

**BOARD FINANCE AND AUDIT COMMITTEE  
MEETING MINUTES  
May 12, 2015  
1:00 P.M.  
CS 209**

*It is the intention of Palo Verde Community College District to comply with the Americans with Disabilities Acts (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, Palo Verde Community College District will attempt to accommodate you in every reasonable manner. Please contact Carrie Mullion at (760)921-5440, as soon as possible to inform us of your particular needs so that appropriate accommodations may be made.*

<b>1. Call to Order – 1:05 p.m.</b>			
<b>2. Roll Call</b>			
Ted Arneson – Board of Trustee Member	<b>X</b>	Rich Soto – CSEA President	<b>A</b>
Jerry Lewis – Board of Trustee Member	<b>X</b>	Derek Copple – CTA President	<b>A</b>
Don Wallace - Superintendent/President	<b>X</b>	Staci Lee – Management/Confidential	<b>A</b>
Sean Hancock – V.P. of Instruction and Student Services	<b>X</b>	Dayana DeLeon – ASG Representative	<b>A</b>
Biju Raman – Academic Senate President	<b>X</b>	Carrie Mullion - Recorder	<b>X</b>
Russi Egan - CBO	<b>X</b>	Guests: Ed Gonzales, Board of Trustees Stephanie Slagan, Admin. Serv. Tech	

**3. Approval of Minutes of March 10, 2015** – It was moved by Dr. Wallace, seconded by Ms. Egan, and unanimously carried that the Minutes be approved.

**4. Approval of Agenda** – It was moved by Mr. Raman, seconded by Mr. Lewis, and unanimously carried that the Agenda be approved.

**5. Opportunity for Public Comment**

*At this time, members of the public have the opportunity to address the Committee on any item contained within this notice. Persons wishing to make comments are allowed five minutes per item. Please note that the Committee cannot take action on any items not on the agenda, with certain exceptions as outlined in the Brown Act. Matters brought before the Committee that are not on the agenda may, at the Committee’s discretion, be referred to staff or placed on the next agenda for Committee consideration. The Committee requests that the public speak on matters which are on this agenda at the time that the item is considered by the Committee.*

No public comment.

**MINUTES**

<b>6. Update on Citizens’ Bond Oversight Committee – Don Wallace</b>	Dr. Wallace stated that advertising was done in both Blythe and Needles for this committee. There were no unsolicited applications. Seven (7) applications have been received so no selection process is needed. The applicants are: Angelis Alvirez, student member David Kehl, business representative
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	<p>Ron Baker, Foundation/Senior Citizen member Wayne Cusick, taxpayer organization member Sandra Van Dyke, Foundation member Lindsey Payson, at-large community member Michael Burger, at-large community member</p> <p>Ms. Payson and Mr. Burger are both from the Needles community. The Citizens' Oversight Committee will be on the June 9, 2015 Board of Trustees agenda for approval. Once the Board of Trustees approves the members, a welcome letter will be mailed to them with instructions about what's going to follow. At some point the attorney will come and provide training to the committee. The committee does not have much to do until after bond money is spent. Their job will be to review financials to make sure money was spent in accordance with the bond.</p> <p>Cambridge West is beginning the process of updating the Educational Master Plan, followed by the Facilities Master Plan, and the Technology Master Plan. This plan must be done before we can say what we will do with bond money, and how it will be divided. A good portion of the bond money will be used to pay down COP debt.</p> <p>Mr. Raman stated that a majority of the faculty is not opposed to using the entire money to pay down as much debt as possible. Dr. Wallace stated this would be important for the Board to hear from Academic Senate.</p> <p>Mr. Lewis made a motion to accept the Citizens' Bond Oversight Committee members. Second: Mr. Raman Motion carried.</p>
<p><b>7. Budget Update – Russi Egan</b></p>	<p>Ms. Egan provided a handout titled "AB963 Update" dated May 8, 2015. The state is considering a one-time boost for community colleges in the 2015-2016 year of \$300 per FTE. This could mean approx. \$541,200 for our college. Some of this money could be set aside for increases to STRS, which is going up. This year we are at 10.41% and within 5 more year we will be at 19%. Discussion occurred regarding STRS.</p>

	<p>Ms. Egan provided the committee a copy of the engagement letter with Messner &amp; Hadley, LLP, auditors for the college.</p> <p>Discussion occurred regarding the Governor's proposed budget. Ms. Egan stated we will know more when the May revise is announced. Our growth rate should change, possibly around 3% which is about 50 FTES, since we are at cap. This would put our new cap approx. 1860. There will also be a Budget Workshop for the Board of Trustees on May 26, 2015, and more information on the budget will be provided then.</p> <p>Ms. Egan clarified that we must meet 100 FTES at the Needles Center every year in order to receive state funds.</p> <p>Dr. Wallace clarified that the restorations of salaries that is on the Board agenda today do not represent any increase in salary, it just brings salaries back to even; where the salaries were in 2011. This was due to the 8.33% reduction in salaries that managers and confidential employees, and the 4.165% administrators received in 2012. This will be retro back to July 1, 2014.</p>
<p><b>8. Future Agenda Items</b></p>	<ol style="list-style-type: none"> <li>1. Budget development</li> <li>2. Citizens' Bond Oversight Committee Updates.</li> </ol> <p>Dr. Wallace stated that no meeting in June or July is needed. The next meeting will be August 11, 2015.</p>
<p><b>9. Adjourn</b></p>	<p>Meeting adjourned at 2:08 p.m.</p>