

RIO HONDO COMMUNITY COLLEGE DISTRICT
Citizens Oversight Committee

Tuesday, December 15, 2015 at 6:00 p.m.
Rio Hondo Community College Board Room
Dinner and Meeting

Minutes

I. Call To Order

- a. **Call to Order** – *The meeting was called to order at 6:23p.m.*
- b. **Pledge of Allegiance** – *Chair Verna de los Reyes led the Pledge of Allegiance.*
- c. **Roll Call** – *Citizens Oversight Committee (COC) Members present: Chair Verna de los Reyes, Vice Chair Fernando Centeno, Jr., Dr. Francisco Hidalgo, Amber Salazar, Dr. Joseph Rivera, Christian Diaz and Dr. Andrew Moraga, Jose Herrera (Committee Members absent: Josefina Canchola, Virginia Gummig, and Deborah Pacheco).*
- d. **Welcome and Introductions** – *All members, staff and consultants already know each other so no need for introductions.*
- e. **Open Communication for Public Comment** – *There were no public comments.*
- f. **Approval of Minutes – September 15, 2015** – *The COC voted to approve the minutes. Chair Verna de Los Reyes noted on page 6 should be El Monte City Schools instead of South El Monte. Member Salazar made motion to approve, Vice Chair Centeno, Jr. seconded. One abstention made by Member Herrera.*

II. Reports/Presentations

- a. **President's Update:** *Superintendent/President Dreyfuss reported on the following items:*
 - 1) *Fall and Intersession Semesters – Final's week was last week for the fall semester. Starting in January, the College will have Intersession with compacted classes Monday through Friday, four hours a day per class. By offering Intersession, some students may be able to transfer and others earn a certificate. The goal is to increase enrollment by offering more classes. Three years ago the College didn't offer Intersession. This is the second year in a row the College is offering Intersession. The fall*

semester was a busy one with the College handling day-to-day operations while simultaneously trying to increase enrollment. Enrollment has been flat. Although the College didn't suffer a decrease, the College still wants to increase enrollment in order to receive 3% of growth access apportionment. The College hired a consultant in the fall who will share their recommendations in February 2016 on how best to increase enrollment.

2) Negotiations – Faculty and Classified Unions will be negotiating with the District this year. The District hopes to complete negotiations soon.

b. Annual Report: Director of Marketing and Communications Ruthie Retana reported that more than 126,000 households in the District received a copy of the 2014 Annual Report. She turned the COC members' attention to the Fiscal Solvency page, which has the picture of last year's COC members. This particular page in the Annual Report reports to the community that the COC members ensure that the College Measure A bond funds are expensed properly and effectively.

c. Building Program Progress Report: Jerome Quemada of Del Terra provided a report on the Building Program, which includes the following current and upcoming projects:

1) Soccer Field Renovation: the renovation of the soccer field started on March 30, 2015. Pictures were shown to the COC members of the current structure status of the project including the track and fencing. The artificial turf has been completed. Landscape material has been installed. The lighting was tested about two weeks ago, which nicely illuminates the field at night with three different settings.

2) Print Shop and Bookstore Project: Construction drawings were submitted to DSA on July 27, 2015. The College should be receiving approval in Jan. 2016 with the anticipated construction date beginning in the summer of 2016. The existing print shop is 937 sf.; the new area will be 1,760 sf. The existing bookstore is 4,109 sf.; the new area will be 6,682 sf.

3) Rio Plaza Project: This project is currently in conceptual design. The Los Angeles County Department of Public Works has agreed to fund a sidewalk from Rose Hills to College Dr.

4) Pico Rivera Educational Center Project: This project is also in conceptual design at this time.

Member Hidalgo had a question about the walkway from Rose Hills to College Dr. What is the relationship between Rose Hills and the College? Why did the County pick up the cost?

Quemada responded that the sidewalk will be funded by the County up to \$350,000, and not by Rose Hills.

Member Herrera asked for the cost of the Rio Plaza project. Quemada answered that although the budget is \$3.5M, the estimated cost is \$2.9M at the present time.

d. Bond Audit Financial & Performance Reports:

Superintendent/President Dreyfuss referred to the two different audit reports in the members' packets. The first titled: Audited Financial Statements. The second titled: Performance Audit.

On page five of the first report, Audited Financial Statements, the fund balance at the beginning of the year was \$41,968,565, and the fund balance at the end of the year was \$39,792,161. The difference between these two balances is the revenues minus the expenses. She then asked members to turn to page 12 to review the last sentence in the first paragraph, which states that: "The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards."

On page eight of the second report, Performance Audit, the conclusion shows that the expenditures of the funds held in Revenue Bond Constructions Fund-Measure A General Obligation Bonds are all properly accounted for and that they were made on authorized bond projects. Additionally, it states that "the funds held in the Revenue Bond Construction Fund and expended by the District were not used for teachers and school administrators' salaries or other operating expenditures." Most importantly, as noted on page 9, there were no findings and recommendations for the year ending June 30, 2015. The results were a clean audit.

Vice President of Finance & Business Myeshia Armstrong noted that on page 10 of the Performance Audit report a summary of all the projects is listed with expenditures of the entire year from July 1, 2015 to June 30, 2016. She reiterated that the audit was a clean one with staff accounting for each expenditure according to bond appropriations.

- e. Bond Quarterly Expenditure Report:** Vice President Armstrong explained that there are four specific reports in the packet. The first report on top of the packet is the **Projects Expenditure Summary** that summarizes activities from July to September 2015. This report lists the different expenditures and the descriptions next to them. The indicated that the highest expenditure is \$471,639 for the PE Complex, which is directly related to the soccer field renovation. The final page shows that between July and September of this year, the College spent \$912,504 quarter to date (QTD), which is a bit lower than what the College spent

last quarter, which was a total of \$1,445,933. The total to date (TTD) shows that the College has spent \$161,857,811 from Fiscal Year 2004-2005 through September 2015 which represents 68% of the budget with 32% remaining to be spent.

The second report titled **Project Details** lists the various categories for architect fees and various consultants and all the different charges.]

The third report is the **Summary of Project Expenditures**. Each project is assigned a project number on the left. This report captures all the expenditures from July 1, 2004 to September 30, 2015.

The final report in the packet is an **overview of Fund 42** (the bond fund), Fund 41 and Fund 35. This report includes all the details for each project by listing the vendors for each project and how much has been paid to each vendor.

Member Rivera asked if it spent 90% of the budget under Project #11 I.T. fund what will happen if additional funds are needed to complete the project.

Superintendent/President Dreyfuss explained that the funds for the Information Technology project will be used to buy computers, etc. The budget amount for this project will remain the same with about \$500,000 more to spend on this ongoing project.

Vice President Armstrong indicated that some of the projects go year by year.

Member Hildago asked that if there is underspending in Year 1, will the funds roll over within that same category.

Superintendent/President Dreyfuss answered yes, only within that same category.

Member Moraga asked what is the timeframe to liquidate the bond funds. Is the District able to earn interest of any of the funds?

Superintendent/President Dreyfuss answered that the College bond funds deposit with the LA County Treasurer and earns interest. For example, on page four of the Audited Financial Statements there is interest receivable of \$131,735, which is the interest we anticipate to receive. Page five shows the interest and investment income as \$280,427 as revenue earned.

Member Hidalgo asks if the interest comes to the College not to the County.

Superintendent/President Dreyfuss answered that the County does the journal entries to enter the interest to the College bond revenue account.

Member Herrera asked about the difference between the three funds, and which ones are generated by taxpayers.

Vice President Armstrong answered that the taxpayers' fund is Bond Fund 42.

Superintendent/President Dreyfuss noted that Bond Fund 35 is the fund the College sets aside for maintenance. Fund 41 is the capital outlay project funds.

Member Moraga asked whether the third party/the County credited 100% of the interest to the College.

Superintendent/President Dreyfuss and Vice President Armstrong replied yes, it is 100%.

Vice Chair Centeno, Jr. asked if there are matching funds.

Superintendent/President Dreyfuss said that the College gets reimbursed from the state bond fund through the California Community Colleges Chancellor's Office.

Member Herrera asked what will happen in November 2016.

Superintendent/President Dreyfuss said there is a ballot for the state bond in November 2016. From the ballot, and if the bond measure passes, the College may be able to get one of the two projects approved that would fund the Music and Wray Theatre, which will be about \$20 Million. When the state bond passes, the College may be able to get this fund in about two to three years from now.

Member Hidalgo asked if there is a project that is current, or in place, and if there were additional funds would the College request supplemental funds for that one project.

Superintendent/President Dreyfuss said that the Music and Wray Theatre project was approved by the Chancellor's Office. We are just waiting to see if the state bond passes in November 2016.

Member Herrera asked if the College sold the first series of the \$45 Million Measure A Bond in year 2005. Superintendent/President Dreyfuss confirmed that yes that is correct.

*Member Herrera asked what is the current AV tax rate?
Superintendent/President Dreyfuss said that it is about \$28.00 per
\$100,000 of AV right now.*

- f. Future Meeting Date and Place:** *The next meeting will take place on
March 15, 2016 at 6pm in the Board Room.*

III. Comments from Committee Members

Chair De Los Reyes graciously thanked the College for the RHC t-shirts that were donated to her daughter's 5th grade class and cohort. Every Thursday, many of the students wear the RHC t-shirts creating the college-going buzz. The 5th grade students created a large thank you board. The teachers were also very appreciative. She shared that 5th grade is a very good grade to expose 10-year-old students to college. She also congratulated Christian Diaz for being elected as the newest board member for the El Monte School District. She mentioned that one of the princesses crowned at the Miss Friendly El Monte/South Monte pageant is a Rio Hondo College student and a resident of El Monte who graduated from Rosemead High School.

Vice Chair Centeno, Jr. wished everyone a Merry Christmas and a Happy New Year. He is glad that the College approved the Pico Rivera Educational Center. He commended RHC administrators and staff for all their hard work.

Member Salazar asked what kinds of classes are offered at EMEC. Superintendent/President Dreyfuss said that general classes are offered. Director Retana shared that the EMEC classes are listed on the College website.

Member Rivera commented that a lot of progress has been made. He is also glad that the Pico Rivera Educational Center is moving forward, which is part of his vision of students walking across the street to take college courses. He wished everyone a Happy Holiday.

Member Diaz congratulated the College on the clean audit. He is excited to see the soccer field almost completed. He invited everyone to this Friday's Tamalada. He wished everyone a Happy Holiday.

Member Moraga wished everyone a safe holiday season. He said that in his school work with Trustee Madeline Shapiro that it is awesome to see Rio Hondo College's science programs coming to the school with Dr. Vann Priest. He shared that this is great for the community, and that the students also wear the RHC t-shirts with pride.

Member Hidalgo wished everyone a Happy Holiday. He shared his excitement about seeing the College's progress and growth over the

decades, including throughout North Whittier. He shared that he represents North Whittier Neighborhood Watch, which is the largest neighborhood watch. He is a block captain and would be happy to partner with the College.

Member Herrera wished everyone a Happy Holiday and a New Year. He congratulated the College for all of its progress and the soccer field.

Superintendent/President Dreyfuss shared great news. Five years ago, the total students who received degrees and certificates were 900. Last year, there were 1,400 students who received degrees and certificates (an increase of 500 students). This increase is a big improvement, which is a big progress for the College. She added that the College is working hard on retentions, enrollment and graduation. The College is working with agencies to recruit from overseas to increase the diversity of students and to help financially. The College only has about 40 international students. In contrast, pre-9/11, the College had about 400 international students. The College is trying to grow this population. She wished everyone a Merry Christmas and a Happy New Year. She encouraged everyone to be safe, and shared that she is looking forward to seeing everyone in March.

IV. Adjournment – *The meeting was adjourned at 7:11 p.m. Vice Chair Centeno, Jr. moved to adjourn the meeting with a second by Member Diaz.*