and increased efforts to lower interest rates in the European Union continues to make U.S. bonds attractive to all investors and kept rates low during the quarter under report.

Economy Contracted in First Quarter

- The economy declined at a 2.9% rate in the first quarter, the first quarter of negative growth in 3 years.
 - This decline reflects a combination of reduced business inventories, a weak pace of healthcare spending, and adverse weather conditions.
- Economists expect second quarter GDP growth to be 3.5%.



The County Treasury continued to outperform all of the portfolio benchmarks due to a consistent investment strategy that ladders short term debt to provide liquidity and takes advantage of available higher rates by buying small amounts of longer term corporate and non callable securities, while maintaining positions in currently held callable debt structures. The following indicators reflect key aspects of the County's investment portfolio in light of the above noted conditions:

1. Market Access – The U.S. Treasury continues to issue substantial amounts of debt instruments. The continued large issuance is due to efforts to stimulate the economy by providing funding for financial institutions, social programs, and ongoing military funding requirements. Access to U.S. Treasuries and Agency debt has been plentiful, but yields have continued to remain low as investors seek safe havens from an uncertain world market. These issues have continued to keep yields low on Treasury bonds from April through June.

During the quarter, the majority of County investment purchases continue to be in U.S. Treasury and Agency markets with a continued small position in shorter term, highly rated (AA or better) Corporate bonds, Certificates of Deposits and highly rated (A1, P1), short term Commercial Paper. In addition, the Treasurer continues to keep a high level of overnight liquid assets, reflecting the need to maintain increased levels of available cash to ensure the ability to meet all cash flow needs.

2. Diversification - The Monterey County Treasurer's portfolio consists of fixed income investments, all of which are authorized by the State of California Government Code 53601.

The portfolio asset spread is detailed in the table below:

Portfolio Asset Composition			
Corporate Assets	Overnight Liquid Assets	US Treasuries	Federal Agencies
5%	34%	7%	54%

3. Credit Risk – Approximately 95% of the investment portfolio is comprised of U.S. Treasuries, Federal Agency securities and other liquid funds. All assets have an investment grade rating. U.S. Treasuries are not specifically rated, but are considered the safest of all investments. The corporate debt (5%) is rated in the higher levels of investment grade. All federal agency securities have AA ratings, or are guaranteed by the U.S. Treasury.

The portfolio credit composition is detailed in the table below:

Portfolio Credit Composition					
AA+	AA-	A-1+ (Short Term)	Not Rated (LAIF/BlackRock)	AAAm	Amf/S1 (CalTrust)
63%	2%	1%	14%	10%	10%

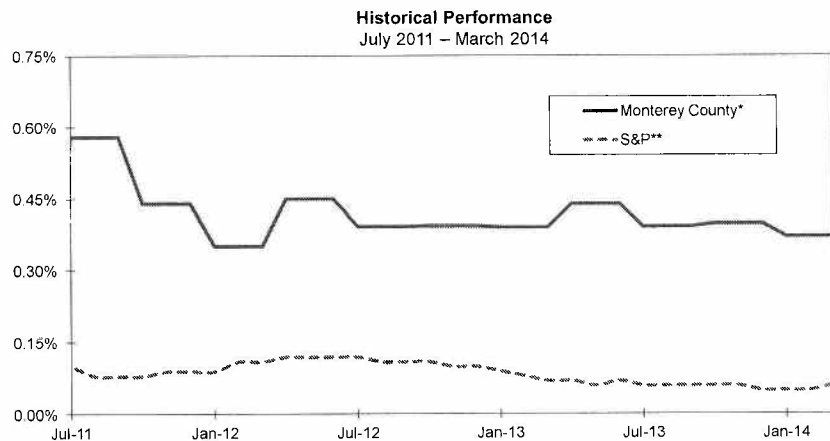
4. Liquidity Risk – Liquidity risk, as measured by the ability of the County's Treasury to meet withdrawal demands on invested assets, was adequately managed during the April to June quarter. The portfolio's average weighted maturity was 461 days, and large percentages (34%) of assets are held in immediately available funds.

PORTFOLIO CHARACTERISTICS

	<u>March 31, 2014</u>	<u>June 30, 2014</u>
Total Assets	\$1,013,345,699	\$987,543,563
Market Value	\$1,010,766,674	\$986,698,521
Days to Maturity	485	461
Yield	0.47%	0.51%
Estimated Earnings	\$1,190,018	\$1,341,687

Portfolio Performance

- * The County Pool yield has historically been higher than the yield of the S&P Government Investment Pool Index.



* Quarterly Apportionment Rate provided by the County. Data is presented on a three month lag due to 3/31/14 data being unavailable as of the completion of this report.

**Benchmark source: S&P Rated Government Investment Pool Index/Prime, Bloomberg

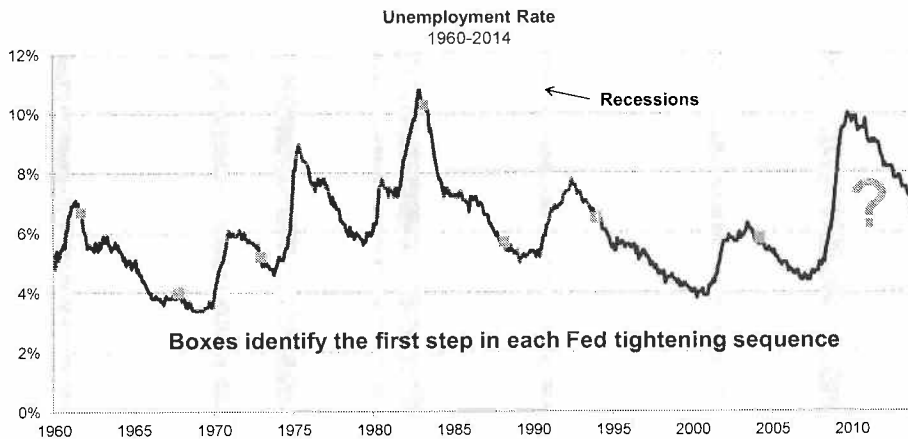
Note: Historical net yield performance provided for informational purposes only. The net yields of each portfolio are not necessarily comparable due to potential differences including permitted investments and additional investment guidelines or restrictions.

FUTURE STRATEGY

The U.S. Treasury will continue a policy of heavy borrowing for stimulus programs, and other additional needs. The continued improvement in our economy has given the Federal Reserve an opportunity to continue to taper their Quantitative Easing program by \$10 billion a month, which may make securities easier to obtain, but will have little effect on short term rates in the near term. The consistent improvement has also ensured that investors will continue to prefer the safety of U.S. debt to other investment options.

When Will Fed Respond to Falling Unemployment?

- In previous recessions, the FOMC began tightening monetary policy as the unemployment rate showed signs of recovery.
- While significant strides have been made, the Fed Funds rate remains at a targeted range of 0-0.25%.



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As long as the Federal Treasury remains actively engaged in the fixed income markets, and continues to target short term rates at 0%-0.25%, the returns on the investments in the County's pool will remain historically low. If the rate environment continues its trend, the portfolio is adequately positioned to take advantage of the changing market conditions.

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Money Market Accts-GC 53601(k)(2)												
SYS11672	11672	BlackRock			89,197,480.97	89,197,480.97	89,197,480.97	0.064			1	
SYS11801	11801	CalTrust			100,000,000.00	100,000,000.00	100,000,000.00	0.401	Aaa	AAA	1	
SYS11830	11830	Federated		07/01/2013	0.00	0.00	0.00	0.101	Aaa	AAA	1	
SYS11578	11578	Fidelity Investments			32,532,312.88	32,532,312.88	32,532,312.88	0.064	Aaa	AAA	1	
Subtotal and Average			227,306,917.55		221,729,793.85	221,729,793.85	221,729,793.85				1	
State Pool-GC 53601(p)												
SYS11361	11361	LAIF			50,000,000.00	50,000,000.00	50,000,000.00	0.230			1	
Subtotal and Average			50,000,000.00		50,000,000.00	50,000,000.00	50,000,000.00				1	
CAMP-GC 56301(p)												
SYS10379	10379	Calif. Asset Mgmt			64,300,000.00	64,300,000.00	64,300,000.00	0.061		AAA	1	
SYS11526	11526	Calif. Asset Mgmt			0.00	0.00	0.00	0.071		AAA	1	
SYS11961	11961	Calif. Asset Mgmt		03/10/2014	378,627.29	378,627.29	378,627.29	0.064		AAA	1	
Subtotal and Average			56,341,264.65		64,678,627.29	64,678,627.29	64,678,627.29				1	
Negotiable CDs - GC 53601 (i)												
78009NGU4	11863	RBC Capital Markets		06/25/2012	10,000,000.00	10,005,000.00	10,000,000.00	0.333	Aa	AA	359	06/25/2015
Subtotal and Average			10,000,000.00		10,000,000.00	10,005,000.00	10,000,000.00				359	
Medium Term Notes - GC 53601(k)												
36962G4N1	11701	General Electric		08/11/2010	10,000,000.00	10,075,000.00	10,000,000.00	1.000	A	AA	406	08/11/2015
36962G5W0	11855	General Electric		04/27/2012	5,000,000.00	5,162,500.00	4,996,302.89	2.300	A	AA	1,031	04/27/2017
36962G5W0	11856	General Electric		04/27/2012	5,000,000.00	5,162,500.00	5,004,233.33	2.300	A	AA	1,031	04/27/2017
89233P5S1	11839	Toyota Motor Corporation		02/29/2012	5,000,000.00	5,131,250.00	5,056,982.97	2.050	Aa	AA	926	01/12/2017
89233P5Z5	11840	Toyota Motor Corporation		02/29/2012	5,000,000.00	5,025,000.00	5,003,861.89	1.000	Aa	AA	231	02/17/2015
Subtotal and Average			30,064,935.69		30,000,000.00	30,556,250.00	30,061,381.08				672	
Commercial Paper Disc.- GC 53601(h)												
89233HPT5	11978	Toyota Motor Corporation		06/04/2014	10,000,000.00	9,981,850.00	9,985,272.22	0.220	P-1	A-1	241	02/27/2015
Subtotal and Average			6,258,758.97		10,000,000.00	9,981,850.00	9,985,272.22				241	
Fed Agcy Coupon Sec - GC 53601(f)												
3133EAF86	11864	Federal Farm Credit Bank		08/07/2012	10,000,000.00	9,997,100.00	10,000,000.00	0.970	Aaa	AA	1,133	08/07/2017
3133ECHV9	11912	Federal Farm Credit Bank		04/02/2013	10,000,000.00	10,015,600.00	10,001,290.48	0.350	Aaa	AA	394	07/30/2015

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Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Fed Agcy Coupon Sec - GC 53601(f)												
3133ECFJ8	11914	Federal Farm Credit Bank		04/02/2013	10,000,000.00	10,007,500.00	10,000,127.05	0.250	Aaa	AA	213	01/30/2015
3133ECTM6	11931	Federal Farm Credit Bank		07/02/2013	10,000,000.00	10,269,700.00	10,037,466.00	1.900	Aaa	AA	1,462	07/02/2018
313380EC7	11878	Federal Home Loan Bank		09/17/2012	10,000,000.00	9,900,500.00	9,968,843.36	0.750	Aaa	AA	1,165	09/08/2017
313380XB8	11881	Federal Home Loan Bank		10/17/2012	10,000,000.00	9,989,900.00	9,998,279.17	0.625	Aaa	AA	839	10/17/2016
313370TW8	11888	Federal Home Loan Bank		12/05/2012	10,000,000.00	10,304,800.00	10,320,088.63	2.000	Aaa	AA	801	09/09/2016
313373SZ6	11913	Federal Home Loan Bank		04/02/2013	10,000,000.00	10,309,500.00	10,320,273.52	2.125	Aaa	AA	710	06/10/2016
313378A43	11925	Federal Home Loan Bank		05/02/2013	10,000,000.00	10,032,100.00	10,223,031.02	1.375	Aaa	AA	1,347	03/09/2018
313383A68	11928	Federal Home Loan Bank		06/13/2013	10,000,000.00	9,857,600.00	10,000,000.00	1.080	Aaa	AA	1,443	06/13/2018
313383SV4	11950	Federal Home Loan Bank		12/06/2013	10,000,000.00	10,000,700.00	10,000,290.95	0.170	Aaa	AA	27	07/28/2014
313383QF1	11951	Federal Home Loan Bank		12/06/2013	10,000,000.00	10,000,800.00	10,000,358.53	0.190	Aaa	AA	24	07/25/2014
313383YU9	11955	Federal Home Loan Bank		01/13/2014	10,000,000.00	10,000,100.00	10,001,048.28	0.170	Aaa	AA	66	09/05/2014
313383W56	11957	Federal Home Loan Bank		01/23/2014	10,000,000.00	10,001,500.00	10,000,976.08	0.170	Aaa	AA	52	08/22/2014
3130A1A57	11962	Federal Home Loan Bank		03/13/2014	10,000,000.00	10,000,200.00	9,999,762.01	0.080	Aaa	AA	73	09/12/2014
313378QK0	11966	Federal Home Loan Bank		04/04/2014	10,000,000.00	10,076,100.00	10,025,389.16	1.875	Aaa	AA	1,711	03/08/2019
313381H24	11967	Federal Home Loan Bank		04/04/2014	10,000,000.00	10,007,200.00	10,007,882.98	0.250	Aaa	AA	199	01/16/2015
3130A1KA5	11968	Federal Home Loan Bank		04/08/2014	10,000,000.00	10,000,400.00	10,000,678.74	0.120	Aaa	AA	191	01/08/2015
3130A1LZ9	11969	Federal Home Loan Bank		04/09/2014	10,000,000.00	9,999,800.00	10,000,000.00	0.110	Aaa	AA	192	01/09/2015
313381YP4	11972	Federal Home Loan Bank		04/09/2014	10,000,000.00	10,006,900.00	10,008,762.38	0.250	Aaa	AA	234	02/20/2015
3130A1PG7	11973	Federal Home Loan Bank		04/14/2014	10,000,000.00	9,995,900.00	9,999,449.72	0.125	Aaa	AA	287	04/14/2015
3130A1SK5	11976	Federal Home Loan Bank		04/23/2014	10,000,000.00	9,998,700.00	10,000,000.00	0.100	Aaa	AA	206	01/23/2015
3130A1C48	11977	Federal Home Loan Bank		05/01/2014	10,000,000.00	9,999,400.00	10,002,389.67	0.140	Aaa	AA	232	02/18/2015
3134G3H52	11871	Federal Home Loan Mtg Corp		09/12/2012	10,000,000.00	10,002,900.00	10,000,000.00	1.000	Aaa	AA	1,169	09/12/2017
3134G3K33	11875	Federal Home Loan Mtg Corp		09/27/2012	10,000,000.00	10,002,700.00	9,998,320.83	0.700	Aaa	AA	819	09/27/2016
3134G3S50	11887	Federal Home Loan Mtg Corp		11/30/2012	10,000,000.00	10,010,300.00	10,014,974.03	0.625	Aaa	AA	854	11/01/2016
3134G42M9	11916	Federal Home Loan Mtg Corp		04/25/2013	10,000,000.00	9,929,900.00	10,000,000.00	0.700	Aaa	AA	1,029	04/25/2017
3134G42G2	11917	Federal Home Loan Mtg Corp		04/30/2013	10,000,000.00	9,851,300.00	10,000,000.00	1.050	Aaa	AA	1,399	04/30/2018
3134G43F3	11920	Federal Home Loan Mtg Corp		04/30/2013	10,000,000.00	9,844,600.00	10,000,000.00	1.020	Aaa	AA	1,399	04/30/2018
3134G43V8	11923	Federal Home Loan Mtg Corp		05/15/2013	10,000,000.00	9,886,100.00	9,999,225.56	1.050	Aaa	AA	1,414	05/15/2018
3134G47M4	11930	Federal Home Loan Mtg Corp		06/26/2013	10,000,000.00	10,002,000.00	10,000,000.00	1.500	Aaa	AA	1,456	06/26/2018
3134G2UA8	11949	Federal Home Loan Mtg Corp		12/05/2013	10,000,000.00	10,012,200.00	10,011,809.96	1.000	Aaa	AA	50	08/20/2014
3137EACU1	11952	Federal Home Loan Mtg Corp		01/03/2014	10,000,000.00	10,007,200.00	10,006,998.53	1.000	Aaa	AA	29	07/30/2014
3134A4UU6	11953	Federal Home Loan Mtg Corp		01/03/2014	10,000,000.00	10,019,000.00	10,018,921.66	5.000	Aaa	AA	14	07/15/2014
3137EADJ5	11970	Federal Home Loan Mtg Corp		04/09/2014	10,000,000.00	10,006,100.00	9,990,968.97	1.000	Aaa	AA	1,123	07/28/2017
3137EACH0	11975	Federal Home Loan Mtg Corp		04/15/2014	10,000,000.00	10,167,500.00	10,167,170.41	2.875	Aaa	AA	223	02/09/2015
3136G0B26	11874	Federal National Mtg Assn		09/27/2012	10,000,000.00	9,958,100.00	10,000,000.00	1.000	Aaa	AA	1,184	09/27/2017
3135G0NH2	11876	Federal National Mtg Assn		09/13/2012	10,000,000.00	9,983,600.00	9,996,184.27	0.950	Aaa	AA	1,149	08/23/2017

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Exhibit B

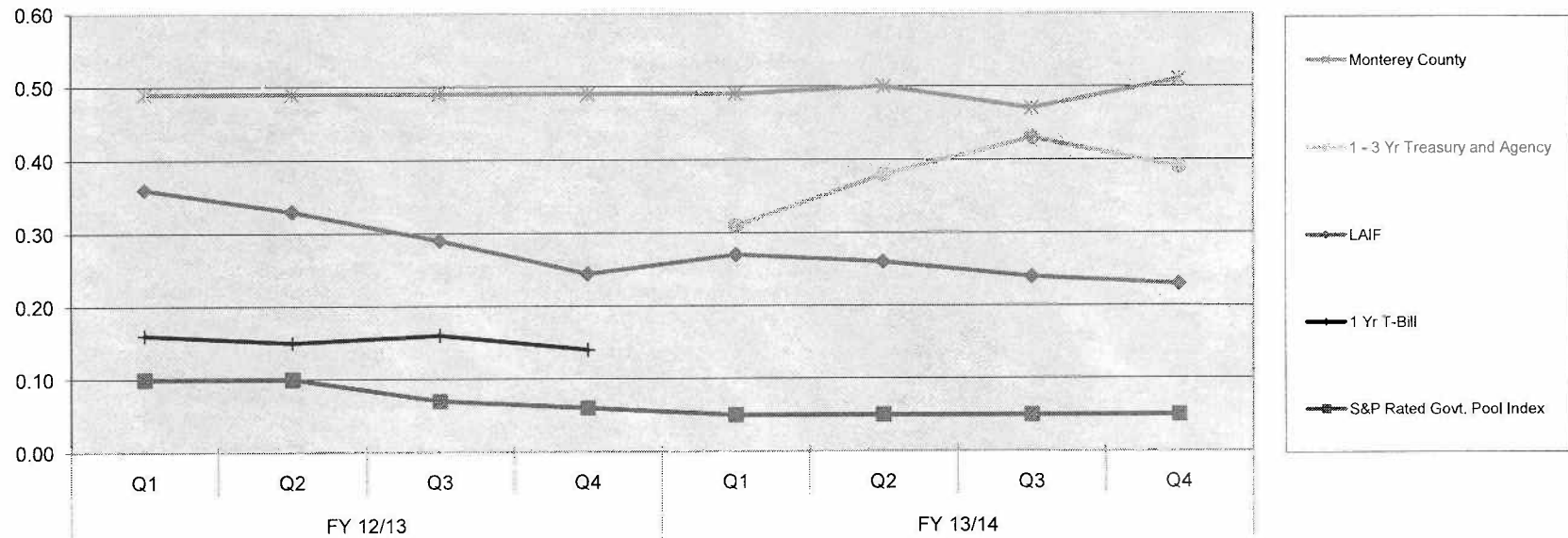
Monterey County Portfolio Management Portfolio Details - Investments June 30, 2014

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	Days to Maturity	Maturity Date
Fed Agcy Coupon Sec - GC 53601(f)												
3136G04Q1	11884	Federal National Mtg Assn		11/20/2012	10,000,000.00	10,044,700.00	10,134,564.06	1.500	Aaa	AA	1,238	11/20/2017
3136G06Z9	11885	Federal National Mtg Assn		12/13/2012	10,000,000.00	9,955,300.00	10,000,000.00	0.650	Aaa	AA	896	12/13/2016
3136G14N6	11890	Federal National Mtg Assn		01/02/2013	10,000,000.00	9,926,900.00	9,995,001.55	0.750	Aaa	AA	1,093	06/28/2017
3135G0PP2	11903	Federal National Mtg Assn		01/18/2013	10,000,000.00	9,973,500.00	10,022,739.00	1.000	Aaa	AA	1,177	09/20/2017
3135G0UH4	11906	Federal National Mtg Assn		02/22/2013	10,000,000.00	9,946,300.00	10,000,000.00	1.200	Aaa	AA	1,332	02/22/2018
3135G0XA6	11924	Federal National Mtg Assn		05/21/2013	10,000,000.00	9,831,800.00	10,000,000.00	1.030	Aaa	AA	1,420	05/21/2018
3135G0XK4	11927	Federal National Mtg Assn		05/30/2013	10,000,000.00	9,879,000.00	10,000,000.00	1.050	Aaa	AA	1,424	05/25/2018
3135G0VJ8	11929	Federal National Mtg Assn		05/28/2013	10,000,000.00	9,832,200.00	9,935,738.98	0.875	Aaa	AA	1,420	05/21/2018
3135G0PQ0	11948	Federal National Mtg Assn		12/04/2013	10,000,000.00	9,926,600.00	9,939,985.77	0.875	Aaa	AA	1,213	10/26/2017
3135G0BY8	11954	Federal National Mtg Assn		01/06/2014	10,000,000.00	10,012,300.00	10,011,610.04	0.875	Aaa	AA	58	08/28/2014
3135G0MZ3	11971	Federal National Mtg Assn		04/09/2014	10,000,000.00	9,944,500.00	9,931,910.58	0.875	Aaa	AA	1,154	08/28/2017
3135G0HG1	11974	Federal National Mtg Assn		04/15/2014	10,000,000.00	10,017,100.00	10,017,873.11	0.375	Aaa	AA	258	03/16/2015
Subtotal and Average			567,519,597.22		500,000,000.00	499,745,700.00	501,110,385.04				780	
Federal Agency Disc.-GC 53601(f)												
313589G98	11965	FNMA Discount Note		04/01/2014	10,000,000.00	9,999,100.00	9,998,288.20	0.073	Aaa	AA	85	09/24/2014
Subtotal and Average			16,150,664.00		10,000,000.00	9,999,100.00	9,998,288.20				85	
US Treasury Note-GC 53601(b)												
912828VR8	11940	U.S. Treasury		08/29/2013	10,000,000.00	10,024,200.00	9,967,502.31	0.625	Aaa	AA	776	08/15/2016
912828RB8	11956	U.S. Treasury		01/14/2014	10,000,000.00	10,004,700.00	10,004,951.58	0.500	Aaa	AA	45	08/15/2014
912828TL4	11958	U.S. Treasury		01/30/2014	20,000,000.00	20,005,400.00	20,004,977.37	0.250	Aaa	AA	61	08/31/2014
912828TQ3	11959	U.S. Treasury		01/30/2014	20,000,000.00	20,009,400.00	20,007,314.17	0.250	Aaa	AA	91	09/30/2014
Subtotal and Average			59,995,101.22		60,000,000.00	60,043,700.00	59,984,745.43				187	
US Treasury Bill-GC 53061(b)												
912796DV8	11963	US Treasury - Bills		03/13/2014	10,000,000.00	9,999,600.00	9,998,500.00	0.075	Aaa	AA	72	09/11/2014
Subtotal and Average			9,997,562.50		10,000,000.00	9,999,600.00	9,998,500.00				72	
Federal Agency Step Up-GC 53601(f)												
3134G4NB0	11946	Federal Home Loan Mtg Corp		12/19/2013	10,000,000.00	10,011,800.00	10,000,000.00	0.625	Aaa	AA	1,267	12/19/2017
3136G07K1	11886	Federal National Mtg Assn		12/06/2012	10,000,000.00	9,947,100.00	9,996,569.44	0.700	Aaa	AA	1,254	12/06/2017
Subtotal and Average			19,996,446.28		20,000,000.00	19,958,900.00	19,996,569.44				1,261	
Total and Average			1,053,631,248.08		986,408,421.14	986,698,521.14	987,543,562.55				461	

Exhibit C

Monterey County Historical Yields vs. Benchmarks



Quarterly Yield	FY 12/13				FY 13/14			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Monterey County	0.49	0.49	0.49	0.49	0.49	0.50	0.47	0.51
1 - 3 Yr Treasury and Agency					0.31	0.38	0.43	0.39
LAIF	0.36	0.33	0.29	0.24	0.27	0.26	0.24	0.23
1 Yr T-Bill	0.16	0.15	0.16	0.14				
S&P Rated Govt. Pool Index	0.10	0.10	0.07	0.06	0.05	0.05	0.05	0.05

The S&P Index yields are obtained from Bloomberg

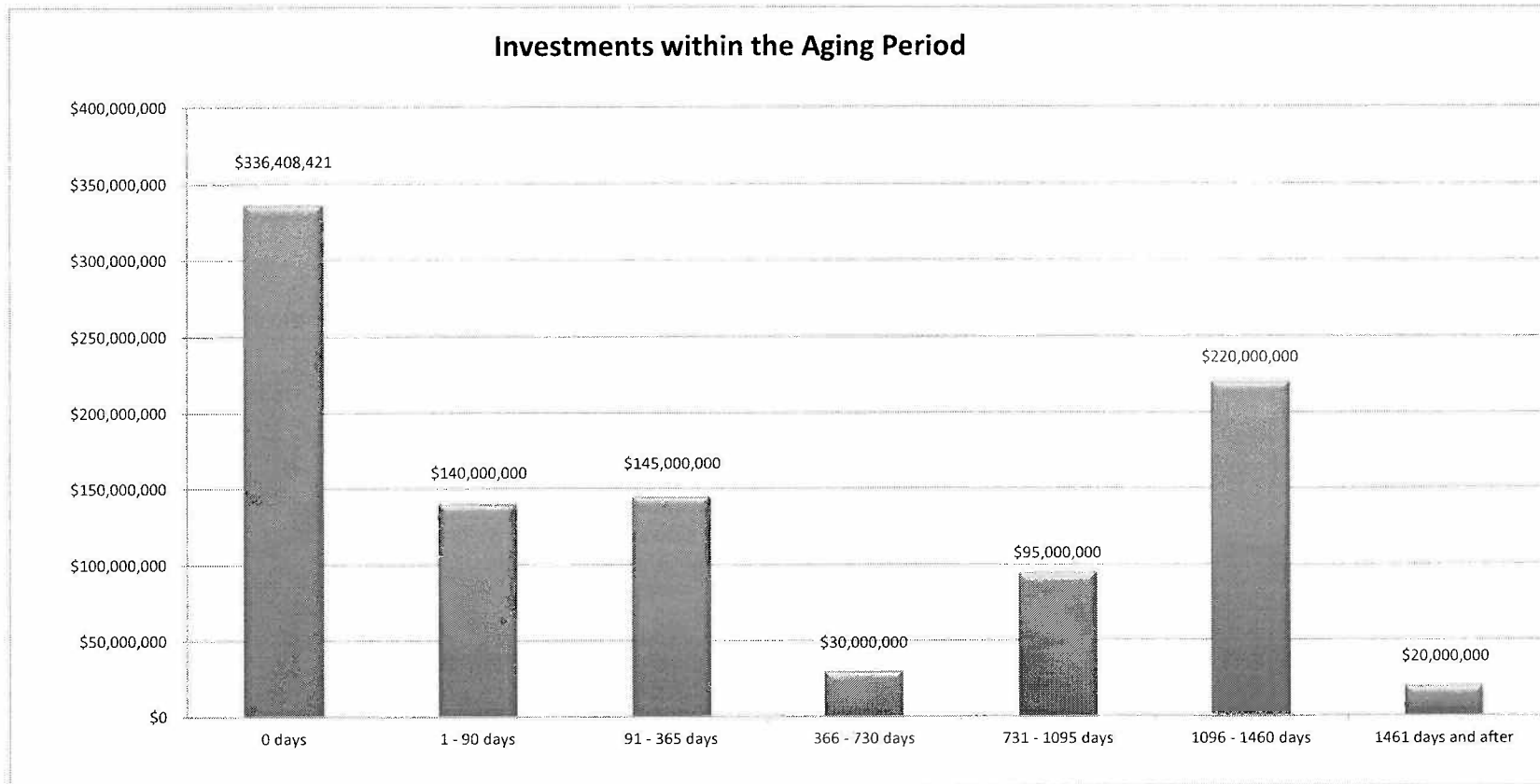
The 1-3 Yr Treas and Agy benchmark has replaced the 1 Yr T-Bill , as it more accurately reflects the current composition and weighted average maturity of the County's portfolio.

The 1-3 Yr Treas and Agy yields are obtained from the B of A Merrill Lynch Global Bond Indices/Bloomberg

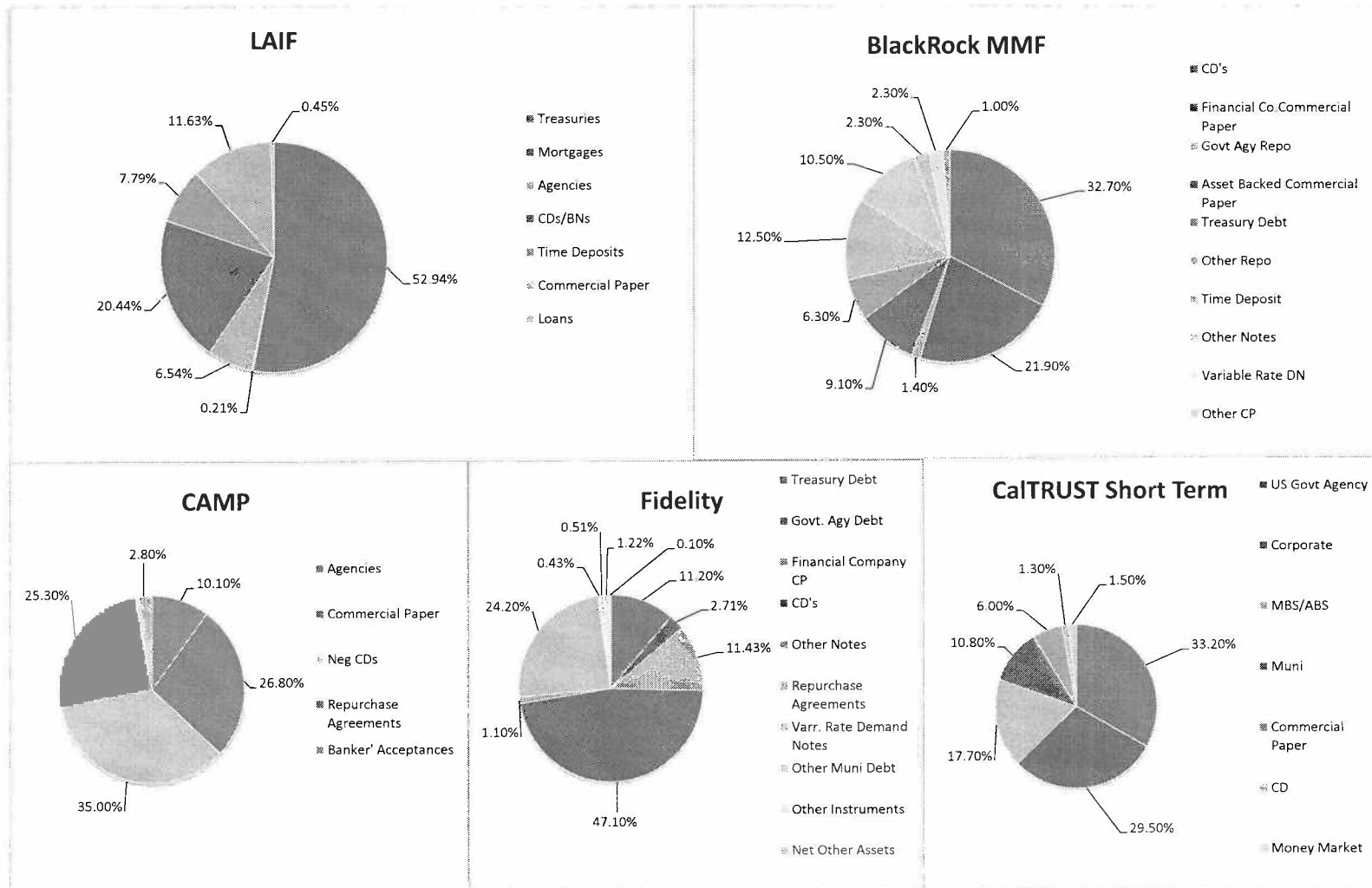


Exhibit D **Monterey County** **Aging Report** **By Maturity Date** **As of July 1, 2014**

			Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	(07/01/2014 - 07/01/2014)	8 Maturities	336,408,421.14	34.10%	336,408,421.14
Aging Interval:	1 - 90 days	(07/02/2014 - 09/29/2014)	13 Maturities	140,000,000.00	14.19%	140,058,493.19
Aging Interval:	91 - 365 days	(09/30/2014 - 07/01/2015)	14 Maturities	145,000,000.00	14.70%	145,200,782.34
Aging Interval:	366 - 730 days	(07/02/2015 - 06/30/2016)	3 Maturities	30,000,000.00	3.04%	30,321,564.00
Aging Interval:	731 - 1095 days	(07/01/2016 - 06/30/2017)	11 Maturities	95,000,000.00	9.63%	95,351,685.71
Aging Interval:	1096 - 1460 days	(07/01/2017 - 07/01/2018)	22 Maturities	220,000,000.00	22.30%	220,139,761.01
Aging Interval:	1461 days and after	(07/01/2018 -)	2 Maturities	20,000,000.00	2.03%	20,062,855.16
Total for 73 Investments				100.00%	987,543,562.55	986,698,521.14



Ex it E **Overnight (Liquid) Asset Distribution**



* Percent total may not equal 100 due to rounding

* Net Other Assets may include cash and receivables and payables related to open security or capital stock trades

	LAIF	CAMP	Fidelity MMF	BlackRock	CalTRUST Short-Term
Credit Rating	NR	AAAm	AAAm	NR	Amf/SI
Fund Assets	\$60.2 Billion	\$1.79 Billion	\$39.22 Billion	\$6.28 Billion	\$740 Million
WAM	220 days	51 days	43 days	48 days	518 days
Percent of Portfolio Invested in Fund	5.07%	6.56%	3.30%	9.04%	10.14%
Fund Quarterly Return	0.23%	0.06%	0.06%	0.06%	0.39%

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. E

Administrative Services
College Area

Proposal:

That the Governing Board hold a public hearing to review the 2014-2015 Budget prior to its adoption.

Background:


The Board is required to hold a public hearing and adopt a budget for the fiscal year before September 15 (Title V, Section 58305).

Title V, Section 58301 of the California Code of Regulations requires each district to hold a public hearing on the proposed budget and that the budget be made available for public inspection at least three days prior to the public hearing. The proposed budget has been available for public inspection in the Library and Technology Center and at the Office of the Vice President for Administrative Services for the required three days.

Budgetary Implications: Revenues and expenses are anticipated as presented.

☒ **Public Hearing** to review the 2014-2015 Budget prior to its adoption.


Recommended By:


C. Earl Davis, Vice President, Administrative Services

Prepared By:


Suzanne Ammons, Administrative Assistant

Agenda Approval:


Dr. Walter Tribley, Superintendent/President

Monterey Peninsula College

Adopted Budget

Fiscal Year 2014-2015

Pending Board Approval of
August 27, 2014

Monterey Peninsula College

Adopted Budget

Fiscal Year 2014-2015

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Unrestricted General Fund Highlights	Narrative of Unrestricted General Fund revenues and expenses	12-14
Mission Statement, Institutional Goals		15-16

Executive Summary

2014-2015 Adopted Budget

Introduction

The Adopted Budget is the District's spending plan from September 15, 2014 through June 30, 2014. On or before September 15, the Board is required to hold a public hearing and approve an Adopted Budget for the fiscal year. The Adopted Budget is based on "budget assumptions" developed from a number of sources including the Governor's May Revision, approved trailer bills, and input from the Chancellor's Office and the Community College League of California, and the approved Budget Act for 2014-15.

Following is a summary indicating the projected beginning balances (based on the current 2014-15):

Summary of All Funds

MPC 2014-2015 Adopted Budget

The following is a summary indicating the projected beginning balances, 2014-2015 budgets, and projected ending balances for all funds maintained by the District:

<u>Funds</u>	Beginning Fund Balance	Budgets 2014-2015		Ending Fund Balance
	<u>7/1/2014</u>	<u>Revenue</u>	<u>Expense</u>	<u>6/30/2015</u>
General				
Unrestricted	\$3,802,947	\$38,029,473	\$38,029,473	\$3,802,947
Restricted	\$0	\$6,628,178	\$6,628,178	\$0
Special Revenue				
Child Development - Unrestricted	\$0	\$302,207	\$302,207	\$0
Child Development - Restricted	\$0	\$190,565	\$190,565	\$0
Student Center	\$296,981	\$259,200	\$259,200	\$296,981
Parking	\$85,280	\$525,000	\$525,000	\$85,280
Debt Service				
Student Center	\$20,722	\$17,625	\$17,625	\$20,722
Capital Projects	\$1,253,362	\$1,145,563	\$1,783,438	\$615,487
Building	\$11,855,862	\$25,000	\$2,232,397	\$9,648,465
Self Insurance	\$6,642,543	\$6,553,264	\$8,794,471	\$4,401,336
Fiduciary				
Financial Aid	\$17,745	\$5,200,000	\$5,200,000	\$17,745
Associated Students	\$92,451	\$90,000	\$90,000	\$92,451
Scholarship and Loans	\$272,948	\$2,500,000	\$2,500,000	\$272,948
Trust Funds	\$293,917	\$510,000	\$510,000	\$293,917
Orr Scholarship	\$22,302	\$10,000	\$20,000	\$12,302
Total	<u>\$24,657,060</u>	<u>\$61,986,075</u>	<u>\$67,082,554</u>	<u>\$19,560,581</u>

Notes: Beginning Balance is prior to audit of 2013-2014 fiscal year end.

Ending Balance is calculated based on Beginning Balance and Budgets

All funds are budgeted to have positive ending fund balances. The unrestricted general fund maintains the Board established fund balance reserve of 10% of general fund expenditures.

It should be noted that in the unrestricted general fund, one-time funds of approximately \$2.6 million are being used to balance the budget. This structural deficit must be addressed to maintain fiscal stability.

California Community Colleges

The approved Budget Act for 2014-15 calls for the following provisions for the California Community College system:

- \$47.3 million to fund a 0.85-percent cost-of-living adjustment
- \$140.4 million to fund available for general apportionment growth.
- \$30 million to provide support services to students with disabilities.
- \$50 million added to support one-time and ongoing costs to improve Student Success in career technical education.
 - A one-time increase to support the existing Economic and Workforce Development program at the CCC Chancellor's Office. These funds will provide resources for community colleges to develop, enhance, and expand career technical education programs that meet regional labor market demands.
 - Beginning in 2015-16, an increase in funding rate for career development and college preparation noncredit courses (also known as CDCP or enhanced noncredit) to equal the rate provided for credit courses. Career development and college preparation noncredit courses offer flexibility for community colleges to design and deliver courses better suited for students pursuing career technical education. Currently, the lower funding rate, along with the higher cost of career technical education, serve as barriers to many community colleges offering career development and college preparation instruction in a manner that supports student success.
- \$6 million increase to technology infrastructure (\$1.4M one-time, \$4.6M on-going) to upgrade bandwidth and replace technology equipment at each community college. These investments will support student success technology initiatives started in 2013-14, including electronic transcripts, electronic planning, incoming student evaluation, and online education initiative.
- \$148 million for deferred maintenance and instructional equipment. Flexible locally and specified as one-time.
- \$49.5 million to pay down mandates, although funding is allocated per FTES. Funding received will offset district prior claims to extent any exist.
- \$39.7 million for Proposition 39 (\$32.7 million for projects)
- \$498 million for paying down deferrals-only \$94 million left.

In conclusion, the LAO 14-15 general fund forecast is \$2.2 billion higher than DOF's but the Governor ultimately prevailed in negotiations with the Legislatures, and the state budget is based on the lower DOF forecast. The Governor's approach is a more conservative forecast. The approach taken is intended to protect the state from boom and bust budgeting cycles, retire debt, and focus new money on education.

FTES Trend and Estimate for 2014-15

A historical review of MPC's FTES trend shows that the College peaked in 2008-09 with 8,490 total FTES, of which 76.3% were credit FTES. Starting in 2009-10, the state imposed a system-wide workload reduction cutting unrestricted apportionment by \$190 million. Growth/restoration funding of \$126 million was added to the 2010-11 system-wide, but MPC's total FTES generation continue to decline from the 2009-10 level. In 2011-12, the state imposed a large system wide workload reduction of \$385 million based on a number of mid-year trigger cuts and MPC's total FTES decreased to 6,806, approximately \$1.387 million below the college's apportionment cap. In 2012-13, MPC FTES continued to decrease to 6,684. The Annual 320 attendance report recently submitted to the Chancellor's Office for 13-14 indicates MPC will not reach its apportionment cap for a third year in a row. This will result in a lower cap FTES starting in 14-15. In estimating the college's apportionment revenue for 2014-15, the adopted budget projects MPC will maintain the lower 13-14 FTES level while generating apportionment revenue totaling \$33,328,898. The projected COLA of 0.85% is incorporated into the 2014-15 estimate. For budgeting purposes, it is important to utilize a conservative estimate of revenue until growth is demonstrated. Since external factors such as student fees collected, property taxes, and RDA backfill are difficult to estimate, the apportionment estimate for 2014-15 projects no deficit coefficient arising from these factors at this time.

UNRESTRICTED GENERAL FUND COMPARISON

	Tentative 14-15	Adopted 14-15	Variance
Revenues			
8100 Federal Revenues	\$10,700	\$10,700	
8600 State Revenues	\$5,865,381	\$5,927,595	
8610 General Apportionment	\$12,238,687	\$11,716,186	
8800 Local Revenues	\$18,031,803	\$17,733,785	
Total Ongoing Revenues <u>before</u> Transfers	\$36,146,571	\$35,388,266	(\$758,305)
Expenses			
1000 Academic Salaries	\$14,495,827	\$14,538,615	
2000 Classified Salaries	\$7,129,909	\$7,092,665	
3000 Employee Benefits	\$9,374,716	\$9,508,138	
4000 Supplies and Materials	\$481,173	\$462,694	
5000 Other Operating Expenses and Services	\$5,787,196	\$5,888,846	
6000 Capital Outlay	\$200,776	\$210,035	
7000 Other Outgo	\$458,369	\$328,480	
Total Expenses	\$37,927,966	\$38,029,473	\$101,507
Structural Deficit in UGF	<u>(\$1,781,395)</u>	<u>(\$2,641,207)</u>	

MPC Budget Assumptions

The following budget assumptions will be used in developing the Adopted Budget for 2014-15. As noted earlier, these assumptions can change.

- Apportionment revenue is estimated at \$33,328,898 assuming no deficit coefficient.
- Total revenue is estimated at \$35,388,266 before one-time transfers.
- A Cost of Living Adjustment (COLA) of 0.85% is incorporated into apportionment estimate
- Revised lottery estimate shows approximately \$62,214 more revenue than indicated in the tentative budget.
- Categorical budgets are balanced
- Increase to both PERS/STRS rate increase
- Decrease to Proposition 39 funds
- Increase to Life/LTD and medical insurance cost of \$205,379 from tentative budget due to increase in the premium funding rate.
- Increase to the legal budget of \$123,321
- Physical Plant and Instructional Equipment funded at \$879,347.

MPC Budget Response

In the past four years, MPC responses to budget deficits have been largely opportunistic. That is, taking advantage of opportunities to reduce expenditures as they arose, such as reducing staffing by attrition, reducing program costs due to reduction in state support, modifying instructional service agreements in response to the state's changing priorities, and restructuring MPC's defined health benefits plan. For budget year 2014-15, this "measured" approach will continue to allow the District to defer some difficult decisions until more is known about the true budget picture and FTES production.

The State has primed the community college system with over \$140.4 million of growth / restoration funding. MPC must grow FTES to maximize funding. Administration has been focusing on growth in the following ways to reduce the deficit spending pattern by increasing revenues:

- Grow credit FTES
- Increase program development to meet changing education needs of the community
- Improve institutional efficiencies
- Improve & enhance enrollment & retention rates
- Increase outreach, advertising and marketing
- Create opportunities to partner with public & private organizations

At the same time, the District is continuing to examine ways to reduce expenses in operations, programs, positions, wages, and benefits. The vast majority of general fund expenses are in the areas of salaries and benefits, therefore subject to collective bargaining.

General Fund

The General Fund includes the general operating budgets for the District. Some monies are restricted as to their use and the fund is therefore separated by unrestricted and restricted.

Unrestricted General Fund

The District's primary financial activities for day-to-day operating revenues and expenses occur in the Unrestricted General Fund. Revenue is budgeted by the source of the funding and expenses are budgeted by their function. Amounts budgeted for revenue and expense in the Unrestricted General Fund show revenue and expenses essentially balanced with an ending balance of \$3,802,947 maintains the Board's 10% target reserve. The District is using \$2.6 million in one-time funds and reserves to augment unrestricted revenues to balance the budget.

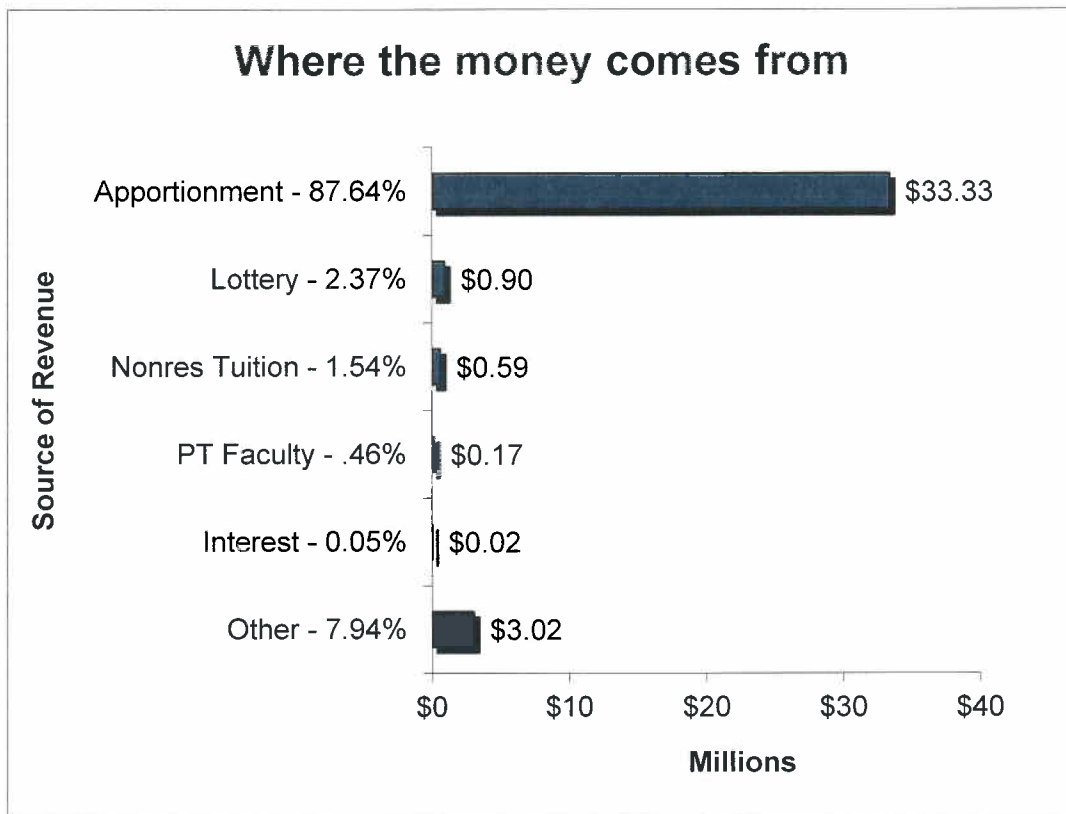
Unrestricted General Fund apportionment revenues are estimated to be \$584,926 less than the adopted level in 2013-14. This is the net change accounting for ongoing COLA added to the base apportionment and local revenues. Unrestricted General Fund expenses are estimated to decrease by \$565,760 from the 2013-14 adopted level. This is the net change after accounting for attrition; STRS and PERS rates; increase in utilities; ISA contracts; increase in non-personnel items such as library materials; and the transfer to support the child development fund. Changes in UGF revenues and increases in expenses for 2014-15 show a structural deficit of \$2,641,207 before District reserves and one-time funds are used to balance the budget.

To close the structural deficit, the District will be transferring \$2,241,207 from the Self Insurance Fund, and \$400,000 from Capital Outlay / Project fund. Clearly, the continued use of reserves and one-time funds to bridge an ongoing revenue shortfall is unsustainable and must be addressed to maintain fiscal stability.

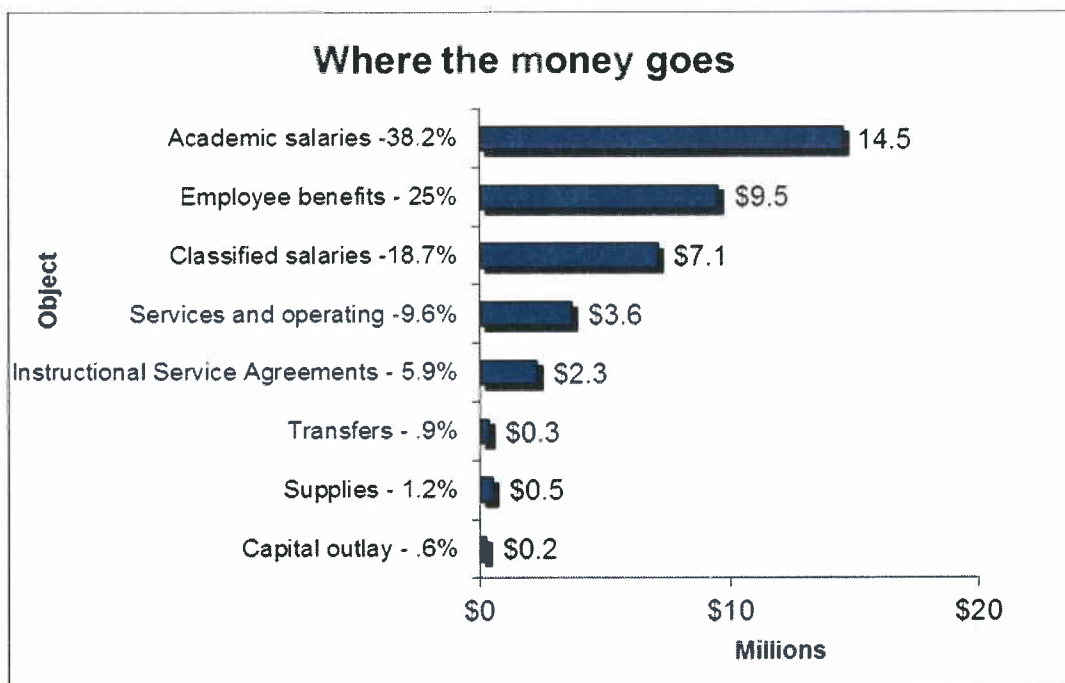
The following chart shows apportionment budgeted for last year and what is projected for 2014-15:

	2013-14		2014-15			
	<u>Adopted</u>		<u>Adopted</u>			
Total Computational Revenue (TCR)	\$34,189,373	a	\$33,328,898	c		
Less:						
Stability Reduction	(132,774)	b	---			
Adjusted Revenue Entitlement	\$34,056,599		\$33,328,898			
Budgeted Apportionment	\$34,056,599		\$33,328,898			
a) Assumes a 1.57% COLA						
b) Assume additional stability funding is taken away because we don't make lowered cap in 2013-14						
c) Assumes a 0.85% COLA						

The following charts show how unrestricted general funds are generated and expended.



The largest portion of expenses is for people, with salaries and corresponding fringe benefits for employees accounting for 82% of total expenses. Adding Instructional Service Agreements to employee expenses accounts for 88% of total expenses. The cost of employee benefits continues to be the second largest expense in the budget, currently representing 25% of total expenses.



Restricted General Fund

Funds used for the operation and support of educational programs that are specifically restricted by law, regulation, donor, or other outside agency are recorded in the Restricted General Fund. The majority of these funds must be expended within the fiscal year or returned to the funding agency. Budgets for state programs are based on the state's current approved budget. Funds budgeted for all programs total just over \$6.6 million. Budgets for state programs are based on the state's latest allocation numbers.

The following chart shows the 19 largest categorical programs and their respective funding level for the 2014-15 Adopted Budget:

	2013-14	2014-15	Change
Extended Opportunities Programs and Services (EOP&S)	\$604,354	\$730,406	\$126,052
Disabled Students Programs and Services (DSP&S)	\$493,087	\$476,686	(\$16,401)
Marine Advanced Tech. Ed. Res. Ctr. (MATERC)	\$395,890	\$399,732	\$3,842
Upward Bound	\$388,453	\$388,453	\$0
Math Science Upward Bound (MSUB)	\$376,700	\$376,700	\$0
Matriculation - CR/NCR	\$344,941	\$826,747	\$481,806
Health Services	\$350,000	\$342,000	(\$8,000)
Student Support Services (TRIO)	\$294,916	\$304,351	\$9,435
Student Financial Aid Administration (SFAA/BFAP)	\$226,635	\$240,493	\$13,858
Lottery	\$210,893	\$239,394	\$28,501
Federal Work Study	\$136,838	\$136,838	\$0
CalWorks/TANF	\$168,870	\$218,543	\$49,673
Perkins I-C Student Support Structure	\$127,745	\$136,951	\$9,206
Workability	\$111,828	\$0	(\$111,828)
Marine Tech Mentor/Intern	\$106,447	\$108,938	\$2,491
First 5 Monterey County Workforce Devt.	\$105,864	\$109,486	\$3,622
C.A.R.E (Coop. Agencies Res. Ed.)	\$91,413	\$91,413	\$0
Basic Skills 2012-13	\$69,390	\$82,000	\$12,610
Basic Skills 2013-14	\$90,000	\$90,000	\$0

Special Revenue Fund:

Child Development Center (CDC), Student Center and Parking are accounted for in the Special Revenue Fund. Revenues generated by these programs are intended to pay for the cost of services provided.

Revenues and expenses for child development services are recorded in the CDC Fund. The CDC Fund includes monies that are restricted as to their use and the fund is therefore separated into unrestricted and

restricted. The CDC Fund has a total budget of \$492,772 (unrestricted and restricted). CDC has been operating with a State Preschool contract under the California Department of Education. Unfortunately the reimbursement funds available from state contracts have covered less than 50% of operating costs, which are almost entirely payroll and benefits.

The Student Center Fund is maintained to record financial transactions of the Student Center building that was partially constructed using lease revenue bonds. The Student Center Fund receives revenue primarily from student use fees and commissions from the bookstore and cafeteria. The bond requires income to be used to make debt payments and maintain the facility. Half of the Student Activity Coordinator is paid by the Student Center Fund and half is paid by the Unrestricted General Fund.

The Parking Fund is maintained to record financial transactions related to parking as required by the Education Code. Revenues are primarily from parking permit sales and parking citations. Expenses are for parking security and maintenance and improvements to the parking lots.

Debt Service

Long-term debt principal, interest, and related costs of the District are accounted for in the Debt Service Fund. There is one obligation remaining that is accounted for in this fund: the annual long-term debt payment for the Student Center. The capital lease for energy conservation projects (SunTrust lease) was paid off in the 13-14 FY. Student Use Fees in the Student Center operating accounts pay the Student Center required payment of \$17,625.

Capital Projects

Non-bond expenses for all major acquisition, construction and deferred maintenance projects are accounted for in the Capital Projects Fund. Local expenditures include IPP & FPP processing, donations for the Library & Technology Center, Athletic facilities, and District expenses for Fort Ord. State expenditures include Physical Plant & Instructional Support funds. Expenses have been budgeted at \$1,783,438 of which includes a \$400,000 transfer out to the UGF for the structural deficit.

Building

Expenses associated with Measure I, the \$145 million Proposition 39 bond, are accounted for in the Building Fund. Expenses included in the 2014-15 adopted budget total \$2.2 million which include amounts to be expended for multiple projects (art complex, student center project). The art complex, and student center project will be completed this summer.

Self Insurance

Expenses for the District's self-insured medical benefits are budgeted and recorded in the Self Insurance Fund. Payments will be made from the various operating funds to the Self Insurance Fund to cover the claim payment. Total expenses of \$8,794,471 are currently being budgeted and include \$2,241,207 transfer out to the UGF for the structural deficit. Medical claims expenses are budgeted at \$6,394,883 for 2014-15.

Medical and RX claims continue to be holding steady in 2013-14. Review of the expense loss ratio for “active” employees continues to show ratios of less than 100%. As a result, all groups remain at Phase 1 of the three phase plan implemented in 2010-11. The three phase plan expired in June 2013 and no replacement plan has been recommended by Health and Welfare Cost Containment Committee at this point in time. Part of the leveling off of medical claims is likely tied to CHOMP being moved from Anthem’s Tier 3 to Tier 1 hospital rating. Another factor in the reduced utilization of medical services may have been changes in employee behavior as a result of the three phase plan.

Fiduciary Fund

The Fiduciary Fund is used to account for assets held by the District as trustee. These funds include Student Financial Aid, Associated Students, Scholarships and Loans, Trust Funds, and Orr Scholarship funds.

<i>Conclusion</i>

All funds are balanced except for Capital Outlay and Self Insurance because significant transfers are being made in 2014-15 to close the structural deficit in the General Fund. Positive year-end balances (reserves) are projected.

Monterey Peninsula College

3-Year Comparison

	2012-2013 <u>Actual</u>	2013 - 14 Tentative <u>Budget</u>	Adopted <u>Budget</u>	2014-2015 Adopted <u>Budget</u>	% > Budget to <u>Adopted Bud</u>
Unrestricted General Fund:					
Income					
Federal	\$3,041	\$10,700	\$10,700	\$10,700	0.0%
State	\$16,038,970	\$18,916,569	\$18,129,982	\$18,166,282	0.2%
Local	\$22,073,317	\$19,615,969	\$20,473,717	\$19,852,491	-3.0%
Total Income	<u>\$38,115,328</u>	<u>\$38,543,238</u>	<u>\$38,614,399</u>	<u>\$38,029,473</u>	-1.5%
Expense					
Academic Salaries	\$14,232,486	\$14,204,581	\$14,364,593	\$14,538,615	1.2%
Classified Salaries	\$7,627,302	\$7,732,390	\$7,741,819	\$7,092,665	-8.4%
Fringe Benefits	\$4,054,094	\$4,610,387	\$4,447,825	\$9,508,138	113.8%
Books and Supplies	\$502,596	\$605,759	\$585,500	\$462,694	-21.0%
Operating	\$5,239,979	\$5,605,526	\$5,734,146	\$5,888,846	2.7%
Capital Outlay	\$186,828	\$202,576	\$139,576	\$210,035	50.5%
Transfers	\$6,963,853	\$5,583,935	\$5,581,775	\$328,480	-94.1%
Total Expenses	<u>\$38,807,136</u>	<u>\$38,545,154</u>	<u>\$38,595,234</u>	<u>\$38,029,473</u>	-1.5%
Restricted General Fund:					
Income					
Federal	\$2,235,216	\$2,032,353	\$2,032,353	\$2,342,942	15.3%
State	\$2,469,119	\$2,329,076	\$2,418,123	\$3,345,952	38.4%
Local	\$513,909	\$771,694	\$796,987	\$939,284	17.9%
Total Income	<u>\$5,218,244</u>	<u>\$5,133,123</u>	<u>\$5,247,463</u>	<u>\$6,628,178</u>	26.3%
Expense					
Academic Salaries	\$1,299,992	\$1,320,590	\$1,278,270	\$1,543,886	20.8%
Classified Salaries	\$1,140,342	\$1,051,664	\$1,060,725	\$1,151,704	8.6%
Fringe Benefits	\$418,002	\$407,521	\$380,131	\$1,071,984	182.0%
Books and Supplies	\$289,519	\$221,729	\$211,219	\$237,133	12.3%
Operating	\$1,265,639	\$1,014,519	\$1,166,096	\$1,728,613	48.2%
Capital Outlay	\$91,148	\$292,589	\$312,998	\$381,357	21.8%
Transfers	\$713,603	\$824,510	\$838,023	\$513,501	-38.7%
Total Expenses	<u>\$5,218,244</u>	<u>\$5,133,122</u>	<u>\$5,247,462</u>	<u>\$6,628,178</u>	26.3%
Unrestricted Child Development					
Income	\$358,460	\$312,715	\$310,573	\$302,207	-2.7%
Expense	\$358,460	\$312,715	\$310,573	\$302,207	-2.7%
Restricted Child Development					
Income	\$210,789	\$187,943	\$245,147	\$190,565	-22.3%
Expense	\$210,789	\$187,943	\$245,147	\$190,565	-22.3%
Student Center					
Income	\$273,271	\$265,200	\$264,200	\$259,200	-1.9%
Expense	\$462,005	\$265,200	\$264,200	\$259,200	-1.9%
Student Revenue Bond					
Income	\$18,601	\$18,075	\$18,075	\$17,625	-2.5%
Expense	\$18,525	\$18,075	\$18,075	\$17,625	-2.5%

*Actual through May 31, 2014

		<u>2013-2014</u>		<u>2014-2015</u>	<u>% ></u>
	<u>2012-2013</u>	<u>Tentative</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Budget to</u>
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Adopted Bud</u>
Debt Service					
Income	\$275,942	\$275,324	\$275,324	\$0	-100.0%
Expense	\$275,324	\$275,324	\$275,324	\$0	-100.0%
Parking					
Income	\$422,669	\$512,000	\$512,000	\$525,000	2.5%
Expense	\$422,070	\$487,184	\$489,741	\$525,000	7.2%
Capital Projects					
Income	\$2,369,387	\$1,159,692	\$1,269,405	\$1,145,563	-9.8%
Expense	\$1,912,890	\$2,682,285	\$2,491,998	\$1,783,438	-28.4%
Self Insurance					
Income	\$6,940,012	\$6,342,942	\$6,349,078	\$6,553,264	3.2%
Expense	\$7,864,355	\$8,092,942	\$8,099,078	\$8,271,970	2.1%
Financial Aid					
Income	\$5,198,296	\$5,300,000	\$5,300,000	\$5,200,000	-1.9%
Expense	\$5,198,480	\$5,300,000	\$5,300,000	\$5,200,000	-1.9%
Associated Students					
Income	\$114,135	\$90,000	\$90,000	\$90,000	0.0%
Expense	\$69,636	\$90,000	\$90,000	\$90,000	0.0%
Scholarship and Loans					
Income	\$2,335,037	\$2,531,700	\$2,531,700	\$2,500,000	-1.3%
Expense	\$2,566,724	\$2,531,700	\$2,531,700	\$2,500,000	-1.3%
Trust Funds					
Income	\$283,081	\$469,102	\$469,102	\$510,000	8.7%
Expense	\$508,432	\$469,102	\$469,102	\$510,000	8.7%
Orr Scholarship					
Income	\$37,303	\$13,000	\$13,000	\$10,000	-23.1%
Expense	\$28,279	\$28,000	\$28,000	\$20,000	-28.6%
Building Fund					
Income	-\$20,618	\$50,000	\$6,349,078	\$25,000	-99.6%
Expense	\$15,058,710	\$7,520,032	\$8,099,078	\$2,232,397	-72.4%

*Actual through May 31, 2014

Unrestricted General Fund Highlights

2014-2015 Adopted Budget

Revenues:

Total Unrestricted General Fund revenue budgeted for 2014-15 is \$38,029,473. This includes \$2,641,207 of reserves and one-time funds transferred into the general fund to close the structural deficit, balance the budget, and show a 10% reserve.

- **Apportionment** - The largest source of unrestricted revenue, \$33,328,898 is received through the California Community College System and is based on actual enrollments of the College. These funds are referred to as apportionment and are received from student enrollment fees, local property taxes, and state backfill. Apportionment is calculated based on full time equivalent students (FTES): \$4,564.83 per credit FTES and \$2,744.96 per noncredit FTES plus a base allocation of \$3,321,545 for a single campus District and \$276,795 for a satellite campus. The projected apportionment assumes no deficit coefficient; and a 0.85% COLA.
- **Part-Time Faculty Compensation** – The District has budgeted \$173,268. It should be noted that in 2008-09, the State cut part-time faculty compensation by \$180,000.
- **Lottery** – Funds received from the Lottery Commission are based on FTES, including non-resident and apprenticeship. Lottery funds are budgeted at \$901,248 for 2014-15. This is \$44,070 more than 2013-14.
- **Nonresident Fees** – The non-resident fee revenue for 2014-15 is budgeted at \$585,000. The new rate adopted by the board for 2014-15 is the State average of \$193 per unit.
- **Interest** – Interest income is budgeted at \$20,000 for 2014-15. The yield on the funds deposited with the county treasury continues to be at historic lows (< 0.50%). All indications are that the Federal Reserve will continue to keep short term rates at very low levels.

Expenses:

Total Unrestricted General Fund Expenses are budgeted at \$38,029,473. Projections are included for all known obligations.

- **Salaries** - Increases for required step and column movement and longevity have been budgeted where appropriate.
- **Fringe Benefits** – Fringe benefits are shown in two categories: salary roll-up costs and medical benefits.

Salary roll-up costs include retirement, Medicare, FICA, unemployment, and workers comp. Roll-up costs associated with salary increases for required step and column movement and longevity increases have been budgeted.

Expenses for the District's self-insured medical benefits are budgeted and recorded in the various operating accounts within the General Fund. Payments are now being made to the Self Insurance

fund to cover the claim expenditures. This is a change in the accounting from last year where transfers were completed to move funds from the General Fund to the Self Insurance fund.

- **Books and Supplies** – This category is budgeted at \$462,694 for 2014-2015.
- **Services and Operating** – At \$5,888,846 this budget category is \$154,700 more than last year:
 1. **Utilities** – Total utility expenses (electricity, natural gas, water, waste disposal and sewage) are budgeted at \$1,284,618. Telephone expenses are budgeted at \$86,000. There is no longer a transfer to the Debt Services Fund of \$275,324, the lease the district had with Sun Trust for the energy conservation projects has been paid off.
 2. **Risk Management (insurance)** – The District is in a pool with other community colleges and is self-insured for property and liability coverage. Property and liability is budgeted at \$277,321 plus \$0 budgeted for deductibles. Student accident insurance for athletes is budgeted at \$70,474. (A budget for student accident insurance is also included in the Restricted General Fund at \$45,418.)
 3. **Instructional Service Agreements** – \$2,288,561 is budgeted for Instructional Service Agreements (ISA.)
 4. **Travel** – The conference attendance and related travel budget is \$140,339 for 2014-15.
 5. **Legal Expenses** - The legal budget is \$178,321.
 6. **Election Expenses** –There will be a Board election in 2014-2015. The election cost is approximately \$100,000 annually since elections are held every two years. The election expense is budgeted at \$50,000.
 7. **Building Maintenance** – Minor capital improvements is budgeted at \$77,000.
 8. **Other Services & Expenses** – The total budgets here are similar to last year,
 9. **Contingencies** – Total general institutional contingency is budgeted at \$30,120, a reduction of \$57,000 from last year.
- **Capital Outlay** – This category is budgeted at \$43,414.
- **Transfers** - Transfers to other funds are budgeted at \$328,481, a decrease of \$5,253,294 from last year, primarily due to the change in accounting recognizing the expense in the General Fund instead of the Self Insurance fund. This will allow for the health and welfare expense to be recognized in the general fund.
Also, there is no longer a transfer to the Debt Service Fund of \$275,324; this is due to the district paid off the lease with Sun Trust in the 13-14 FY.

The following are transfers to other funds:

Child Development Fund	\$260,707
EOP&S	\$ 67,774

Fund Balance:

Revenues and Expenses are balanced and an ending Unrestricted General Fund balance of \$3,802,947 is projected which is approximately 10% of expenditures.

<i>Conclusion</i>

All funds are balanced except for Capital Outlay and Self Insurance because of transfers to the General Fund to close the structural deficit. All funds show positive year-end balances (reserves).

MONTEREY PENINSULA COLLEGE

Institutional Goals and Objectives for 2011-2014 (Revision forthcoming for 2015-2018)

Mission Statement

Monterey Peninsula College is committed to fostering student learning and success by providing excellence in instructional programs, facilities, and services to support the goals of students pursuing transfer, career, basic skills, and life-long learning opportunities. Through these efforts MPC seeks to enhance the intellectual, cultural, and economic vitality of our diverse community.

Values Statement

We hold the following as vital to the attaining of our Mission:

- Recruiting and retaining highly qualified and diverse faculty and staff.
- Supplying and supporting faculty and staff with high quality equipment and necessary training.
- Providing all faculty, staff, students and support personnel with clean, attractive and safe facilities.
- Fostering a culture of collaboration to promote and achieve student success.

Goal 1: Promote academic excellence and student success.

Objective 1.1: Investigate ways to articulate student success that represent the diverse range of our students' goals, and retain strong academic integrity and high academic standards.

Objective 1.2: Improve student experiences by supporting the quality of instruction and service delivery through

- a. creating a framework for faculty and staff to learn, share ideas, engage in dialog and collaborate.
- b. promoting efforts to analyze the effectiveness of programs and make improvements based on the results.

Objective 1.3: Develop and prioritize the implementation of an online learning strategic plan that includes institutional support, protocols, and assessment of instruction.

Objective 1.4: Develop and implement ways to

- a. more effectively recruit and select excellent faculty and staff.
- b. train and mentor new faculty and staff so that they most effectively serve students and promote learning.

Goal 2: Build MPC into an economic driving force for the Monterey area by supporting and developing programs that teach employable skills.

Objective 2.1: Develop and enhance credit Career and Technical programs and courses to provide students with employable skills.

Objective 2.2: Establish and strengthen industry, government, and community partnerships.

Goal 3: Manage the rate of growth in programs and services in Seaside and Marina, subject to funding and growth conditions.

Objective 3.1: Based on assessment and analysis of community needs and district resources, develop appropriate class schedules and programs.

Objective 3.2: Provide essential support services to enable student success at the Marina Education Center and the Seaside Public Safety Center.

Goal 4: Maintain and strengthen instructional and institutional technology.

Objective 4.1: Conduct a broad-based review of the functionality and efficiency of all district technology including the organization, management and support for MPC's websites.

Objective 4.2: Conduct a broad-based review of the leadership, management, and structure of campus-wide technology support to maximize efficiency, resources, and ease of use.

Objective 4.3: Based on the recommendations from these reviews, develop a long-term funding plan and implement changes that take into consideration the availability of college resources.

Approved College Council April 5, 2011

Approved Governing Board May 24, 2011

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. F

Administrative Services
College Area

Proposal:

That the Governing Board adopt the 2014-2015 Budget.

Background:

The Board has held a public hearing for the purpose of reviewing the 2014-2015 Budget and the proposed budget has been available for public inspection as per Title V, Section 58301 of the California Code of Regulations.

The Board approved a Tentative Budget on June 25, 2014. Since that time, budgets have been revised to reflect funding changes as a result of the adopted state budget, and ongoing review of actual revenue and expenses. All funds remain balanced and the 10% target reserve in the General Fund is maintained.

Budgetary Implications: Revenues and expenses are anticipated as presented.

☒ **RESOLUTION: BE IT RESOLVED,** that the Governing Board adopt the 2014-2015 Budget.


Recommended By: _____


C. Earl Davis, Vice President, Administrative Services

Prepared By: _____


Suzanne Ammons, Administrative Assistant

Agenda Approval: _____


Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. G

Administrative Services
College Area

Proposal:

That the Governing Board approve the contract for professional auditing services for the G. O. Bond (Measure I-Building Fund) for the year ended June 30, 2014 with Vavrinek, Trine, Day & Company, LLP, Certified Public Accountants.

Background:

Education Code Section 84040 requires that community colleges appoint an independent auditor to conduct an annual audit. Vavrinek, Trine, Day & Company (VTD) is currently providing auditing services for the District. VTD was originally selected as the independent auditor based on their extensive experience in performing audits of community college districts and the staff has been pleased with their performance. The District paid \$10,500 for the G.O. Bond financial statement audit for the year ending 2013. VTD is proposing the fee of \$11,200 for the year ending June 30, 2014. The G.O. Bond auditing services are based on an annual contract as the requirements can change from year to year.

Budgetary Implications:

Expenses for the auditing services are budgeted for.

☒ **RESOLUTION: BE IT RESOLVED,** That the Governing Board approve the contract for professional auditing services for the G. O. Bond (Measure I-Building Fund) for the year ended June 30, 2014 with Vavrinek, Trine, Day & Company, LLP, Certified Public Accountants.

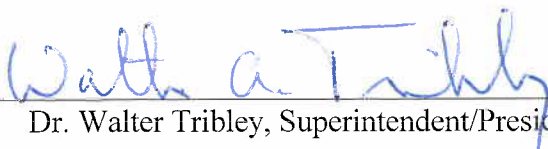
Recommended By: _____


C. Earl Davis, Vice President, Administrative Services

Prepared By: _____


Suzanne Ammons, Administrative Assistant

Agenda Approval: _____


Dr. Walter Tribley, Superintendent/President



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

VALUE THE DIFFERENCE

July 2, 2014

Monterey Peninsula Community College District
980 Fremont Street
Monterey, CA 93940-4799

We are pleased to confirm our understanding of the services we are to provide the Monterey Peninsula Community College District (the District). We will perform the required annual financial audit of the proceeds from the sale of the bonds and the required performance audit to ensure that the funds have been expended only on the specific projects listed for the period beginning July 1, 2013 and ending June 30, 2014, in accordance with the compliance requirements of Section 1 of Article XIII A of the California Constitution.

Financial Audit

We will audit the financial statements of the Building (Measure I) Fund of the District, including the related notes to the financial statements as of and for the year ended June 30, 2014. The financial statements will present only the Building (Measure I) Fund and will not purport to, and will not be intended to present fairly the financial position and results of operations of the District in conformity with accounting principles generally accepted in the United States of America.

Audit Objectives

The objective of our audit is the expression of opinions as to whether the Building (Measure I) Fund financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the District and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will fully discuss the reasons with you in advance.

If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.

If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the Building (Measure I) Fund financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements, and related notes prior to their issuance and have accepted responsibility for them.

You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferable from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are responsible for the selection and application of accounting principles; and for the fair presentation in the financial statements of the District, in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, management understands that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Performance Audit

We will prepare a performance audit of the Measure I Bond for the proceeds of the District for the year ended June 30, 2014.

Objectives

The purpose of the Performance Audit is to meet the Proposition 39 requirements for the Measure I Bond proceeds to ensure compliance with Section 1 of Article XIII A, Section 1(b)(3)(C) of the California Constitution. This includes that the Proposition 39 Bond proceeds are expended only on the specific projects listed in the bond language approved by the voters and no Bond proceeds are being spent on administrative salaries or any other expenses that would otherwise be the obligation of the District's General Fund. The Performance Audit will be conducted in accordance with *Government Auditing Standards*.

Scope and Methodology

Our procedures for the Performance Audit will be as follows:

- Procure a detail of the accounting for the expenditures of the Measure I bonds.
- Review the detailed accounting of expenditures to determine if proceeds are being spent on administrative salaries or any other school operating expenses.
- From a sample of construction expenditures from the detailed accounting of expenditures, review expenditures to determine if proceeds expended are for specific projects as listed in the voter approved bond language.

Engagement Administration, Fees, and Other

The audit documentation for this engagement is the property of Vavrinek, Trine, Day & Co., LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to third parties for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Vavrinek, Trine, Day & Co., LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the California Community Colleges Chancellor's Office or during any pending board investigation, disciplinary action, or legal action involving the licensee or the licensee's firm.

William Rauch, Jr. is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for the Financial Audit and Performance Audit services will be \$11,200 for the period ending June 30, 2014. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

If a dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation. The costs of any mediation proceedings shall be shared equally by all parties. The District and Auditors both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration will be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF DISPUTE OVER FEES, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

Vavrinek, Trine, Day & Co., LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensee owners will be performing audit services for the agency.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Very truly yours,



William Rauch, Jr.
of Vavrinek, Trine, Day & Co., LLP

BR/rd
Enclosures
140359

RESPONSE:

This letter correctly sets forth the understanding of the Monterey Peninsula Community College District.

By:

Title:

Date:

YANARI WATSON MCGAUGHEY P.C.

DALE M. YANARI (1947-2004) ♦ RANDY S. WATSON ♦ G. LANCE MCGAUGHEY
FINANCIAL CONSULTANTS/CERTIFIED PUBLIC ACCOUNTANTS

System Review Report

May 25, 2012

To the Partners of
Vavrinek, Trine, Day & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP applicable to non-SEC issuers in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Vavrinek, Trine, Day & Co., LLP has received a peer review rating of *pass*.

Yanari Watson McGaughey P.C.
Yanari Watson McGaughey P.C.



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

VALUE THE DIFFERENCE

May 21, 2014

Board of Trustees
Monterey Peninsula Community College District
980 Fremont Street
Monterey, CA 93940-4799

We are pleased to confirm our understanding of the services we are to provide the Monterey Peninsula Community College District (the District) for the years ended June 30, 2015 through June 30, 2017.

We will audit the financial statements of the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Other Postemployment Benefits (OPEB) Funding Progress and Employer Contributions

We have also been engaged to report on supplementary information other than RSI, including schedules required under the State Chancellor's Office Contracted District Audit Guide, that accompanies the District's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the basic financial statements as a whole.

- Schedule of Expenditures of Federal Awards
- Schedule of Expenditures of State Awards
- Schedule of Workload Measures for State General Apportionment
- Reconciliation of Education Code Section 84362 (50 Percent Law) Calculation
- Proposition 30 Education Protection Act (EPA) Expenditure Report

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- Compliance with laws and regulations in accordance with the California State Chancellor's Office *Contracted District Audit Guide*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and OMB Circular A-133 in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major programs in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Management Responsibilities

Management is responsible for the basic financial statements, Schedule of Expenditures of Federal Awards, and all accompanying information, as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the Schedule of Expenditures of Federal Awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with the preparation of your financial statements, Schedule of Expenditures of Federal Awards, and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and Schedule of Expenditures of Federal Awards and that you have reviewed and approved the financial statements, Schedule of Expenditures of Federal Awards, and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferable from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and corrective action plans. The summary schedule of prior audit findings should be available for our review during the preliminary phase of our audit.

You are responsible for preparation of the Schedule of Expenditures of Federal Awards in conformity with OMB Circular A-133. You agree to include our report on the Schedule of Expenditures of Federal Awards in any document that contains and indicates that we have reported on the Schedule of Expenditures of Federal Awards. You also agree to include the audited financial statements with any presentation of the Schedule of Expenditures of Federal Awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the Schedule of Expenditures of Federal Awards in accordance with OMB Circular A-133, (2) that you believe the Schedule of Expenditures of Federal Awards, including its form and content, is fairly presented in accordance with OMB Circular A-133, (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes), and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the Schedule of Expenditures of Federal Awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format for providing that information. With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major Federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of those procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees, and Other

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will coordinate with you the electronic submission and certification. We will provide the agreed-upon number of bound copies, an original, and a print-ready PDF master of our reports to the District and will submit copies of the report to the agencies specified within your distribution list. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of VAVRINEK, TRINE, DAY & CO., LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the State Chancellor's Office, the Federal Oversight Agencies or designee, a Federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of VAVRINEK, TRINE, DAY & CO., LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the District. If we are aware that a Federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our firm has non-CPA partners. While these individuals are not anticipated to be assigned to your audit engagement, we will properly inform you of any services provided by them. Our non-CPA partners all work in our Rancho Cucamonga Office and provide ancillary consulting services to our governmental clients.

We expect to begin our audit at a mutually agreeable time and to issue our reports no later than December 31, 2014. We will communicate with you throughout the audit any changes in the proposed timelines or issues that will not permit the report to be issued by December 31, 2014.

Board of Trustees
Monterey Peninsula Community College District
2015-2017 Engagement Letter
May 21, 2014
Page 7 of 8

Based upon audit requirements known at this time, our audit fees for these services will be \$55,800 for the year ended June 30, 2015; \$57,600 for the year ended June 30, 2016; and \$59,400 for the year ended June 30, 2017. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our fee is inclusive of all sundry costs associated with the audit including travel, processing, and other costs. We will be available to present the results of our audit to the District's Board of Trustees and/or Audit Committee periodically throughout the year. Our invoices for this fee will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. William Rauch, Jr. is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

If a dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before reporting to litigation. The costs of any mediation proceedings shall be shared equally by all parties. The District and Auditors both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration will be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF DISPUTE OVER FEES, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review has been issued with no letter of comment and is included with this letter.

We appreciate the opportunity to continue to be of service to the Monterey Peninsula Community College District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



William Rauch, Jr.
of VAVRINEK, TRINE, DAY & CO., LLP

BR/rd
Enclosures
140273

Board of Trustees
Monterey Peninsula Community College District
2015-2017 Engagement Letter
May 21, 2014
Page 8 of 8

RESPONSE:

This letter correctly sets forth the understanding of the Monterey Peninsula Community College District.

By: _____

Title: _____

Date: _____

The following individual has been designated to oversee the audit and will have responsibility for the completeness of the information presented for audit:

Name: Rosemary Barrios

Title: Controller



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

VALUE THE DIFFERENCE

May 21, 2014

C. Earl Davis
Interim Vice President
Administrative Services
Monterey Peninsula Community College District
980 Fremont Street
Monterey, CA 93940-4799

The attached quality control review report of Vavrinek, Trine, Day & Co., LLP for the year ended December 31, 2011, is being provided to you in accordance with *Government Auditing Standards*. A new report will be provided to you every three years during the period that we performed audit services for you.

Very truly yours,

A handwritten signature in dark ink, appearing to read "W. Rauch, Jr.", written in a cursive style.

William Rauch, Jr.
of Vavrinek, Trine, Day & Co., LLP

BR/rd
Attachment

YANARI WATSON MCGAUGHEY P.C.

DALE M. YANARI (1947-2004) ♦ RANDY S. WATSON ♦ G. LANCE MCGAUGHEY
FINANCIAL CONSULTANTS/CERTIFIED PUBLIC ACCOUNTANTS

System Review Report

May 25, 2012

To the Partners of
Vavrinek, Trine, Day & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP applicable to non-SEC issuers in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Vavrinek, Trine, Day & Co., LLP has received a peer review rating of *pass*.

Yanari Watson McGaughey P.C.
Yanari Watson McGaughey P.C.

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. H

Administrative Services
College Area

Proposal:

That the Governing Board approve a three-year contract for professional auditing services for the fiscal years ending 2015, 2016, and 2017 with Vavrinek, Trine, Day & Company, LLP, Certified Public Accountants.

Background:


Education Code Section 84040 requires that community colleges appoint an independent auditor to conduct an annual audit. Vavrinek, Trine, Day & Company (VTD) is currently providing auditing services for the District for both the District's financial statements and for the G.O. Bond financial statements. VTD was originally selected as the independent auditor based on their extensive experience in performing audits of community college districts and the staff has been pleased with their performance. The District paid \$54,000 for auditing services of the District's financial statements for each of the fiscal years ending 2012, 2013, 2014. VTD is proposing an annual fee of \$55,800 for the year ended June 30, 2015, \$57,600 for the year ended June 30, 2016, and \$59,400 for the year ended June 30, 2017. Auditing services pertaining to the G.O. Bond financial statements is under a separate contract with VTD.

Budgetary Implications:

Expenses for the auditing services are budgeted for.

☒ **RESOLUTION: BE IT RESOLVED,** That the Governing Board approve a three-year contract for professional auditing services for the fiscal years ending 2015, 2016, and 2017 with Vavrinek, Trine, Day & Company, LLP, Certified Public Accountants.

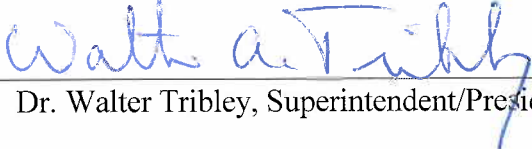
Recommended By: _____


C. Earl Davis, Vice President, Administrative Services

Prepared By: _____


Suzanne Ammons, Administrative Assistant

Agenda Approval: _____


Dr. Walter Tribley, Superintendent/President



Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants

VALUE THE DIFFERENCE

May 21, 2014

Board of Trustees
Monterey Peninsula Community College District
980 Fremont Street
Monterey, CA 93940-4799

We are pleased to confirm our understanding of the services we are to provide the Monterey Peninsula Community College District (the District) for the years ended June 30, 2015 through June 30, 2017.

We will audit the financial statements of the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Schedule of Other Postemployment Benefits (OPEB) Funding Progress and Employer Contributions

We have also been engaged to report on supplementary information other than RSI, including schedules required under the State Chancellor's Office Contracted District Audit Guide, that accompanies the District's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the basic financial statements as a whole.

- Schedule of Expenditures of Federal Awards
- Schedule of Expenditures of State Awards
- Schedule of Workload Measures for State General Apportionment
- Reconciliation of Education Code Section 84362 (50 Percent Law) Calculation
- Proposition 30 Education Protection Act (EPA) Expenditure Report

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- Compliance with laws and regulations in accordance with the California State Chancellor's Office *Contracted District Audit Guide*.

The reports on internal control and compliance will each include a paragraph that states that the purpose of the report is solely to describe (1) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (2) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance, and (3) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and OMB Circular A-133 in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major programs in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Management Responsibilities

Management is responsible for the basic financial statements, Schedule of Expenditures of Federal Awards, and all accompanying information, as well as all representations contained therein. Management is also responsible for identifying government award programs and understanding and complying with the compliance requirements, and for preparation of the Schedule of Expenditures of Federal Awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with the preparation of your financial statements, Schedule of Expenditures of Federal Awards, and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and Schedule of Expenditures of Federal Awards and that you have reviewed and approved the financial statements, Schedule of Expenditures of Federal Awards, and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide; oversee the services by designating an individual, preferable from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met and that there is reasonable assurance that government programs are administered in compliance with compliance requirements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and corrective action plans. The summary schedule of prior audit findings should be available for our review during the preliminary phase of our audit.

You are responsible for preparation of the Schedule of Expenditures of Federal Awards in conformity with OMB Circular A-133. You agree to include our report on the Schedule of Expenditures of Federal Awards in any document that contains and indicates that we have reported on the Schedule of Expenditures of Federal Awards. You also agree to include the audited financial statements with any presentation of the Schedule of Expenditures of Federal Awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the Schedule of Expenditures of Federal Awards in accordance with OMB Circular A-133, (2) that you believe the Schedule of Expenditures of Federal Awards, including its form and content, is fairly presented in accordance with OMB Circular A-133, (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes), and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the Schedule of Expenditures of Federal Awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishment and maintenance of a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous audits or other engagements or studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, and the timing and format for providing that information. With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the District and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major Federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs. The purpose of those procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees, and Other

At the conclusion of the engagement, we will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will coordinate with you the electronic submission and certification. We will provide the agreed-upon number of bound copies, an original, and a print-ready PDF master of our reports to the District and will submit copies of the report to the agencies specified within your distribution list. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of VAVRINEK, TRINE, DAY & CO., LLP and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the State Chancellor's Office, the Federal Oversight Agencies or designee, a Federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of VAVRINEK, TRINE, DAY & CO., LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the District. If we are aware that a Federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Our firm has non-CPA partners. While these individuals are not anticipated to be assigned to your audit engagement, we will properly inform you of any services provided by them. Our non-CPA partners all work in our Rancho Cucamonga Office and provide ancillary consulting services to our governmental clients.

We expect to begin our audit at a mutually agreeable time and to issue our reports no later than December 31, 2014. We will communicate with you throughout the audit any changes in the proposed timelines or issues that will not permit the report to be issued by December 31, 2014.

Board of Trustees
Monterey Peninsula Community College District
2015-2017 Engagement Letter
May 21, 2014
Page 7 of 8

Based upon audit requirements known at this time, our audit fees for these services will be \$55,800 for the year ended June 30, 2015; \$57,600 for the year ended June 30, 2016; and \$59,400 for the year ended June 30, 2017. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our fee is inclusive of all sundry costs associated with the audit including travel, processing, and other costs. We will be available to present the results of our audit to the District's Board of Trustees and/or Audit Committee periodically throughout the year. Our invoices for this fee will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. William Rauch, Jr. is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

If a dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before reporting to litigation. The costs of any mediation proceedings shall be shared equally by all parties. The District and Auditors both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration will be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF DISPUTE OVER FEES, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review has been issued with no letter of comment and is included with this letter.

We appreciate the opportunity to continue to be of service to the Monterey Peninsula Community College District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



William Rauch, Jr.
of VAVRINEK, TRINE, DAY & CO., LLP

BR/rd
Enclosures
140273

RESPONSE:

This letter correctly sets forth the understanding of the Monterey Peninsula Community College District.

By: 

Title: _____

Date: _____

The following individual has been designated to oversee the audit and will have responsibility for the completeness of the information presented for audit:

Name: Rosemary Barrios

Title: Controller

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. I

Administrative Services
College Area

Proposal:

That the Board authorize the District to file a Notice of Completion of Contract with the County of Monterey for the Art Department Modernization Buildings 1 & 30 Project, DSA Application No. 01-112810, File No. 27-C1.

Background:

According to standard procedure for public works projects, a filing of a Notice of Completion is required to be filed within the County of the project's location. Upon the Board's approval to authorize the filing of the Notice of Completion with the County, a 35 day period will follow in which sub-contractors, vendors and related material suppliers formally satisfy all liens and unpaid bills. After the 35 days, the District will release any remaining funds to the contractor minus adequate funds to satisfy outstanding issues.

Budgetary Implications: None.

☒ **RESOLUTION:** BE IT RESOLVED, That the Board authorize the District to file a Notice of Completion of Contract with the County of Monterey for the Art Department Modernization Buildings 1 & 30 Project, DSA Application No. 01-112810, File No. 27-C1.

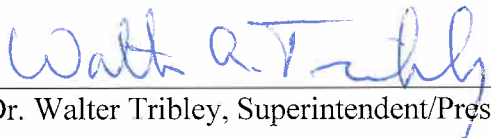
Recommended By:


C. Earl Davis, Vice President, Administrative Services

Prepared By:


Suzanne Ammons, Administrative Assistant

Agenda Approval:


Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. J

Administrative Services
College Area

Proposal:

That the Board authorize the District to file a Notice of Completion of Contract with the County of Monterey for the Student Center Building 29 Modernization, DSA Application No. 01-113049, File No. 27-C1.


Background:

According to standard procedure for public works projects, a filing of a Notice of Completions is required to be filed within the County of the project's location. Upon the Board's approval to authorize the filing of the Notice of Completion with the County, a 35 day period will follow in which sub-contractors, vendors and related material suppliers formally satisfy all liens and unpaid bills. After the 35 days, the District will release any remaining funds to the contractor minus adequate funds to satisfy outstanding issues.

Budgetary Implications: None.

☒ **RESOLUTION:** BE IT RESOLVED, That the Board authorize the District to file a Notice of Completion of Contract with the County of Monterey for the Student Center Building 29 Modernization, DSA Application No. 01-113049, File No. 27-C1.

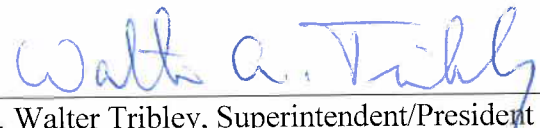
Recommended By:


C. Earl Davis, Vice President, Administrative Services

Prepared By:


Suzanne Ammons, Administrative Assistant

Agenda Approval:


Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. K

Academic Affairs
College Area

Proposal:

To approve these courses which have proceeded through the institutional curriculum development process to the point of recommendation to the Board.

Background:

The courses listed below are recommended by the Curriculum Advisory Committee and endorsed by the MPC administration.

Budgetary Implications:

When offered, related courses and programs generate instructor and support costs, which are offset by student attendance driven income.

☒ **RESOLUTION: BE IT RESOLVED**, that the following course revisions and new courses be approved:

Course Revisions:

BUSI 44	Introduction to Business Ownership/Management
CSIS 10B	Programming Methods II: Java
CSIS 80	Introduction to Unix and Linux
ENGL 17	Introduction to Shakespeare
ENGL 18	The Bible as Literature
ENGL 22	Introduction to Poetry
ENGL 38	Literary Forms – The Cinema: More or Less than Human?
ENGL 40A	Survey of American Literature I
ENGL 43	Comics as Literature
ENGL 44	Survey of World Literature I
ENGL 45	Survey of World Literature II
ENGL 50	Writing with Computers
ENGL 111	Intermediate Academic Writing
ENGL 112	Intermediate Academic Reading
ENGL 120	Grammar and Usage
ENGL 301	Introduction to Academic Writing
ENGL 302	Introduction to Academic Reading
ENGL 320	Basic Reading Tactics
ENGL 321	Fundamentals of Writing
ENGL 322	Fundamentals of Reading
ENGL 325	Basic Grammar for Writing

ENGL 326	Intermediate Grammar for Writing
ENGL 330	Intermediate Reading Tactics
ENGL 335	Building a Better Vocabulary
ENGL 351	Phonemic Awareness for Improved Reading, Writing, and Speech
ENGL 352	Comprehension and Critical Thinking Skills
ENGL 400	Individualized English and Study Skills
ENGL 401	Introduction to Academic Writing Lab
ENGL 402	Introduction to Academic Reading Lab
ENGL 421	Fundamentals of Writing Lab
ENGL 422	Fundamentals of Reading Lab
ENGL 425	From the Book Shelf
FPTC 24E	Management 2E: Ethics and the Challenge of Leadership
FPTC 100	Rescue Systems 1: Basic Rescue Skills
FPTC 104A	Fire Apparatus Driver/Operator 1A: Emergency Vehicle Operations
FPTC 104B	Fire Apparatus Driver/operator 1B: Pump Operations
FPTC 106	Fire Protection Technology
FPTC 109	Confined Space Rescue – Operations
FPTC 121A	Investigation 2A: Criminal and Legal Procedures
FPTC 121B	Investigation 2B: Field Case Studies
FPTC 140	Incident Command System 300
FPTC 141	Incident Command System 400
FREN 50	Intermediate French Conversation
HUMA 30	Humanities in Multicultural America
LING 50	Introduction to Standard American English
PERS 54	Leadership Communication
SPAN 50	Intermediate Spanish Conversation
SPAN 225A	Basic Conversational Spanish I
SPAN 225B	Basic Conversational Spanish II
SPCH 52	Communication in the Workplace

New Courses:

ARTS 33	Mixed Media Portfolio
ARTS 46	Painting and Drawing Portfolio
ARTS 68	Printmaking Portfolio
BUSC 191	Skills for the Workplace

Recommended By:



Michael Gilmartin, Dean of Instructional Planning

Prepared By:



Maggie Caballero, Administrative Assistant

Agenda Approval:



Dr. Walter Tribley, Superintendent/President

COURSE REVISIONS

BUSI 44, Introduction to Business Ownership/Management

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course analyzes the practical problems of organizing and managing a successful small business enterprise. Concentration is on specific business profiles as well as various areas of business operations. Also offered online.

CSIS 10B, Programming Methods II: Java

4 units

4 hours lecture, 1 hour lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course covers the application of software engineering techniques to the design and development of large programs, grounding students in the use of data abstraction, data structures, and associated algorithms. Coverage includes vectors, linked lists, stacks, queues, trees, maps and hash tables, graphs, sorting, searching, and a significant project. Also offered online.

CSIS 80, Introduction to Unix and Linux

3 units

3 hours lecture, 1 hour lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides an introduction to the UNIX and Linux operating systems that includes file and directory manipulation, access permissions, process control, networking, security, shell commands and shell programming. Also offered online.

ENGL 17, Introduction to Shakespeare

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students read and analyze a selected number of Shakespeare's histories, tragedies, and sonnets. Emphasis is on the reading of Shakespeare for enjoyment, leading to an understanding of good theatre, an appreciation of the beauty of his language, and an awareness of the values of his plays for our time.

ENGL 18, The Bible as Literature

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course offers a literary exploration of the Bible, examining the different types of literature such as myth, history, poetry, drama, story and letters found in the biblical text. Key figures, events and themes are examined along with the influence of the biblical literature on history, culture and art. Also offered online.

ENGL 22, Introduction to Poetry

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to give students an introduction to the study of poetry and to provide them with some approaches needed for their future exploration and appreciation of poetry, modern or traditional. Students are guided in reading a broad selection of poems both for analysis and enjoyment.

ENGL 38, Literary Forms – The Cinema: More or Less than Human?

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

From "Metropolis" to "The Matrix," this class investigates classic, historical, popular, and contemporary films, TV, and associated literary works that ask, "What is a human being and what isn't?" Considerations include representations of utopias and dystopias, computer technologies and networks, artificial intelligence, reproductive technologies, advertising, virtual reality, and genetic engineering. The emphasis is on how formal qualities affect/effect meaning and interpretation. Only offered online.

ENGL 40A, Survey of American Literature I

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course introduces students to America's literary traditions from their beginnings to the second half of the 19th century. Also offered online.

ENGL 43, Comics as Literature

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course offers a survey of the form and history of visual literature known as "comics," with a focus on the unique properties of the medium. Specifically, the course surveys graphic novels, comic books, and comic strips as complex and dynamic forms of literature.

ENGL 44, Survey of World Literature I

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is a comparative study of selected works, in translation and in English, of literature from around the world, including Europe, the Middle East, Asia, and other areas, from antiquity to the mid or late seventeenth century. Also offered online.

ENGL 45, Survey of World Literature II

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is a comparative study of selected works, in translation and in English, of literature from around the world, including Europe, the Middle East, Asia, and other areas, from the mid or late seventeenth century to the present. Also offered online.

ENGL 50, Writing with Computers

0.5 units

1.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides instruction in using Microsoft Word to write and revise college work. Students also learn the basics of using word processing to assist with research tasks.

ENGL 111, Intermediate Academic Writing

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course prepares students for ENGL 1A. Students master the basic principles of exposition and syntax; write 500-word essays that are clearly focused, logically organized, developed with concrete/sensory details, and written in an engaging style; experience readings that stimulate analytical thinking and writing; and develop sentence variety and style. WRITING REQUIREMENT: A minimum of 4,000 words; journal writing may also be required. Also offered online.

ENGL 112, Intermediate Academic Reading

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course introduces students to critical reading. Emphasis is placed on reading skills and strategies for improved comprehension and on critical reading skills and strategies for purposes of analysis, comparison, and judgment. Also offered online.

ENGL 120, Grammar and Usage

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed for students who want to learn, review, or refresh skills in English grammar and usage. It covers sentence structure, word choice, punctuation, and mechanics. Emphasis is on the use of college-level grammar handbooks and Microsoft Word's grammar features to edit college-level writing.

ENGL 301, Introduction to Academic Writing

4 units

4 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course offers instruction in essay structure with emphasis on thesis statement, essay development, and editing for repetition and redundancy. ENGL 301 prepares students for ENGL 111. Writing requirement: 4,000 words.

ENGL 302, Introduction to Academic Reading

4 units

4 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to strengthen reading skills for effective reading in various academic disciplines. It involves instruction in active reading, vocabulary, and comprehension skills and strategies, which include mapping and/or outlining, summarizing, analytical responses, and journal writing. Writing requirement: 4,000 words.

ENGL 320, Basic Reading Tactics

1 unit

3 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course uses a multisensory, web-based reading program that takes a process-centered, problem-solving approach to reading. The goal of the lessons is to equip learners with specific skills and strategies in order to improve reading comprehension.

ENGL 321, Fundamentals of Writing

4 units

4 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This is a basic writing course emphasizing sentence structure and sentence variety, grammar and usage, the development of focused paragraphs, and summary writing.

ENGL 322, Fundamentals of Reading

4 units

4 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to strengthen reading skills and involves instruction in active reading, vocabulary, and comprehension skills and strategies: mapping, outlining, summarizing of paragraphs, reading responses, and study skills.

ENGL 325, Basic Grammar for Writing

0.5 units

1.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course reviews the basic grammar and punctuation of English. Instruction focuses on helping students learn to write grammatical sentences and more complex sentence structures.

ENGL 326, Intermediate Grammar for Writing

0.5 units

1.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course reviews English grammar in detail while focusing on writing complex sentence structures that are grammatically sound and show an understanding of both English structure and rules of punctuation. This course introduces sentence unity at the paragraph level.

ENGL 330, Intermediate Reading Tactics

1 unit

3 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course uses a multisensory, web-based reading program that takes a process-centered, problem-solving approach to reading. The goal of the lessons is to equip learners with reading skills and strategies for success at the college level.

ENGL 335, Building a Better Vocabulary

0.5 units

1.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to help students understand the meanings of words from context clues and to help them understand basic word parts and meanings.

ENGL 351, Phonemic Awareness for Improved Reading, Writing, and Speech

0.5 to 1 unit

1.5 hours to 3 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students work individually or in small groups to master the fundamental linguistic principles that underlie the English language, using a multi-sensory approach for the development of the auditory, sensory, and visual skills necessary for reading, writing, and speech.

ENGL 352, Comprehension and Critical Thinking Skills

0.5 to 1 unit

1.5 hours to 3 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is for students who want to improve their language comprehension and critical thinking skills for reading textbooks, writing essays, preparing presentations, taking exams, and conducting research. Students work individually or in small groups, using innovative methods, including Visualizing and Verbalizing, to build retention of course material while improving vocabulary and writing skills. Concurrent enrollment in an English, English as a Second Language, or lecture course is strongly recommended.

ENGL 400, Individualized English and Study Skills

0 units

1.5 to 9 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

English 400 is for students who want to improve their written composition or study skills for the purposes of academic preparedness. Students meet regularly with an instructor while working on an individualized program of study. Computers are available for the completion of ENGL 400 coursework. Materials and instruction related to English and/or study skills can be provided.

ENGL 401, Introduction to Academic Writing Lab

0 units

2 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students are provided fundamental study and practice of grammar skills introduced in ENGL 301 in a lab setting with individualized help.

ENGL 402, Introduction to Academic Reading Lab

0 units

2 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students are provided fundamental study and practice of reading skills introduced in ENGL 302 in a lab setting with individualized help.

ENGL 421, Fundamentals of Writing Lab

0 units

2 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students are provided fundamental study and practice of grammar skills introduced in ENGL 321 in a lab setting with individualized help.

ENGL 422, Fundamentals of Reading Lab

0 units

2 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

Students are provided fundamental study and practice of reading skills introduced in ENGL 322 in a lab setting with individualized help.

ENGL 425, From the Book Shelf

0 units

2 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

In this course, students are guided in the reading of selected literary works designed to promote discussion, socialization, and the literary judgment of older adults. Content varies from semester to semester and may include fiction, drama, poetry, essays, biographies and autobiographies.

FPTC 24E, Management 2E: Ethics and the Challenge of Leadership

2 units

2.36 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

In this course, students discuss personal core values and characteristics and explore ethical and principle-centered leadership. Students also use a variety of techniques to explore ethics and the challenges of leadership. The course applies to Chief Officer and is accredited by CFSTES.

FPTC 100, Rescue Systems 1: Basic Rescue Skills

2 units

1.5 hours lecture, 1.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides students with knowledge and skills for dealing with urban structural collapse and rescue. This is a state-certified course.

FPTC 104A, Fire Apparatus Driver/Operator 1A: Emergency Vehicle Operations

1.5 units

1.5 hours lecture, 1 hour lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides the student with techniques for the safe handling of fire apparatus. Topics include driver responsibilities, recognized standards, and related laws for fire apparatus. The course is approved by the California State Fire Marshal's Office.

FPTC 104B, Fire Apparatus Driver/operator 1B: Pump Operations

1.5 units

1.5 hours lecture, 1 hour lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides students with information on fire pump construction, theory of fire pump operations, and fire hydraulics, teaching them to determine fire flow and calculate friction loss. Students are provided the opportunity to use their skills during simulated pumping conditions. This course is approved by the California State Fire Marshal's Office.

FPTC 106, Fire Protection Technology

3.5 units

2.4 hours lecture, 4.5 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

The course is designed to meet the State Fire Marshal Firefighter II curriculum of State Fire Training. This course provides the student with advanced skills in firefighting, rescue, fire prevention, fire investigation, and some pump operations. The course meets requirements for State Certified Firefighter II.

FPTC 109, Confined Space Rescue – Operations

1 unit

0.47 hours lecture, 1.88 hours lab

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course covers the history, philosophy, organization, and operation of a confined space rescue; use of codes; identification and correction of confined space rescue hazards; and the relationship of fire rescue safety education and monitoring systems.

FPTC 121A, Investigation 2A: Criminal and Legal Procedures

2 units

2.40 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course covers investigation, apprehension, and conviction of arsonists, including the legal preparation required to develop a criminal case. Topics include interviewing, search and seizure, search warrants, and courtroom demeanor. The course applies to Fire Investigator II and is accredited by CFSTES.

FPTC 121B, Investigation 2B: Field Case Studies

2 units

2.40 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course offers advanced instruction in fire scene investigation, case preparation, and courtroom presentation. Topics include review of fire scene photography, sketching evidence collection, interviewing, and interrogation. The course also includes use of simulation for developing and presenting an arson case.

FPTC 140, Incident Command System 300

1.5 units

1.40 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides instruction in Incident Command System (ICS) organization and operations at the management/command level. Topics include terminology, organization, span of control, ICS fundamentals review, incident/event assessment and agency guidance in establishing incident objectives, Unified Command, incident resource management, planning process, demobilization, transfer of command, and close out.

FPTC 141, Incident Command System 400

1 unit

0.95 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course provides instruction in the Incident Command System at a management/command level. The course reviews operational understanding of large single-agency and complex multi-agency/multi-jurisdictional incident responses. It also covers organization and staffing, incident resource management, air operations, planning, command and general staff, unified command, major and/or complex incident/event management, area command, and ICS for executives.

FREN 50, Intermediate French Conversation

1.5 units

1.5 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to promote competency in the oral use of the French language, and to increase fluency by reinforcing previously learned materials and by expanding vocabulary and patterns of speech. The course emphasizes the practical application of the language in everyday life situations and current events at the intermediate level.

HUMA 30, Humanities in Multicultural America

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course examines underlying philosophies and worldviews of Native Americans, European Americans, African Americans, and Asian Americans, as expressed in literature, fine arts, music, dance, drama, and architecture, using three major humanities themes: freedom, love, and nature.

LING 50, Introduction to Standard American English

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course presents the spoken and written English used by schools, business, and the media in the U.S. today, Standard American English. This course is designed for native speakers of other English dialects, native speakers of other languages, and those wishing to become more fluent with this mainstream form of English to increase their educational and employment success. Also offered online.

PERS 54, Leadership Communication

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course assists students interested in developing or improving communication skills relevant to leadership. Theories of leadership are investigated, and students learn how to apply knowledge and skills to diverse small group and public speaking situations. Students have the opportunity to apply the knowledge gained outside of class; campus and/or community involvement is required. Also offered as SPCH 54; credit may be earned only once.

SPAN 50, Intermediate Spanish Conversation

1.5 units

1.5 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is designed to promote competency in the oral use of the Spanish language and to increase fluency by reinforcing previously learned materials and by expanding vocabulary and patterns of speech. The course emphasizes the practical application of the language in everyday life situations and current events at the intermediate level.

SPAN 225A, Basic Conversational Spanish I

2.5 units

2.5 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course introduces students to basic patterns of Spanish conversation in realistic situations. It provides a foundation for SPAN 1A.

SPAN 225B, Basic Conversational Spanish II

2.5 units

2.5 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course is a continuation of SPAN 225A. It includes patterns of conversation in realistic situations. This course provides a foundation for SPAN 1A or 1B.

SPCH 52, Communication in the Workplace

3 units

3 hours lecture

Justification:

Due to new procedures, the Chancellor's Office is requesting that this course revision be re-approved by the Governing Board because the original approval date was more than two years ago.

Description:

This course focuses on communication in the workplace. Applying communication and business theory, students learn practical skills such as interviewing, working in teams, managing workplace issues, and giving presentations.

NEW COURSES

ARTS 33, Mixed Media Portfolio

1 unit

2 hours studio

Justification:

Art students need instruction in building a portfolio in order to take the next step in their transfer education and/or professional growth. New rules do not allow students to repeat classes; therefore they are not receiving this information. New classes in portfolio development are needed.

Description:

This course covers compilation of a mixed media portfolio. Students complete a body of related works for exhibition. Other topics include curatorial issues, portfolio organization, and advanced studio skills in preparation for transfer, professional exhibition, and/or development of a private studio.

ARTS 46, Painting and Drawing Portfolio

1 unit

2 hours studio

Justification:

Art students need instruction in building a portfolio in order to take the next step in their transfer education and/or professional growth. New rules do not allow students to repeat classes; therefore they are not receiving this information. New classes in portfolio development are needed.

Description:

This course covers compilation of a portfolio in painting and/or drawing. Students complete a body of related pieces for exhibition. Other topics include curatorial issues, portfolio organization, and advanced studio skills in preparation for transfer, professional exhibition, and/or development of a private studio.

ARTS 68, Printmaking Portfolio

1 unit

2 hours studio

Justification:

Art students need instruction in building a portfolio in order to take the next step in their transfer education and/or professional growth. New rules do not allow students to repeat classes; therefore they are not receiving this information. New classes in portfolio development are needed.

Description:

This course covers compilation of a portfolio in printmaking. Students complete a body of related prints for exhibition. Other topics include curatorial issues, portfolio organization, and advanced studio skills in preparation for transfer, professional exhibition, and/or development of a private studio.

BUSC 191, Skills for the Workplace

1 unit

2 hours studio

Justification:

There is a demand from students for this course.

Description:

This course conveys the importance of attitude, communication, and human relations that are key to surviving in today's challenging, competitive, and uncertain workplace. Topics include realistic survival skills and motivation to improve professional performance. Also offered online.

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. L

Academic Affairs
College Area

Proposal:

To approve travel to St. John's, Newfoundland, Canada for Deidre Sullivan and Jill Zande, to attend the Oceans 2014 Conference to be held on September 14, 2014 through September 19, 2014.

Background:

The Oceans 2014 Conference is jointly sponsored by the Marine Technology Society (MTS) and the Oceanic Engineering Society of Institute of Electrical and Electronic Engineers (IEEE/OES). It's a major international forum for scientists, engineers, and responsible ocean users to present the latest research results, ideas, developments, and applications in Oceanic Engineering and Marine Technology.

Budgetary Implications:

This is being funded by a MATE grant.

☒ **RESOLUTION: BE IT RESOLVED**, that the Board approve travel from September 14, 2014 through September 19, 2014 to St. John's, Newfoundland, Canada for Deidre Sullivan and Jill Zande.

Recommended By:



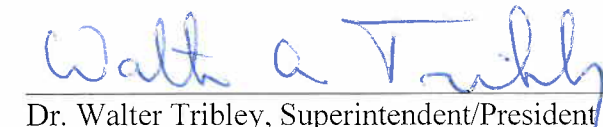
Michael Gilmartin, Dean of Instructional Planning

Prepared By:

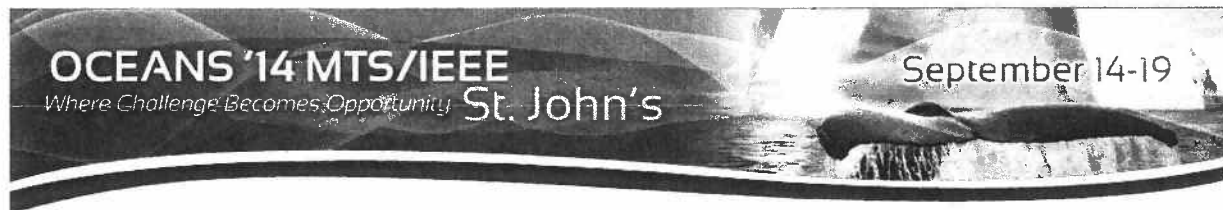


Maggie Caballero, Administrative Assistant

Agenda Approval:



Dr. Walter Tribley, Superintendent/President



HOME

Technical Program

Program

Awards

Important Dates

Registration

Exhibitions

Travel/Accommodations

Patrons

Contact

News

Tutorials

Student

Tour NL

In-Water Product
Demonstrations

Galleries

OCEANS'14 MTS/IEEE St. John's **Oceans: Where Challenge Becomes Opportunity** **REGISTRATION OPEN**

68 days until Oceans '14!

Delta St. John's Hotel
St. John's Convention Centre
Mile One Centre

OCEANS'14 Registration Is Now Open [click to register]

Final Paper Deadline deadline has been extended to 11:59 p.m. NST (Newfoundland Standard Time) Monday July 14, 2014. This is the last extension and papers will not be accepted beyond this date.

*OCEANS'14 announces keynote speakers:
Rear Admiral John Newton and Christine Healy*

..Find yourself at the edge of North America ..Wake up to the first sunrise in North America ..!

The OCEANS'14 Local Organizing Committee along with the Marine Technology Society and the Institute of Electrical and Electronics Engineers OES cordially invite you to participate in our upcoming OCEANS'14 in St. John's, NL from September 14-19, 2014.

IMPORTANT INFORMATION:When making travel arrangements for St. Johns, Newfoundland and Labrador please remember the airport code is **YYT**. There is another City in Canada (approximately 1,000 km from the OCEANS'14 host city) called Saint John, New Brunswick and in the past people travelling have mistaken our city for the other. So please ensure you or your travel arranger makes the correct choice, remember **YYT**.

We have tremendous response to our Call for Abstracts and our Exhibitor invitation, and we now invite you to register for this exciting world-class event. Jointly sponsored by the Marine Technology Society (MTS) and the Oceanic Engineering Society of the Institute of Electrical and Electronic Engineers (IEEE/OES), OCEANS '14 is a major international forum for scientists, engineers, and responsible ocean users to present the latest research results, ideas, developments, and applications in Oceanic Engineering and Marine Technology.

OCEANS 2014 features tutorials on special interest topics, a comprehensive technical program of lectures and presentations, a student program, and a large exhibit hall with products from over one hundred companies.

Details of the conference events, including a schedule of the the technical program, are contained in the OCEANS'14 Program Book Attendees will receive a printed Program Book at the onsite registration desk.

For more information email us at: info@oceans14mtsieestjohns.org



Tweet



International ROV Curriculum Focused on 2-Year Colleges

Draft Agenda

Date: Friday, September 19, 2014 following the MTS conference in Newfoundland, Canada

Location: Industry Seminar Centre, Memorial University (To be confirmed)

Time: 8:00 am- 5:00 pm

Morning

1. Workshop Goals
2. Review of Draft Foundational Competencies for an ROV Curriculum (First Year)
 - Introduction
 - How were the competencies developed?
 - How do they compare to DOL competencies for Mechatronics?
 - What occupations could these competencies be foundational to?
 - Review of Draft Foundational Competencies
 - How might these Foundational Competencies be delivered or assessed?
 - In class college program/curriculum
 - On line college program
 - High School curriculum
 - Knowledge and skills tests for incumbent workers

Lunch

Afternoon

3. Review of Draft ROV Certificate Competencies (Second Year)
 - Introduction
 - How were the competencies developed?
 - How do they align with industry/workforce needs?
 - Review of Draft ROV Competencies
4. Next Steps
 - Updating competencies based on workshop comments
 - Adoption of competencies by ????
 - Development of assessments
5. Articulating Associate Degrees in Technology with Bachelor degree programs: Memorial University as a model.
6. Optional Tour of Marine Institute ROV facilities following the meeting.

MONTEREY PENINSULA COLLEGE

Approval & Reimbursement of Expenditures

Business Meeting/Conference/Travel

PURCHASING ONLY

VENDOR #

Section 1 REQUEST

Please complete this section prior to submitting for approval. Please provide cost estimates.

Name: Dick Sullivan Title/Department: Director / MATE

Description of Event: MTS Ocean Conference + Workshop

Location (City, State, Country): St. John's Newfoundland, Canada

Inclusive Dates: From Sept 15, 2014 To Sept 23, 2014

Recommended Approval: Dick Sullivan Chair/Non-Instructional Manager

Date: 7/2/14

Budget Account Number: 01-0000-0000-1517-5200-53-5220

COST ESTIMATES

Registration \$ N/A

Transportation 1000-

Lodging 1000- 200/night

Meals \$150-

Other

TOTAL ESTM. COST \$ 2150.00

Section 2 APPROVAL/ DISAPPROVAL

Please Return to Requester after Approval or Disapproval

☒ APPROVED ☐ DISAPPROVED

The following conditions apply and payment of this claim, including any advances made prior to the actual travel, is authorized to the extent that only actual and necessary expenses in accordance with Education Code Sections 72423, 87432, and MPC Board Policy 2145 are properly documented by necessary receipts.

Signature of Division Chair/Management

Signature of Superintendent/President (Required for out of state)

Date

Date

DO NOT COMPLETE THE CLAIM PORTION (SECTION 3) OF THIS FORM UNTIL TRAVEL IS COMPLETED

Section 3 EXPENSE CLAIM

Submit White copy to Business Office - Yellow for your records

Attach all receipts and supporting documents for actual expenses incurred and approved per Section 1.

1. TRANSPORTATION LIST ONLY THOSE EXPENSES FOR WHICH YOU ARE TO BE REIMBURSED

a. Air Fare (Air Coach) \$

b. Automobile (actual mileage: miles @ per mile =) \$

c. Auto Rental \$

2. REGISTRATION FEE \$

3. OTHER EXPENSES

DATE	MEALS	LODGING	MISC.*	DAILY TOTAL

*Parking/Tolls, Taxi, Laundry, etc.

Total OTHER EXPENSES → \$

TOTALS 1 through 3 \$

Less: ADVANCES \$ -

Less: CREDIT CARD PMTS \$ -

NET AMOUNT OF CLAIM \$

Complete and submit within 10 days from completion of trip.

I certify that this claim is true and correct and is for the actual and necessary expenses incurred while in attendance at the event described in Section 1 above.

Signature of Claimant

Date

MONTEREY PENINSULA COLLEGE
Approval & Reimbursement of Expenditures
Business Meeting/Conference/Travel

PURCHASING ONLY

VENDOR #

TR # 0694

Section 1
REQUEST

Please complete this section prior to submitting for approval. Please provide cost estimates.

Name Jim Zande Title/Department Associate Director, MATE

Description of Event

Competition site visit and

Location (City, State, Country)

Oceano 2014 Conference
St. John's, NL, Canada

Inclusive Dates

From 9/10/14 To 9/20/14

Recommended Approval:

Chair/Non-Instructional Manager

Date:

01-0040-1-0400-1517-5200-000-
53-5220

Budget Account Number

COST ESTIMATES

Registration \$ ✓
 Transportation \$ 1,000⁰⁰
 Lodging \$ 1,000⁰⁰
 Meals \$ 150⁰⁰
 Other \$ 100⁰⁰
 TOTAL ESTM. COST \$ 2,250⁰⁰

Section 2
APPROVAL/
DISAPPROVAL

Please Return to Requester after Approval or Disapproval

☒ **APPROVED** ☐ **DISAPPROVED**

The following conditions apply and payment of this claim, including any advances made prior to the actual travel, is authorized to the extent that only actual and necessary expenses in accordance with Education Code Sections 72423, 87432, and MPC Board Policy 2145 are properly documented by necessary receipts.

Signature of Division Chair/Management [Signature]
 Date 7/19/14

Signature of Superintendent/President (Required for out of state) Walter Tubby
 Date 7/22/14

DO NOT COMPLETE THE CLAIM PORTION (SECTION 3) OF THIS FORM UNTIL TRAVEL IS COMPLETED

Section 3
EXPENSE
CLAIM

Submit White copy to Business Office - Yellow for your records

Attach all receipts and supporting documents for actual expenses incurred and approved per Section 1.

1. **TRANSPORTATION**

LIST ONLY THOSE EXPENSES FOR WHICH YOU ARE TO BE REIMBURSED

a. Air Fare (Air Coach) \$ _____
 b. Automobile (actual mileage: _____ miles @ _____ per mile = _____) \$ _____
 c. Auto Rental \$ _____

2. **REGISTRATION FEE**

\$ _____

3. **OTHER EXPENSES**

DATE	MEALS	LODGING	MISC.*	DAILY TOTAL

*Parking/Tolls, Taxi, Laundry, etc.

Total OTHER EXPENSES → \$ _____

TOTALS 1 through 3 \$ _____

Less: ADVANCES \$ - _____

Less: CREDIT CARD PMTS \$ - _____

NET AMOUNT OF CLAIM \$ _____

Complete and submit within 10 days from completion of trip.

I certify that this claim is true and correct and is for the actual and necessary expenses incurred while in attendance at the event described in Section 1 above.

Signature of Claimant

Date

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting Date

Human Resources

College Area

New Business Agenda Item No. M

Proposal:

That the Governing Board ratify the stipend agreement with Michael Gilmartin to perform duties associated with the position of Interim Vice President of Academic Affairs.

Background:

Monterey Peninsula Community College District is currently conducting a search for an Interim Vice President of Academic Affairs to serve for the 2014-2015 year. A search will be undertaken for the permanent position of Vice President of Academic Affairs and the successful candidate is expected to begin employment effective July 1, 2015. Mr. Gilmartin will perform duties associated with the position until the search for an Interim Vice President is completed and the individual begins employment.

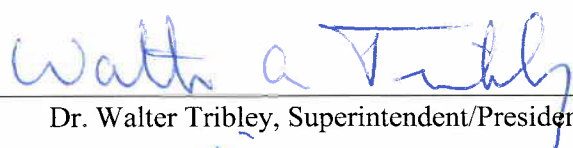
Budgetary Implications:

Included in budget.



Resolution: Be it resolved, that Board of Trustees ratify the stipend agreement with Michael Gilmartin to perform duties associated with the position of Interim Vice President of Academic Affairs, effective July 1, 2014.

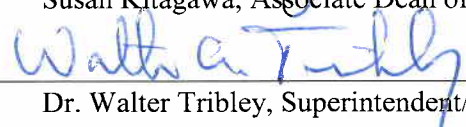
Recommended By: _____


Dr. Walter Tribley, Superintendent/President

Prepared By: _____


Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval: _____


Dr. Walter Tribley, Superintendent/President



EXISTING EMPLOYEE STIPEND AGREEMENT

Department: Academic Affairs

Type of Stipend: Compensation for additional duties

Amount: 5% increase in compensation to base monthly salary

Current Placement Row/Dean, Step 5	\$10,783.00
5% stipend for additional duties	<u>539.15</u>
Total monthly salary	\$11,322.15

This Agreement is effective July 1, 2014 by and between Monterey Peninsula College and Michael Gilmartin, a current academic employee.

The Parties agree as follows:

- 1) Employee shall receive the above referenced stipend for the months of July, August, September, and October 2014, unless terminated earlier pursuant to this agreement.
- 2) Employee understands that this stipend is temporary in nature. This Agreement may be terminated by MPC at any time at the pleasure of the Board.
- 3) The duties/responsibilities for this stipend are as follows:

Mr. Gilmartin will perform additional duties in the absence of an Interim Vice President of Academic Affairs. These duties will be performed while the District conducts a search for an Interim Vice President of Academic Affairs to serve for the 2014-2015 year.
- 4) The stipend shall be paid through payroll, with all required and elected deductions.
- 5) The stipend shall be paid in addition to Employee's regular salary.
- 6) The stipend work is temporary in nature and does not entitle Employee to any rights to probationary or tenure status for the work or pay associated with the stipend.

EMPLOYEE




Michael Gilmartin

Date



8/18/14

MONTEREY PENINSULA COMMUNITY COLLEGE
DISTRICT



Dr. Walter Tribley

Date



8/18/14

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting Date

New Business Agenda Item No. N

Human Resources
College Area

Proposal:

That the Governing Board ratify the stipend agreement with Laurence Walker to perform duties associated with the position of Interim Vice President of Student Services.

Background:

Despite a thorough recruitment and search for the position of Vice President of Student Services, Monterey Peninsula Community College District was unsuccessful in identifying an individual to serve in this capacity. MPCCD is currently conducting a search for an Interim Vice President of Student Services to serve for the 2014-2015 year. A search will be undertaken for the permanent position of Vice President of Student Services and the successful candidate is expected to begin employment effective July 1, 2015. Mr. Walker will perform duties associated with the position until the search for an Interim Vice President is completed and the individual begins employment.

Budgetary Implications:

Included in budget.

- ☒ **Resolution: Be it resolved,** that Board of Trustees ratify the stipend agreement with Laurence Walker to perform duties associated with the position of Interim Vice President of Student Services, effective July 1, 2014.

Recommended By: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

Prepared By: _____

Susan Kitagawa
Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President



EXISTING EMPLOYEE STIPEND AGREEMENT

Department: Student Services

Type of Stipend: Compensation for additional duties

Amount: 5% increase in compensation to base monthly

Current Placement Row/Dean, Step 5	\$10,783.00
5% stipend for additional duties	<u>539.15</u>
Total monthly salary	\$11,322.15

This Agreement is effective July 1, 2014 by and between Monterey Peninsula College and Laurence Walker, a current academic employee.

The Parties agree as follows:

- 1) Employee shall receive the above referenced stipend for the months of July, August, September, and October 2014, unless terminated earlier pursuant to this agreement.
- 2) Employee understands that this stipend is temporary in nature. This Agreement may be terminated by MPC at any time at the pleasure of the Board.
- 3) The duties/responsibilities for this stipend are as follows:

Mr. Walker will perform additional duties in the absence of an Interim Vice President of Student Services. These duties will be performed while the District conducts a search for an Interim Vice President of Student Services to serve for the 2014-2015 year.

- 4) The stipend shall be paid through payroll, with all required and elected deductions.
- 5) The stipend shall be paid in addition to Employee's regular salary.
- 6) The stipend work is temporary in nature and does not entitle Employee to any rights to probationary or tenure status for the work or pay associated with the stipend.

EMPLOYEE

Laurence Walker
Signature

Date 8/18/14

MONTEREY PENINSULA COMMUNITY COLLEGE
DISTRICT

Walter A. Tribley
Dr. Walter Tribley

Date 8/18/14

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting

Human Resources

College Area

New Business Agenda Item No. O

Proposal:

That the Governing Board ratify the Memorandum of Understanding "Additional Days – Accreditation" in which the Monterey Peninsula College Teacher's Association and the Monterey Peninsula Community College District agree to provide Catherine Webb with 18 additional paid days for duties associated with accreditation.

Background:

In preparation for the Institutional Self Study, planning and organization prior to the beginning of Fall Semester it is essential to maintain the site visit timeline for the successful completion of the study. The District would like to assign additional days to Ms. Webb to perform duties associated with accreditation during the summer.

Budgetary Implications:

The cost to the District is \$417.55 (daily rate) @ 18 days for a total of \$7,515.90.

☒ **Resolution: BE IT RESOLVED**, that the Governing Board ratify the Memorandum of Understanding, "Additional Days-Accreditation" between the Monterey Peninsula College Teacher's Association and the Monterey Peninsula Community College District.

Recommended By: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

Prepared By: _____

Susan Kitagawa
Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

MEMORANDUM OF UNDERSTANDING

Between

Monterey Peninsula Community College District (District)

and

Monterey Peninsula College Teacher's Association (MPCTA)/CTA/NEA

Additional Days – Accreditation

The District and MPCTA agree to provide Catherine Webb (3) three additional assignment days for (6) six weeks for a total of 18 days during summer 2014 to be paid at her daily rate. Ms. Webb will be assigned to perform following duties.

MPC Online Workspace

- Populate evidence database
- Update templates with questions from 2014 ACCJC guides
- Add links to additional sample self-study docs

Integrated Planning Documentation

- Draft Handbook (updated version of Shared Governance Manual)
- Narrative version of Planning & Resource Allocation Model
- Administrative Procedures

Drafts of Introductory sections of self-study

- Introduction to Integrated Planning at MPC
- Eligibility Requirements/Compliance with ACCJC policies

Campus Education Planning

- For the Governing Board
- For the campus at large (E.g., flex workshops, monthly “coffee & chat,” etc.)

Support for Writers

- Workshop survey
- Identifying / Contacting Area Experts

The parties agree to the terms of this Memorandum of Understanding on the 16 day of July 2014. This MOU shall not be precedent setting and shall not constitute a past practice.

For MPCCD

Susan Kitagawa
[Signature]

For MPCTA

Ann J. M. Hoff
Eiri Ogata
Padra Gillett
[Signature]

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting

Human Resources

College Area

New Business Agenda Item No. P

Proposal:

That the Governing Board ratify the Memorandum of Understanding "Additional Days – Child Development Center" in which the Monterey Peninsula College Teacher's Association and the Monterey Peninsula Community College District agree to provide Mary Johnson with 12 additional paid days for duties associated with the restructuring of the Child Development Center.

Background:

Monterey Peninsula California School Employees Association Chapter #245 and the Monterey Peninsula Community College District have entered into a Memorandum of Understanding that the Child Development Center will undergo a restructuring to a lab school effective July 1, 2015. Planning and progress must be made during the summer for the successful transition. The District would like to assign additional days to Ms. Johnson to perform duties associated with the restructuring.

Budgetary Implications:

The cost to the District is \$439.76 (daily rate) @ 12 days for a total of \$5,277.12.

☒ **Resolution: BE IT RESOLVED**, that the Governing Board ratify the Memorandum of Understanding, "Additional Days- Child Development Center" between the Monterey Peninsula College Teacher's Association and the Monterey Peninsula Community College District.

Recommended By: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

Prepared By: _____

Susan Kitagawa
Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

MEMORANDUM OF UNDERSTANDING

Between

Monterey Peninsula Community College District (District)

and

Monterey Peninsula College Teacher's Association (MPCTA)/CTA/NEA

Additional Days – Child Development Center

The District and MPCTA agree to provide Mary Johnson (2) two additional assignment days for (6) six weeks for a total of 12 days during summer 2014 to be paid at her daily rate. Ms. Johnson will be assigned to perform following duties.

- Attend community meetings of Early Childhood Education stakeholders to inform and answer questions about MPC Child Development Center reorganization plan.
- Prepare presentations for stakeholders and board on MPC Child Development Center reorganization.
- Develop job descriptions for MPC Child Development Center re-organization.
- Develop handbooks for new staffing structure of the MPC Child Development Center.
- Attend meetings on campus as needed for MPC Child Development Center reorganization.

The parties agree to the terms of this Memorandum of Understanding on the 16 day of July 2014. This MOU shall not be precedent setting and shall not constitute a past practice.

For MPCCD

Susan Kitagawa
[Signature]

For MPCTA

[Signature]
Ann J. M. Huff
Paula Gilbert
[Signature]

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting

Human Resources

College Area

New Business Agenda Item No. Q

Proposal:

That the Governing Board ratify the Memorandum of Understanding (MOU) entitled "Administrative Assistant II/PSTC" in which the California School Employees Association Chapter #245 and the Monterey Peninsula Community College District agree to suspend the recruitment of the position.

Background:

On June 25, 2014, the Governing Board ratified the Memorandum of Understanding entitled "Internal Recruitments" in which the parties agreed to conduct internal recruitments for the positions listed on Exhibit A. The Administrative Assistant II/PSTC was among those positions. The parties have agreed to suspend the recruitment and negotiate the classification and terms and conditions of employment.

Ratification of the MOU was ratified by the members of MPCEA, Chapter #245 on Thursday, July 24, 2014, with a vote of 40 in favor and 2 opposed.

Budgetary Implications:

The temporary substitute(s) in the position will receive a 5% out-of-class stipend while the parties negotiate. Budget implications will be dependent upon the terms the parties agree to.

☒ **Resolution: BE IT RESOLVED**, that the Governing Board ratify the Memorandum of Understanding dated June 24, 2014 regarding the Administrative Assistant II/PSTC between the District and Chapter #245 MPCEA/CSEA.

Recommended By: _____

Laurence E. Walker
Laurence E. Walker, Dean of Student Services

Prepared By: _____

Susan Kitagawa
Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval: _____

Walter A. Tribble
Dr. Walter Tribble, Superintendent/President

**Monterey Peninsula Community College District
And
California School Employees Association Chapter # 245
Memorandum of Understanding**

Administrative Assistant II/PSTC

June 24, 2014

Whereas, as the Monterey Peninsula Community College District and the California School Employees Association Chapter # 245 ("the Parties") executed a Memorandum of Understanding (MOU) entitled "Internal Recruitments" and dated May 22, 2014;

And whereas, the vacant classified positions listed on Exhibit A are subject to the terms of the MOU;

And whereas, the Administrative Assistant II/PSTC position is listed on Exhibit A;

The Parties agree to suspend the recruitment for this position to discuss and negotiate the duties, responsibilities, and classification of the assignment. While the Parties seek and receive approval for the resolution, the Parties agree that the District may employ a substitute for up to six months in the Administrative Assistant II position with 5% out-of-class pay for duties associated with scheduling for the duration of his/her employment.

This MOU shall not be precedent setting and shall not constitute a past practice.

The Parties agree to the terms of this Memorandum of Understanding on the 24th of June 2014.

For CSEA Chapter #245

For Monterey Peninsula Community
College District

[Handwritten signatures for CSEA Chapter #245]
J. M. (WASH)
J. Cant
J. Cant
J. Cant
J. Cant
J. Cant 6/24/14

[Handwritten signatures for Monterey Peninsula Community College District]
Susan Krogan
b. b. b.
J. M. E. Waller

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

Board Meeting

New Business Agenda Item No. R

Human Resources

College Area

Proposal:

That the Governing Board approve the Memorandum of Understanding (MOU) entitled "Child Development Center Restructuring" in which the California School Employees Association Chapter #245 and the Monterey Peninsula Community College District agree that the Child Development Center (CDC) be restructured to a lab school model which supports the Early Childhood Education Development program by establishing a lab school model.

Background:

The proposed model will support the mission of the college and the Early Childhood Education Development (ECED) academic program by providing a lab school environment to better serve our students and workforce development needs of the community. The ECED program is a successful Career Technical Education program at Monterey Peninsula College, serving a growing number of students in the region. The model will incorporate mentorship in Developmentally Appropriate Practices which will in turn provide quality care for the children. The MOU stipulates the establishment of a lab school model effective July 1, 2015.

Ratification of the MOU was ratified by the members of MPCEA, Chapter #245 on Thursday, July 24, 2014 with a vote of 41 in favor 1 opposed.

Budgetary Implications:

The cost to the District of operating the CDC for 2013-2014 under the current model was in excess of \$270,000. The proposed model will allow for the application of grants in the first year of operation which will reduce the District's cost to approximately \$50,000 with the possibility of producing a net income.

☒ **Resolution: BE IT RESOLVED**, that the Governing Board ratify the Memorandum of Understanding dated July 1, 2014 regarding the Child Development Center Restructuring between the District and Chapter #245-MPCEA/CSEA.

Recommended By: _____

Laurence E. Walker
Laurence E. Walker, Dean of Student Services

Prepared By: _____

Susan Kitagawa
Susan Kitagawa, Associate Dean of Human Resources

Agenda Approval:

Walter A. Tribley

Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

President's Office
College Area

New Business Agenda Item No. S

Proposal:

That the Governing Board approve Board Policy 4106 Nursing Program.

Background:

In May 2012, the District approved a new approach for revision of board policies where the policy language provided through the Community College League of California (CCLC) policies and procedure subscription service would be adopted without change, including the numbering, except in limited circumstances. The goal of the new approach is to adopt CCLC's policy manual in its entirety, as a replacement for the District's existing policies. This approach will ensure the District has the essential policies in place and the deleting of out-of-date or noncompliant policies will be accomplished more efficiently. The acceptance of the CCLC policy language without revision is advised to safeguard the District and avoid the need for review of language modifications by local legal counsel, saving District legal costs.

During the 2014-15 year, an extensive update of board policies will be implemented and it is anticipated policies will be presented to the Board in a group for review and approval to facilitate the policy update. However, Board Policy 4106 – Nursing Program is being presented to the Board for approval outside of the planned group review to support implementation of the new multi-criteria screening process for the nursing program in fall 2014. The multi-criteria screening process is authorized by Education Code 78261.3 and has been under development at the District since fall 2012. The policy was presented at the July Board meeting for a first reading. As no concerns were identified, Board Policy 4106 is recommended for approval.

Budgetary Implications:

None.

☒ **RESOLUTION: BE IT RESOLVED,** That Board Policy 4106 – Nursing Program, be adopted.

Recommended By:

Walter A. Tribley
Dr. Walter Tribley, Superintendent/President

Prepared By:

Vicki Nakamura
Vicki Nakamura, Assistant to the President

Agenda Approval:

Walter A. Tribley
Dr. Walter Tribley, Superintendent/President

MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT

GOVERNING BOARD POLICIES

Chapter 4 Academic Affairs

Board Policy 4106 Nursing Program

The District shall consider all of the following when screening students for admission to the nursing program:

- Academic degrees or diplomas, or relevant certificates, held by the applicant;
- Grade point average in relevant coursework;
- Life experiences or special circumstances of an applicant;
- Any relevant work or volunteer experience; and
- Proficiency or advanced level coursework in languages other than English.

The District may also consider:

- A diagnostic assessment tool approved by the Chancellor's Office; and
- Other criteria as submitted and approved by the Chancellor's Office.

Nursing students who have already earned a baccalaureate or higher degree from a regionally accredited institution of higher learning are not required to complete any general education requirements that may be required for an associate degree. Instead, these students only need to complete the coursework necessary for licensing as a registered nurse.

Loan assumption agreements may be awarded to individuals who at a minimum possess a baccalaureate degree in nursing or a field related to nursing who have agreed to teach nursing on a full-time or part-time basis commencing not more than 12 months after receiving a loan assumption award. The loan assumption program is referred to as the State Nursing Assumption Program of Loans for Education (SNAPLE). The loan assumption agreement will be considered no longer effective and deemed terminated, if a program participant fails to complete a minimum of three academic years of teaching on a full-time basis or the equivalent on a part-time basis.

Loan assumption payments will not be made on behalf of the participant until the participant has completed one academic year, or the equivalent of full-time teaching nursing studies at one or more regionally accredited, eligible Districts. The commission can assume liability for loans incurred by the participant to pay for the participant's undergraduate and graduate degrees.

The terms of the loan agreement program can be extended for one academic year, unless extended by the commission on a case-by-case basis, for the following reasons:

- Pregnancy;
- Serious Illness;
- Natural causes; or
- Being called to military active duty status.

In addition, when an interruption of instruction because of a natural disaster prohibits a loan program participant from completing one of the required years of teaching service, the term of the loan assumption agreement shall be extended for a period of time equal to the period of interruption of instruction.

References: Education Code Sections 66055.8, 66055.9, 70101-70107, 70120, 70124, 70125, 70128.5, 78260, 78261, 78261.3, 78261.5, 87482, 89267, 89267.3, and 92645;
Title 5 Sections 55060 et seq. and 55521;
Health and Safety Code Section 128050

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. T

Superintendent/President
Office

Proposal:

That the Governing Board discuss the proposed 2014 Board self-evaluation process.

Background:

As a part of Monterey Peninsula College's ongoing commitment to continuous improvement, the MPCCD Governing Board adopted Board Policy 1009 Self Evaluation, which calls for an annual self-evaluation and development of Board goals. Per Board Policy 1009, the Board self-evaluation is to be conducted from August – October (timeline attached), with the Board goals to be approved at the end of the evaluation process.

The Board self-evaluation and assessment of progress on the 2013 goals were not conducted and thus, no Board goals were approved for 2014. At the March 2014 meeting (March Board item attached), the Board discussed goals and the self-evaluation process. Trustees Steck and Gustafson agreed to serve as an ad hoc sub-committee of the Board to initiate the self-evaluation process and draft 2015 Board goals.

It is recommended that the Board discuss and provide direction regarding the self-evaluation prior to the ad hoc sub-committee beginning their work to solicit Board self-evaluation comments and develop the survey instrument.

Budgetary Implications: None.

☒ **INFORMATION:** Governing Board self-evaluation process for 2014 and Board goals for 2015.

Recommended By: Dr. Walter Tribley, Superintendent/President

Prepared By: Shawn Anderson
Shawn Anderson, Executive Assistant to Superintendent/President and the Governing Board

Agenda Approval: Walt a Tribley
Dr. Walter Tribley, Superintendent/President

TIMELINE: BOARD SELF-EVALUATION & GOALS

Per Board Policy 1009

Before August Board Meeting

Work with the Superintendent/President to revise evaluation survey instrument and process as necessary.

August of Each Year

Approve evaluation instrument, process, and calendar.

Before September Board Meeting

Collect data from surveyed constituencies.

September of each Year

Review and discuss evaluation results.

Before October Board Meeting

Work with the Superintendent/President to develop goals for the upcoming year.

October of each Year

Review and discuss evaluation data and results, complete self-evaluation, report on evaluation at a public meeting, and approve goals for the upcoming year.

Monterey Peninsula Community College District

Governing Board Agenda

March 26, 2014

New Business Agenda Item No. K

Superintendent/President
Office

Proposal:

That the Governing Board review and discuss Board goals for 2014 and the Board self-evaluation process.

Background:

As a part of Monterey Peninsula College's ongoing commitment to continuous improvement, in February 2013, the Governing Board adopted annual goals, in accordance with Board Policy 1009 Self Evaluation, which calls for an annual self-evaluation and development of Board goals. These goals were:

GOVERNING BOARD GOALS FOR 2013

1. Develop means for more effective community relations with constituents.
2. Design and actively participate in Board development activities to broaden understanding of critical operational elements and issues facing the College.
3. Continue to be knowledgeable about actions taken by the College to address accreditation-related issues.
4. Continue to be knowledgeable about actions taken by the College to maintain fiscal stability.
5. Enhance legislative advocacy activities to support the College and community college system.

Per Board Policy 1009, the Board self-evaluation is to be conducted from August – October, with the Board goals to be approved at the end of the evaluation process. The progress made on the 2013 goals has not yet been reviewed. As the timing of the annual self-evaluation and goals development is out of synch with the policy, a potential approach is to retain the current goals for 2014 and initiate the process for self-evaluation to begin in August 2014 by appointing an ad hoc subcommittee of two trustees to solicit Board self-evaluation comments and develop the survey instrument.

Budgetary Implications: None.

☒ **INFORMATION:** Governing Board Goals for 2014 and Board Self-Evaluation Process.

Recommended By: Dr. Walter Tribley, Superintendent/President

Prepared By:

Shawn Anderson

Shawn Anderson, Executive Assistant to Superintendent/President and the Governing Board

Agenda Approval:

Walt A. Tribley

Dr. Walter Tribley, Superintendent/President

Monterey Peninsula Community College District

Governing Board Agenda

August 27, 2014

New Business Agenda Item No. U

Superintendent/President
College Area

Proposal:

To review the attached Calendar of Events.

Background:

The Trustees request that the Calendar of Events be placed on each regular Governing Board meeting agenda for review and that volunteer assignments be made so that the Trustees become more visible on campus.

Trustees will attend meetings as observers and will not represent the Board's view on issues/topics.

Budgetary Implications:

None.

☒ **INFORMATION:** Calendar of Events.

Recommended By: Dr. Walter Tribley, Superintendent/President

Prepared By:

Shawn Anderson

Shawn Anderson, Executive Assistant to Superintendent/President and Governing Board

Agenda Approval:

Walt a. Tribley

Dr. Walter Tribley, Superintendent/President

MPC Governing Board 2014 Calendar of Events

AUGUST 2014

Thursday, August 21 Flex Day Program, 8:00am-1:20pm
 Continental Breakfast: 8:00-8:30 a.m., Sam Karas Room
 Flex Day Presentations: 8:30-11:00 a.m., LF 103
 Flex Day Breakouts: 11:10 a.m.-Noon, Various Classrooms, MPC
 Flex Day Pre-Paid Lunch: Noon-1:20 p.m., Student Center

Monday, August 25 Fall Semester begins

Wednesday, August 27 Regular Board Meeting, MPC Library & Technology Center
 1:30pm, Closed Session – Stutzman Room
 3:00pm Regular Meeting – Sam Karas Room

SEPTEMBER 2014

Monday, September 1 Labor Day Holiday

Wednesday, September 24 Regular Board Meeting, MPC Library & Technology Center
 1:30pm: Closed Session – Stutzman Room
 3:00pm: Regular Meeting – Sam Karas Room

OCTOBER 2014

Wednesday, October 22 Regular Board Meeting, Public Safety Training Center
 1:30pm: Closed Session – TBA
 3:00pm: Regular Meeting – TBA

NOVEMBER 2014

Monday, November 10 Veteran's Day Holiday

Wednesday, November 19 Regular Board Meeting, MPC Library & Technology Center
 1:30pm: Closed Session – Stutzman Room
 3:00pm: Regular Meeting – Sam Karas Room
 *Date moved to 3rd Wednesday due to Thanksgiving holiday

Thurs-Fri, November 27-28 Thanksgiving Holiday

DECEMBER 2014

Wednesday, December 10 Regular Annual Organizing Board Meeting, MPC Library & Technology Center
 1:30pm: Closed Session – Stutzman Room
 3:00pm: Regular Meeting – Sam Karas Room

Thursday, December 18 Fall Semester ends

Wed, December 24 to Winter Break

Thursday, January 1

JANUARY 2015

Friday, January 2 Early Spring Session Begins

Monday, January 19 Martin Luther King Day Holiday

Tuesday, January 27 Early Spring Session Ends

Wednesday, January 28 Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)

Wednesday, January 28 to Spring Flex Day Program

Thursday, January 29

MPC Governing Board 2014 Calendar of Events

FEBRUARY 2015

Monday, February 2	Spring Semester Begins
Friday, February 13	Lincoln Day Holiday (Observed)
Monday, February 16	Washington Day Holiday
Wednesday, February 25	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)

MARCH 2015

Wednesday, March 25	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)
Sunday, March 29 to Friday, April 3	Spring Recess

APRIL 2015

Wednesday, April 22	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)
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MAY 2015

Monday, May 25	Memorial Day Holiday
Wednesday, May 27	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)

JUNE 2015

Thursday, June 4	Spring Semester Ends
Thursday, June 4	Latino Ceremony: 6:00 p.m., LF 103 (to be confirmed)
Thursday, June 4	Asian Student Assn Ceremony: 6:00 p.m., Sakura Buffet (to be confirmed)
Friday, June 6	Kente Ceremony: 7:00 p.m., MU 101 (to be confirmed)
Saturday, June 6	Commencement: 12:00 p.m., Amphitheatre (Line-up at 11:30 a.m. in Gym)
Saturday, June 6	Nurse Pinning Ceremony: 3:00 p.m., Amphitheatre
Monday, June 15	Summer Session Begins
Wednesday, June 24	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)

JULY 2015

Friday, July 3	Independence Day Holiday (Observed)
Wednesday, July 22	Regular Board Meeting: 1:30 p.m. (Closed Session), 3:00 p.m. (Open Session)
Friday, July 24	End of Six-Week Summer Session