



**Rancho Santiago Community College District**  
**District Council Meeting**  
**July 10, 2017**  
**Executive Conference Room**  
**3:00 – 5:00 p.m.**

**Agenda**

- |  |              |
|--|--------------|
| 1. Approval of Minutes of June 5, 2017 Meeting       | Hardash      |
| 2. July 17, 2017 Board of Trustees Meeting           | Hardash      |
| 3. Adopted Budget Assumptions                        | Hardash      |
| 4. Reorganizations                                   | Chitlik      |
| 5. Board Policies/Administrative Regulations         | Perez/Gerard |
| a. BP/AR 6307 Debt Issuance and Management           |              |
| b. AR 6300 Fiscal Management                         |              |
| c. AR 6450 Wireless or Cellular Telephone Use        |              |
| d. AR 7400 Travel                                    |              |
| 6. Committee Reports                                 |              |
| a. Planning & Organizational Effectiveness Committee | Perez        |
| b. Human Resources Committee                         | Chitlik      |
| c. Fiscal Resources Committee                        | Hardash      |
| d. Physical Resources Committee                      | Hardash      |
| e. Technology Advisory Group                         | Krichmar     |
| 7. Constituent Representative Reports                |              |
| a. Academic Senate - SAC                             | Zarske       |
| b. Academic Senate – SCC                             | DeCarbo      |
| c. Classified Staff                                  | Pleitez      |
| d. Student Government – SAC                          | Esqueda      |
| e. Student Government – SCC                          | Hou          |
| 8. Other   |              |

**Next Meeting:**  
**August 7, 2017**  
**3:00 – 5:00 p.m.**  
**Executive Conference Room #114**



## Rancho Santiago Community College District District Council Meeting

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### MINUTES June 5, 2017

Members:	Raúl Rodríguez	Present
	Peter Hardash	Present
	Enrique Perez	Present
	Judy Chitlik	Present
	Linda Rose	Present
	John Hernandez	Present
	Lee Krichmar	Present
	Elliott Jones	Present
	Michael DeCarbo	Present
	Roxana Pleitez	Absent
	Amber Stapleton	Present
	Lisette Cervantes	Absent
	Esther Chian	Present
	Bonnie Jaros	Present
	Mary Mettler	Present
	Diane Hill	Present
	George Sweeney	Absent
	Adam O'Connor	Present

Chancellor Raúl Rodríguez convened the meeting at 3:05 p.m.

1. Approval of Minutes of May 8, 2017

It was moved by Mr. DeCarbo, seconded by Dr. Jaros and carried unanimously to approve the minutes of the May 8, 2017 meeting with corrections as noted.

2. June 12, 2017 Board of Trustees Meeting

Dr. Rodríguez shared highlights of the agenda for the June 12, 2017 Board of Trustees Meeting. Dr. Jaros reported that the accreditation mid-term reports for both colleges would be on the July 17, 2017 board meeting agenda.

3. 2017-2018 Tentative Budget

- a. Vice Chancellor Hardash presented the 2017-2018 Tentative Budget for District Council approval. He noted that this was a placeholder budget to allow the district to continue to operate and pay bills. The adopted budget will be presented to the board for approval in September. The 2017-2018 Tentative Budget was reviewed and recommended for approval by the Fiscal Resources Committee with one dissenting vote.

3. 2017-2018 Tentative Budget (continued)

FRC Co-Chair, Dr. Mary Mettler, added that the recommendation from FRC included a reminder that any budget reductions should be kept as far away as possible from the students and colleges. Mr. Hardash reported that the Phase I budget cuts were reflected in the 2017-2018 Tentative Budget. It was moved by Dr. Jaros, seconded by Dr. Jones and carried unanimously to approve the 2017-2018 Tentative Budget as recommended by FRC.

4. Reorganizations

Interim Vice Chancellor Chitlik presented two reorganizations for consideration:

- a. Educational Services – Resource Development: it was moved by Ms. Stapleton, seconded by Dr. Jaros and carried unanimously to approve reorganizations #1013 and #1014.

5. Board Policies/Administrative Regulations

Vice Chancellor Perez presented the following board policies and administrative regulation, which were revised as recommended by CCLC:

- a. BP 2015 – Student Member
- b. BP 2340 – Agendas
- c. BP 2345 – Public Participation at Board Meetings
- d. BP 3430 – Prohibition of Harassment
- e. BP 3820 – Gifts
- f. BP 7310 – Nepotism
- g. AR 7500 – Volunteers

The board policies were reviewed by the Board Policy Committee and are being recommended for a first reading at the June 12, 2017 board of trustees meeting. It was moved by Dr. Hernandez, seconded by Ms. Chitlik and carried unanimously to recommend the board approve the board policies and to approve the administrative regulation.

6. 2017-2018 Meeting Schedule

Dr. Rodríguez presented the proposed 2017-2018 District Council meeting scheduled for approval. It was moved by Mr. DeCarbo, seconded by Ms. Chitlik and carried unanimously to approve the 2017-2018 District Council Meeting schedule as presented.

7. Committee Reports

- a. Planning and Organizational Effectiveness Committee (POEC)  
Mr. Perez reported that the next meeting would be held on June 21, 2017.
- b. Human Resources Committee (HRC)  
Ms. Chitlik reported that the next meeting would be held in fall 2017.
- c. Fiscal Resources Committee (FRC)  
Mr. Hardash reported that the next meeting would be held on July 5, 2017. The August meeting to review the adopted budget will be conducted via email. The adopted budget will be placed on the August 21 District Council meeting agenda for review and approval.
- d. Physical Resources Committee (PRC)  
Mr. Hardash reported that the next meeting would be held on September 6, 2017.
- e. Technology Advisory Group (TAG)  
Ms. Krichmar reported that the next meeting is scheduled for September 7, 2017.

8. Constituent Representative Reports

- a. Academic Senate/SAC: Dr. Elliot Jones reported on the activities of the SAC Academic Senate.
- b. Academic Senate/SCC: Mr. DeCarbo reported on the activities of the SCC Academic Senate.
- c. CSEA: No report.
- d. Student Government/SAC: No report.
- e. Student Government/SCC: Ms. Chian reported on the activities of the SCC ASG and expressed her appreciation to have had the opportunity to serve on District Council.

9. Other

No discussion.

10. Next Meeting: The next District Council meeting will be held on Monday, July 10, 2017 in the Executive Conference Room (#114).

Meeting Adjourned: 3:30 p.m.

Approved:

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT  
UNRESTRICTED GENERAL FUND  
2017-18 Adopted Budget Assumptions  
June 28, 2017**

I. State Revenue

A. Budgeting will continue to utilize the District's Budget Allocation Model (BAM) based on SB 361.

B. FTES Workload Measure Assumptions:

Year	Base	Actual	Funded	Actual Growth
2012/13	27,711.41	28,185.04	28,185.04	1.71%
2013/14	28,185.04	28,688.93	28,688.93	1.79%
2014/15	28,688.93	28,908.08	28,908.08	0.76%
2015/16	P3 28,908.08	28,901.63	28,901.63	a -0.02%
2016/17	P2 28,901.63	27,755.00	28,932.00	b -3.97%

a - based on submitted P3, small reduction, but slight increase in revenue based on mix of FTES between CR, NC and CDCP

b - based on submitted P2, anticipated loss of FTES at 3.97%

Based on the FTES reported on the 320 submitted at P2, the district has declined by 1,177 FTES and would be in stabilization in 2016/17. To maintain the 2015/16 funding level the district borrowed from summer 2017 for reporting purposes. A decision will need to be made by fiscal year end whether to borrow or remain in stabilization for 2016/17.

The May Revise includes 1% systemwide growth funding, 1.56% COLA, and an additional base allocation increase.

Projected COLA of 1.56%	<b>\$2,400,000</b>	
Projected Growth/Access (Decline of 3.97%)	<b>\$0</b>	<b>(Effective loss of \$5,893,110 in revenue based on this decline in FTES)</b>
Projected Base Allocation Increase	<b>\$4,590,000</b>	
Continued Projected Deficit (est. 0.708%)	<b>\$0</b>	
Apportionment Base Incr (Decr) for 2017/18	<b>\$6,990,000</b>	

2017/18 Potential Growth at 0.5% based on 1.34% system 29,046

C. Education Protection Account (EPA) funding estimated at \$22,783,410 based on 2016/17 Advance. These are not additional funds. The EPA is only a portion of general purpose funds that offsets what would otherwise be state aid in the apportionments. We intend to charge a portion of faculty salaries to this funding source in compliance with EPA requirements.

D. Unrestricted lottery is projected at \$144 per FTES (\$4,269,070). Restricted lottery at \$45 per FTES (\$1,334,084). (2016/17 P1 of resident & nonresident factored FTES, 29,646.32 x 144 = \$4,269,070 unrestricted lottery; 29,646.32 x 45 = \$1,334,084.) Slight increase.

E. Estimated reimbursement for part-time faculty compensation is estimated at \$592,773 (2016/17 Advance). Unchanged.

F. Categorical programs will continue to be budgeted separately; self-supporting, matching revenues and expenditures. COLA is being proposed on certain categorical programs. Without COLA, other categorical reductions would be required to remain in balance if settlements were reached with bargaining groups. The colleges will need to budget for any program match requirements using unrestricted funds.

G. BOG fee waivers 2% administration funding estimated at 2016/17 Advance of \$294,302. Unchanged.

H. Mandates Block Grant estimated at a total budget of \$795,000. Unchanged. No additional one-time allocation proposed.

II. Other Revenue

I. Non-Resident Tuition budgeted at \$2,925,000. \$325,000 increase. (SAC \$2,300,000, SCC \$625,000)

J. Interest earnings estimated at \$665,000. Increase based on County interest rate and cash balance increase.

K. Other miscellaneous income (includes fines, fees, rents, etc.) is estimated at approximately \$350,000. Unchanged.

L. Apprenticeship revenue estimated at \$2,670,285. Unchanged.  
(Corresponding expenses related to this allocation must be budgeted for additional apprenticeship course offerings)

M. Scheduled Maintenance/Instructional Equipment allocation \$1.96 million (no match required).

N. Energy Efficiency/Prop 39 revenue allocation of \$993,000. Slight decrease from 2016/17.

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT  
UNRESTRICTED GENERAL FUND  
2017-18 Adopted Budget Assumptions  
June 28, 2017**

III. Appropriations and Expenditures

- A. As the District's budget model is a revenue allocation model, revenues flow through the model to the colleges as earned. The colleges have the responsibility, within their earned revenue, to budget for ALL necessary expenditures including but not limited to all full time and part time employees, utilities, instructional services agreements, multi-year maintenance and other contracts, supplies, equipment and other operating costs.
- B. The state is estimating a Cost of Living Allowance (COLA) of 1.56%. Any collectively bargained increased costs will be added to the budget. The estimated cost of a 1% salary increase is \$1.5 million.
- C. Step and column movement is budgeted at an additional cost of approximately \$1.2 million including benefits. (FARSCCD approximate cost \$410,000, CSEA approximate cost \$476,000, Management/Other approximate cost \$314,000)
- D. Health and Welfare benefit premium cost increase as of 1/1/18 is estimated at 3.5% for an additional cost of approximately \$501,000 for active employees and an additional cost of \$170,000 for retirees, for a combined increase of \$671,000. State Unemployment Insurance local experience charges are estimated at \$250,000 (2016/17 budgeted amount). Unchanged. CalPERS employer contribution rate will increase in 2017/18 from 13.888% to 15.531% for an increase of \$607,948.  
(Note: The cost of each 1% increase in the PERS rate is approximately \$350,000.)  
CalSTRS employer contribution rate will increase in 2017/18 from 12.58% to 14.43% for an increase of \$1,196,296.  
(Note: The cost of each 1% increase in the STRS rate is approximately \$700,000.)
- E. The full-time faculty obligation (FON) for Fall 2017 is estimated at 364.4. The District is currently recruiting to replace 18 faculty vacancies (plus one additional noncredit position which does not count toward the FON). The District expects to meet its obligation. SAC has 13 vacancies and is adding two new positions. SCC is filling five vacancies. The current cost for a new position is budgeted at Class VI, Step 12 at approximately \$136,500. Penalties for not meeting the obligation amount to approximately \$71,000 per FTE not filled.
- F. The current rate per Lecture Hour Equivalent (LHE) effective 7/1/16 for hourly faculty is \$1,275. Increase of \$26.
- G. Retiree Health Benefit Fund (OPEB/GASB 45 Obligation) - The District will continue to contribute an amount to fund the total actuarially determined Annual Required Contribution (ARC). The ARC increased in 2016/17 by over \$3.3 million from \$8.35 million to a cost of \$11.7 million. This increased cost was covered with one-time funds in 2016/17, but with no new one-time allocation proposed in the state budget, this is now added as an ongoing expense. This will require an increase in the percentage charged to payroll from 1% to 3.63% effective 7/1/17. The unrestricted general fund portion of this increase amounts to approximately \$2.6 million.
- H. Capital Outlay Fund - In addition to the state allocation for Scheduled Maintenance/Instructional Equipment, the District will continue to budget \$1.5 million for capital outlay needs.
- I. Utilities cost increases of 5%, estimated at \$200,000.
- J. Information Technology licensing contract escalation cost of 7%, estimated at \$125,000.
- K. Property and Liability Insurance transfer estimated at \$1,970,000. Unchanged.
- L. Other additional DS/Institutional Cost expenses:
  - Legal Expenses of \$150,000 ongoing
  - 50% Cost of New Sergeant Position \$70,000 ongoing
  - Interest Expense increase of \$15,000 as offset for additional Interest Earnings in II.J(Remaining allocation in 2016/17 for executive recruitment will be carried over for Vice Chancellor recruitment in 2017/18)
- M. Child Development Fund - The District will continue to budget \$250,000 as an interfund transfer from the unrestricted general fund as a contingency plan. (\$140,000 was transferred in 2014/15 and 2015/16, and expected in 2016/17)
- N. According to the District budget reduction strategy, round 1 ongoing reductions of \$2 million are incorporated in the adopted budget and \$2 million in one-time reductions are incorporated as well.  
\$2 million is being budgeted for one-time costs related to the SCC ADA settlement.

<b>Rancho Santiago Community College District</b> <b>Unrestricted General Fund Summary</b> <b>2017-18 Adopted Budget Assumptions Analysis</b> <b>June 28, 2017</b>
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	<b><u>New Revenues</u></b>	Ongoing Only	One-Time
*			
B	COLA 1.56%	\$2,400,000	
B	Growth (Decline of 3.97%/Borrow from summer) <sup>1</sup>	\$0	
B	Base Allocation	\$4,590,000	
B	Deficit Factor est. at 0.708%	\$0	
D	Unrestricted Lottery	\$126,529	
H	Mandates Block Grant (one-time)	\$0	\$0
I	Non-Resident Tuition	\$325,000	
J	Interest Earnings	\$115,000	
L	Apprenticeship - SCC	\$0	
EGHK	Misc Income	\$0	
	<b>Total</b>	\$7,556,529	\$0
	<b><u>New Expenditures</u></b>		
B	COLA 1.56%	\$2,400,000	
C	Step/Column	\$1,200,000	
D	Health and Welfare/Benefits Increase	\$671,000	
D	CalPERS Increase	\$607,948	
D	CalSTRS Increase	\$1,196,296	
E	Full Time Faculty Obligation Hires	\$273,000	
E/F	Hourly Faculty Budgets (Convert to Full Time)	\$0	
G	Increased Cost of Retiree Health Benefit ARC	\$2,576,106	
H	Capital Outlay/Scheduled Maintenance Match	\$0	
I	Utilities Increase	\$200,000	
J	ITS Licensing/Contract Escalation Cost	\$125,000	
K	Property, Liability and All Risks Insurance	\$0	
I.L	Apprenticeship - SCC	\$0	
L	Other Additional DS/Institutional Costs	\$235,000	
N	One-time Budget Reductions	\$0	(\$2,000,000)
N	SCC ADA Settlement Costs	\$0	\$2,000,000
N	Ongoing Budget Reductions	(\$2,000,000)	\$0
	<b>Total</b>	\$7,484,350	\$0
	2017-18 Budget Year Surplus (Deficit)	\$72,179	

**Note: Budget Stabilization Fund Balance at 6/30/2017 is estimated at \$13.7 million.**

<sup>1</sup> Based on the FTES reported on the 320 submitted at P2, the district has declined by 1,177 FTES and would be in stabilization in 2016/17. To maintain the 2015/16 funding level the district borrowed from summer 2017 for reporting purposes. A decision will need to be made by fiscal year end whether to borrow or remain in stabilization for 2016/17.

\* Reference to budget assumption number

**RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT  
REORGANIZATION REQUEST FORM**

Number # 1034 ✓  
Assigned by Human Resources

Use this form and the reorganization process to make a permanent personnel change in your program or department. If proposing a new and/or change of position, please attach a cost of position worksheet.

Site/Department/Division: District Office/ Information Technology Services

Manager/Supervisor: Lee Krichmar/ Peter Hardash

**Position(s) affected:**

CURRENT POSITION	PROPOSED POSITION
Director Information Systems (VACANT) FT/ 12 Mo. Grade D Step 4	Information Security Specialist (NEW) FT/ 12 Mo. Grade 22
	<u>11-0000-678000-54145-2130</u>

Current annual salary/benefits cost \$ ~~191,826.56~~ 191,495.52 Proposed annual salary/benefits cost \$ ~~151,192.59~~ 150,935.08

Specify budget impact – include exact amounts or the best available estimate and the source of funding:

GENERAL FUNDS  RESTRICTED FUNDS

Source of funding (account numbers): 11\_0000\_678000\_54144\_2110  
*(Attach necessary budget change forms)*

Reason for reorganization:

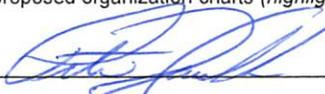
Within the past years the risks and security exposures that our district-wide technology has had to endure continues to increase exponentially. The scope and volume of responsibilities related to keeping our data and infrastructure safe can no longer be absorbed by existing staff within the ITS department. The global Internet climate has changed significantly and requires specialized training and skills to apply strategic, technical, contractual, and policy and procedures to help control our risks with a clear focus on protecting our electronic resources across our complex network supporting the colleges, centers, sites, and offices.

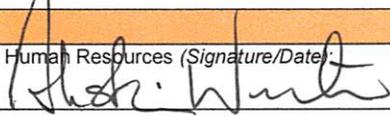
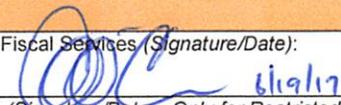
Will there be duties and/or responsibilities that will no longer be performed/required in this department/division?

No  Yes  If yes, please explain below.

Does this change affect more than one department/division? No  Yes  If yes, please explain below.

**Please note:** You are required to attach both current and proposed organization charts (*highlighting all positions affected, both current and proposed*) with this form.

Submitted by (District Cabinet Member):  Date: 6/20/17

SIGNATURES AND/OR REVIEW DATES	
Human Resources (Signature/Date): <u> 6/20/17.</u>	Business Operations & Fiscal Services (Signature/Date): <u> 6/19/17 JK</u>
	Resource Development (Signature/Date – Only for Restricted Funds)
COLLEGE POSITIONS	DISTRICT POSITIONS
President's Council Approval (Signature/Date):	Chancellor's Cabinet Approval (Signature/Date):
Chancellor's Cabinet Approval (Signature/Date):	Chancellor's Council Approval (Signature/Date):
CSEA (Signature/Date):	CSEA (Signature/Date):

	A	B	C	D	E	F
1	<b>RSCCD</b>	<b>2017-2018</b>				
2	<b>COST OF NEW POSITION - Director Information Systems</b>					
3	<b>POSITION TITLE</b>					
4						
5	GRADE & STEP					
6						
7	Grade D step 4		\$ 10,255.06	12.00	<b>\$123,060.73</b>	
8						
9	<b>SALARY RELATED</b>		BENEFIT	BENEFIT		
10	<b>TAX/BENEFITS</b>		RATE	COST		
11						
12	PERS		15.531%	19,112.56		
13	SOCIAL SECURITY		6.200%	7,629.77		
14	MEDICARE		1.450%	1,784.38		
15	UNEMPLOYMENT		0.050%	61.53		
16	WORKERS COMP		2.250%	2,768.87		
17	ACTIVE RET. INS. COST		3.630%	4,467.10		
18						
19	<b>TOTAL TAX &amp; BENEFIT COST</b>		<b>29.111%</b>	<b>\$ 35,824.21</b>	<b>\$ 35,824.21</b>	
20						
21	<b>TOTAL SALARY &amp; BENEFIT COST</b>				<b>\$158,884.94</b>	
22						
23	<b>FRINGE BENEFITS</b>		BENEFIT	BENEFIT		
24	<b>COST</b>		RATE	COST		
25	FRINGE BENEFITS (CSEA only)			-		
26						
27	SOCIAL SECURITY		6.200%	-		
28	MEDICARE		1.450%	-		
29	UNEMPLOYMENT		0.050%	-		
30	WORKERS COMP		2.250%	-		
31	ACTIVE RET. INS. COST		3.630%	-		
32						
33	<b>TOTAL FRINGE BENEFIT COST</b>		<b>13.580%</b>	<b>\$ -</b>	<b>\$ -</b>	
34						
35	<b>INSURANCE BENEFITS</b>					
36	LIFE INSURANCE (ANNUAL OR \$50,000 minimum)					
37	(Annual Life Insurance X \$0.19/1000 X 12 Months)		\$123,060.73	280.58		
38	MEDICAL INSURANCE-Estimated Rate			32,330.00		
39						
40	<b>TOTAL INSURANCE COST</b>			<b>32,610.58</b>	<b>\$ 32,610.58</b>	
41						
42						
43	<b>TOTAL COST OF POSITION</b>				<b>\$191,495.52</b>	
44						
45	BENEFITS =	<b>\$ 68,434.79</b>				
46	BENEFIT COST AS A PERCENT OF CONTRACT =				<b>55.61%</b>	
47						
48	Admn., Superv/Mang. & Conf. (including Fringe amount)			<b>32,330.00</b>		
49	CSEA			<b>26,656.56</b>		

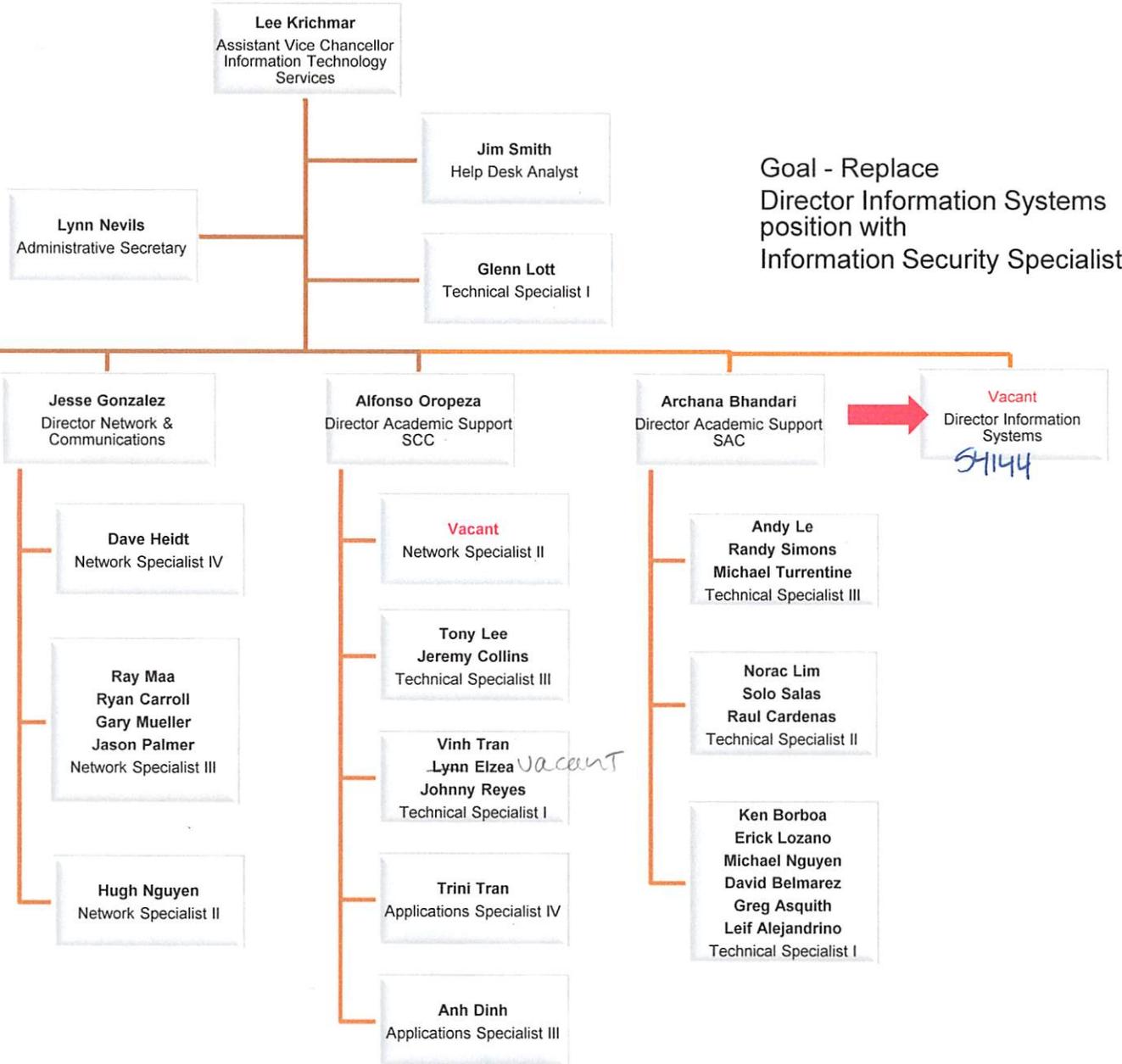
	A	B	C	D	E	F
1	<b>RSCCD</b>	<b>2017-2018</b>				
2	<b>COST OF NEW POSITION - Information Security Specialist</b>					
3	<b>POSITION TITLE</b>					
4						
5	GRADE & STEP					
6						
7	Grade 22 step 3		\$ 7,977.23	12.00	\$95,726.76	
8						
9	<b>SALARY RELATED</b>		BENEFIT	BENEFIT		
10	<b>TAX/BENEFITS</b>		RATE	COST		
11						
12	PERS		15.531%	14,867.32		
13	SOCIAL SECURITY		6.200%	5,935.06		
14	MEDICARE		1.450%	1,388.04		
15	UNEMPLOYMENT		0.050%	47.86		
16	WORKERS COMP		2.250%	2,153.85		
17	ACTIVE RET. INS. COST		3.630%	3,474.88		
18						
19	<b>TOTAL TAX &amp; BENEFIT COST</b>		<b>29.111%</b>	<b>\$ 27,867.01</b>	<b>\$ 27,867.01</b>	
20						
21	<b>TOTAL SALARY &amp; BENEFIT COST</b>				<b>\$123,593.77</b>	
22						
23	<b>FRINGE BENEFITS</b>		BENEFIT	BENEFIT		
24	<b>COST</b>		RATE	COST		
25	FRINGE BENEFITS (CSEA only)			-		
26						
27	SOCIAL SECURITY		6.200%	-		
28	MEDICARE		1.450%	-		
29	UNEMPLOYMENT		0.050%	-		
30	WORKERS COMP		2.250%	-		
31	ACTIVE RET. INS. COST		3.630%	-		
32						
33	<b>TOTAL FRINGE BENEFIT COST</b>		<b>13.580%</b>	<b>\$ -</b>	<b>\$ -</b>	
34						
35	<b>INSURANCE BENEFITS</b>					
36	LIFE INSURANCE (ANNUAL OR \$50,000 minimum)					
37	(Annual Life Insurance X \$0.19/1000 X 12 Months)		\$95,726.76	218.26		
38	MEDICAL INSURANCE-Estimated Rate			27,123.05		
39						
40	<b>TOTAL INSURANCE COST</b>			<b>27,341.31</b>	<b>\$ 27,341.31</b>	
41						
42						
43	<b>TOTAL COST OF POSITION</b>				<b>\$150,935.08</b>	
44						
45	BENEFITS =	\$ 55,208.32				
46	BENEFIT COST AS A PERCENT OF CONTRACT =				<b>57.67%</b>	
47						
48	Admn., Superv/Mang. & Conf. (including Fringe amount)			31,773.96		
49	CSEA			27,123.05		



# Information Technology Services

## Before Reorganization

*dr*



Goal - Replace Director Information Systems position with Information Security Specialist

*SEE*

*9* (circled)

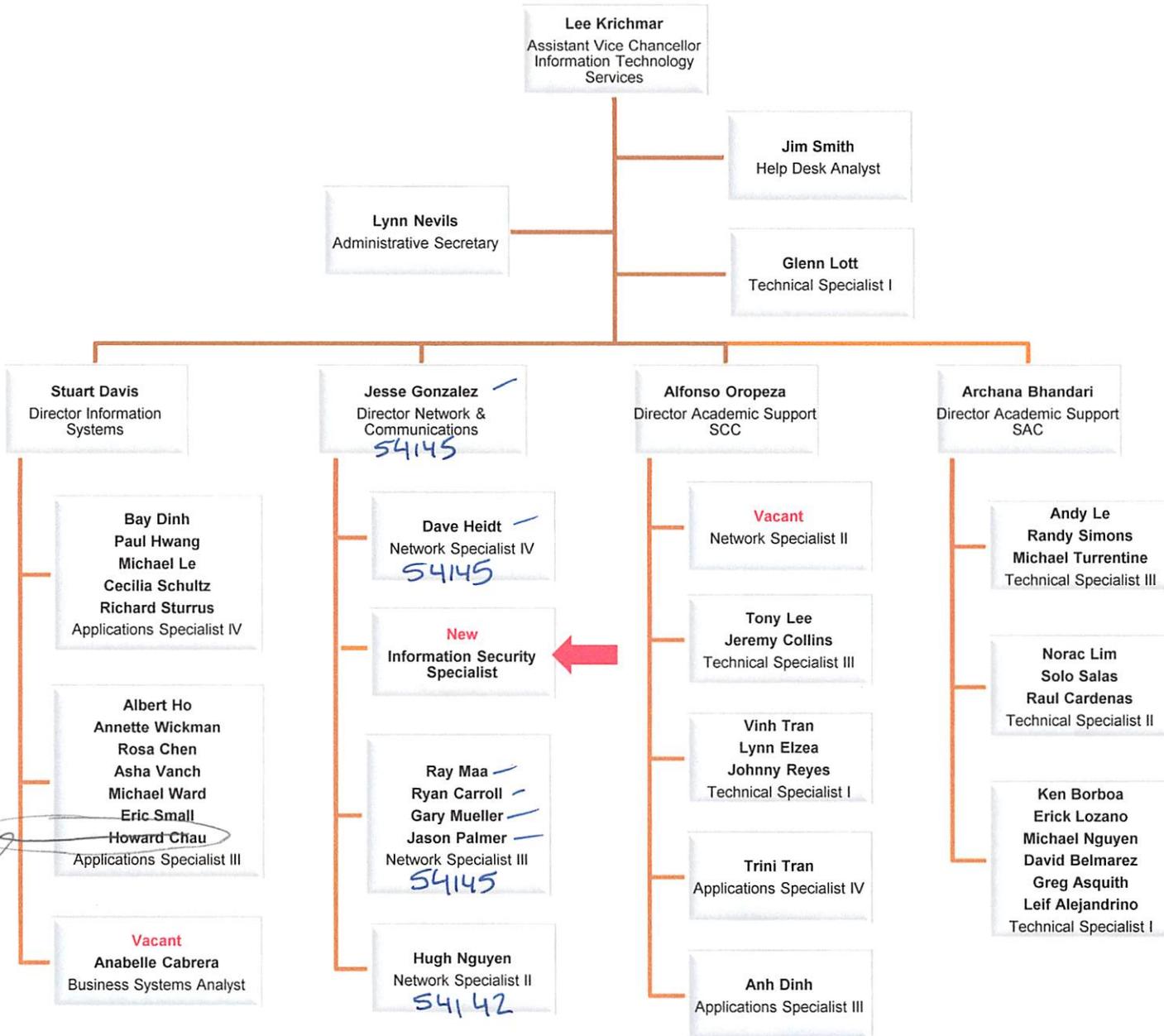
*Vacant*



# Information Technology Services

## After Reorganization

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*Handwritten initials*

*Handwritten circled number 9*

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT  
REORGANIZATION REQUEST FORM

Number # 10354  
Assigned by Human Resources

Use this form and the reorganization process to make a permanent personnel change in your program or department. If proposing a new and/or change of position, please attach a cost of position worksheet.

Site/Department/Division: DO/Resource Development/Educational Services

Manager/Supervisor: Sarah Santoyo

Position(s) affected:

CURRENT POSITION	PROPOSED POSITION
	Director, Information Communications Technology/ Digital Media Initiative <span style="float: right;">Grade F</span>

Current annual salary/benefits cost \$ 190,376.40

Proposed annual salary/benefits cost \$ 194,517.90

Specify budget impact – include exact amounts or the best available estimate and the source of funding:

GENERAL FUNDS

RESTRICTED FUNDS

Source of funding (account numbers): please see attached budget (80% grant-funded; 20% match GF)

(Attach necessary budget change forms)

Reason for reorganization:

Role had been filled by existing manager. That person was hired elsewhere; the role is vacant & position needs to be created to fill it.

Will there be duties and/or responsibilities that will no longer be performed/required in this department/division?

No  Yes  If yes, please explain below.

Does this change affect more than one department/division?

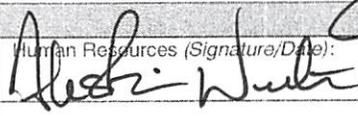
No  Yes  If yes, please explain below.

**Please note:** You are required to attach both current and proposed organization charts (highlighting all positions affected, both current and proposed) with this form.

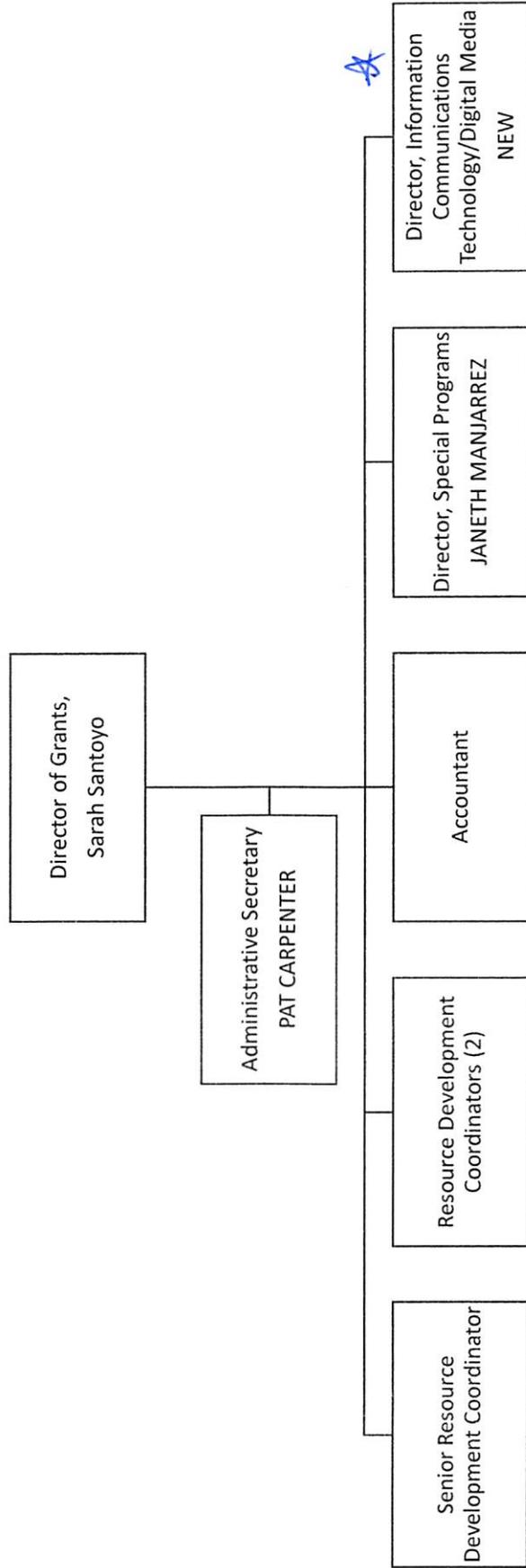
Submitted by (District Cabinet Member): 

Date: 6-29-17

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 HUMAN RESOURCES/RSCCD

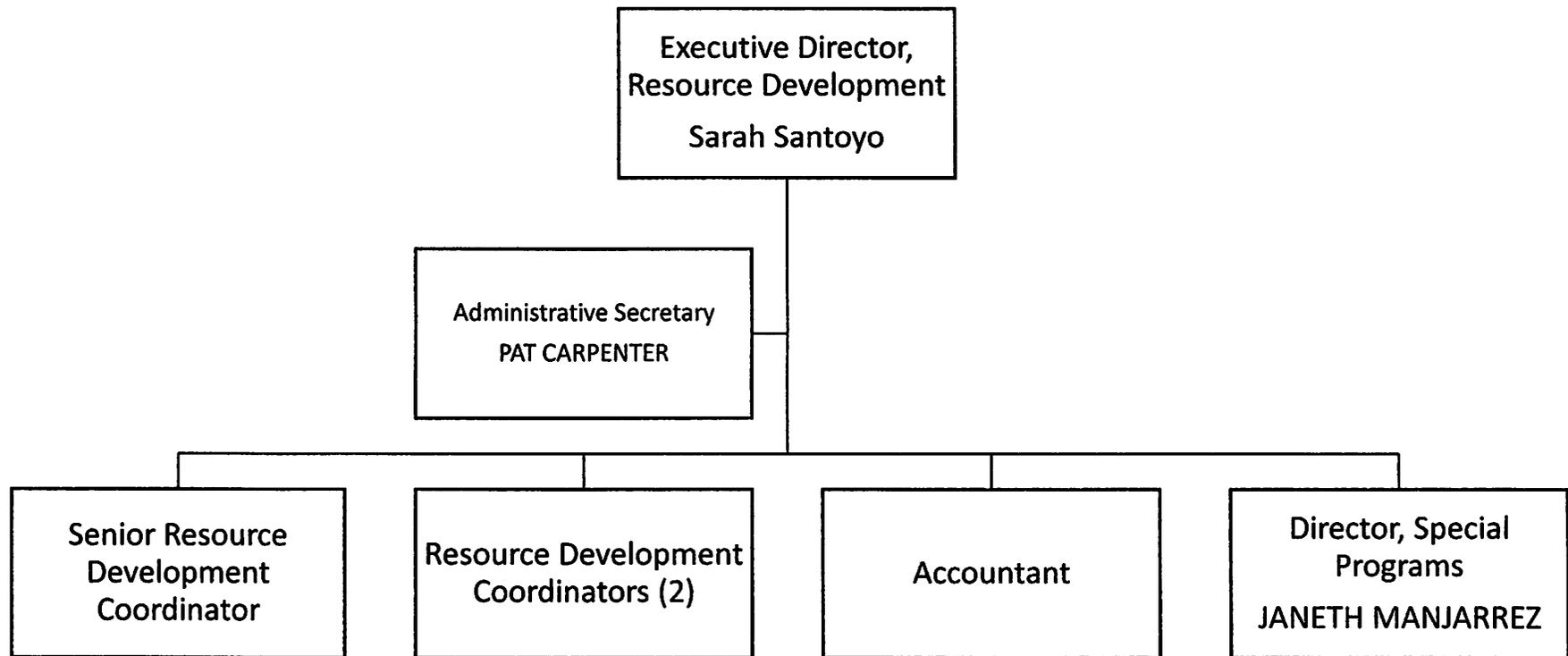
SIGNATURES AND/OR REVIEW DATES	
Human Resources (Signature/Date):  7/5/17	Business Operations & Fiscal Services (Signature/Date):  7/6/17
	Resource Development (Signature/Date -- Only for Restricted Funds):  7/5/17
COLLEGE POSITIONS	DISTRICT POSITIONS
President's Council Approval (Signature/Date):	Chancellor's Cabinet Approval (Signature/Date):
Chancellor's Cabinet Approval (Signature/Date):	Chancellor's Council Approval (Signature/Date):
CSEA (Signature/Date):	CSEA (Signature/Date):

# New Org Chart



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HUMAN RESOURCES/R

# Current Org Chart



# RSCCD

## COST OF NEW POSITION - CLASSIFIED CONTRACT

POSITION TITLE		Director, ICT/Digital Media Initiative		
GRADE & STEP	MONTHLY RATE	NO OF MONTHS	ANNUAL COST	
Grade F Step <del>7</del>	\$ 10,222.87	12	\$ 122,674.46	
<b>SALARY RELATED TAX/BENEFITS</b>		BENEFIT RATE	BENEFIT COST	
PERS	15.800%	19,382.56		
SOCIAL SECURITY	6.200%	7,605.82		
MEDICARE	1.450%	1,778.78		
UNEMPLOYMENT	0.050%	61.34		
WORKERS COMP	2.250%	2,760.18		
ACTIVE RET. INS. COST	3.630%	4,453.08		
<b>TOTAL TAX &amp; BENEFIT COST</b>		<b>29.380%</b>	<b>\$ 36,041.76</b>	<b>\$ 36,041.76</b>
<b>TOTAL SALARY &amp; BENEFIT COST</b>				<b>\$ 158,716.22</b>
<b>FRINGE BENEFITS COST</b>		BENEFIT RATE	BENEFIT COST	
FRINGE BENEFITS (CSEA only)			3,320.04	
SOCIAL SECURITY	6.200%	205.84		
MEDICARE	1.450%	48.14		
UNEMPLOYMENT	0.050%	1.66		
WORKERS COMP	2.250%	74.70		
ACTIVE RET. INS. COST	1.000%	33.20		
<b>TOTAL FRINGE BENEFIT COST</b>		<b>10.950%</b>	<b>\$ 3,683.58</b>	<b>\$ 3,683.58</b>
<b>INSURANCE BENEFITS</b>				
LIFE INSURANCE (ANNUAL OR \$50,000 minimum)				
(Annual Life Insurance X \$0.19/1000 X 12 Months)		\$ 122,674.46	279.70	
MEDICAL INSURANCE (see below)			30,699.48	
<b>TOTAL INSURANCE COST</b>			<b>30,979.18</b>	<b>\$ 30,979.18</b>
<b>TOTAL COST OF POSITION</b>				<b>\$ 193,378.98</b>
BENEFITS =		\$ 70,704.52		
BENEFIT COST AS A PERCENT OF CONTRACT =				<b>57.64%</b>
Adm., Superv/Mang. & Conf. (including Fringe amount)		30,699.48		
CSEA		25,517.64		

THIS FORM MAY NOT BE REPLICATED

**APPENDIX B**

PROJECT: Deputy Sector Navigator

SECTOR (if applicable): Info & Comm Tech (ICT)/Digital Media

DISTRICT: Rancho Santiago CCD

COLLEGE: N/A

FISCAL YEAR: 2017/18

RFA NUMBER: 17-158

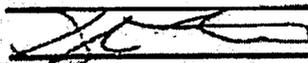
**APPLICATION BUDGET SUMMARY**

NOTE: Submit details explaining the expenditures by category on the Application Budget Detail Sheet.

Object of Expenditure	Classification	Line	TOTAL PROGRAM FUNDS REQUESTED	Match Required
				100%
			\$ 200,000	\$ 200,000
1000	INSTRUCTIONAL SALARIES	1	\$ 0	\$ 0
2000	NONINSTRUCTIONAL SALARIES	2	\$ 121,679	\$ 82,537
3000	EMPLOYEE BENEFITS	3	\$ 61,830	\$ 58,606
4000	SUPPLIES AND MATERIALS	4	\$ 574	\$ 0
5000	OTHER OPERATING EXPENSES AND SERVICES	5	\$ 6,725	\$ 58,998
6000	CAPITAL OUTLAY	6	\$ 1,500	\$ 0
7000	OTHER OUTGO	7	\$ 0	\$ 0
<b>TOTAL DIRECT COSTS:</b>			8 \$ 192,308	\$ 200,141
<b>TOTAL INDIRECT COSTS (Not to Exceed % of Direct Cost): 4%</b>			9 \$ 7,692	
<b>TOTAL COSTS:</b>			10 \$ 200,000	\$ 200,141

I authorize this cost proposal as the maximum amount to be claimed for this project and assure that funds shall be spent in compliance with State and Federal Regulations. I also certify the match (if required) listed above are valid match funding that is not being used as a match for another program requiring match funding and in total are equal, or greater than, the funds requested from CCCCCO.

**Project Director:**

Name: Steve Linthicum  
 Authorized Signature: 

Title: Director  
 Date: 5/17/2017

**District Chief Business Officer (or authorized designee):**

Name: Peter J. Hardesh  
 Authorized Signature: 

Title: Vice Chancellor, Bus Op & Fiscal Services  
 Date: 5/17/17

**Project Administrator (or authorized designee):**

Name: Enrique Perez, J D  
 Authorized Signature: 

Title: Vice Chancellor, Educational Services  
 Date: 5/17/17

THIS FORM MAY NOT BE REPLICATED

**APPENDIX B**

PROJECT: Deputy Sector Navigator

SECTOR (if applicable): Info & Comm Tech (ICT)/Digital Media

DISTRICT: Rancho Santiago CCD

COLLEGE: N/A

FISCAL YEAR: 2017/18

RFA NUMBER: 17-158

**Please Note:**  
To avoid rounding issues, please key only whole numbers and not cents. Cents may also be created when using formulas. If this happens, type over the calculated amount within the cell.

**APPLICATION BUDGET DETAIL SHEET**

Object of Expenditure	Classification	FUNDS REQUESTED	
		Economic Development	
		\$	200,000
1000		\$	-
2000	Project Director: Steve Linthicum ICT/Digital Media Deputy Sector Navigator (Orange County) \$122,674.46 @ 80% = \$98,139.57	\$	98,140
	Administrative Clerk (19 hrs/12 mos.) \$1,961.81/mo x 12 months = \$23,539.32	\$	23,539
3000	<b>Employee Benefits</b> 29.38%: 15.8% PERS, 6.2% OASDHI, 1.45% Medicare, 0.5% SUI, 2.25% WCI, and 3.63% Active Rel Insurance, plus Health & Fringe		
	Director	\$	56,633
	Administrative Clerk	\$	5,197
4000	<b>Supplies and Materials</b>		
	Program supplies	\$	574
5000	<b>Other Operating Expenses and Services</b>		
	CCCCAOE: \$1,800 per conference x 2 conferences, fall & spring	\$	3,600
	Other industry-focused conferences	\$	1,600
	Mileage: \$100 x 12 months	\$	1,200
	Memberships: OCTANE (\$325)	\$	325
6000	<b>Capital Outlay</b>		
	Laptop: \$1,500	\$	1,500
7000	<b>Other Outgo</b>		
		\$	-
<b>TOTAL DIRECT COSTS:</b>		\$	192,308
<b>TOTAL INDIRECT COSTS (Not to exceed % of Direct Costs): 4%</b>		\$	7,892
<b>TOTAL COSTS:</b>		\$	200,000

THIS FORM MAY NOT BE REPLICATED

**APPENDIX B**

Please Note:  
To avoid rounding issues, please key only whole numbers and not cents. Cents may also be created when using formulas. If this happens, type over the calculated amount within the cell.

PROJECT: Deputy Sector Navigator  
SECTOR (if applicable): Info & Comm Tech (ICT)/Digital Media  
DISTRICT: Rancho Santiago CCD  
COLLEGE: N/A  
FISCAL YEAR: 2017/18  
RFA NUMBER: 17-158

Funding Requires Dollar-for-Dollar Match

**APPLICATION BUDGET DETAIL SHEET  
MATCH**

Object of Expenditure	Classification	Match Required 100%
		\$ 200,000
1000		\$ -
2000	Classified Salaries, Noninstructional (Regular, Full-time) Steve Linthicum, Project Director (20%) ICT/Digital Media Deputy Sector Navigator \$122,674.64/salary @ 20% = \$24,354.89 Business Services Coordinator (Regular, Full-time) Marbella Ruiz \$4,848.47/mo x 12 months	\$ 24,355 \$ 58,182
3000	29.38%: 15.8% PERS, 6.2% OASDHI, 1.45% Medicare, 0.5% SUI, 2.25% WCI, and 3.63% Active Rel Insurance, plus Health & Fringe Project Director Business Services Coordinator	\$ 14,158 \$ 44,448
4000		\$ -
5000	RSCCO waiver indirect: 16% of grant-funded direct costs: \$192,308 x 16% = \$30,769.28 20% of match direct costs: (\$141,143 x 20% = \$28,228.60)	\$ 30,769 \$ 28,229
6000		\$ -
7000		\$ -
<b>TOTAL DIRECT COSTS:</b>		<b>\$ 200,141</b>
<b>TOTAL INDIRECT COSTS (Not to Exceed % of Direct Costs):</b>		
<b>TOTAL COSTS:</b>		<b>\$ 200,141</b>

07/05/17

Rancho Santiago Community College District  
Account Availability Report Ending 07/31/2017  
Options - Available/Met/Exceeded Budget

Page: 1

Fiscal Year: 2018

PROJECT: 2233 - Econ Dev-DSN ICT/Dig Med Yr 5

GL Account	Allocated Budget	Actual	Encumbrances	%Committed	Available
11-2233-684000-53330-2110 Classified Management : Dig	26,404.00	0.00	0.00	0.00	26,404.00
11-2233-684000-53330-2130 Classified Employees : Digi	51,600.00	0.00	0.00	0.00	51,600.00
11-2233-684000-53330-3215 PERS - Non-Instructional :	12,115.00	0.00	0.00	0.00	12,115.00
11-2233-684000-53330-3315 OASDHI - Non-Instructional	4,954.00	0.00	0.00	0.00	4,954.00
11-2233-684000-53330-3325 Medicare - Non-Instructiona	1,160.00	0.00	0.00	0.00	1,160.00
11-2233-684000-53330-3415 H & W - Non-Instructional :	24,748.00	0.00	0.00	0.00	24,748.00
11-2233-684000-53330-3435 H & W - Retiree Fund Non-In	2,901.00	0.00	0.00	0.00	2,901.00
11-2233-684000-53330-3515 SUI - Non-Instructional : D	42.00	0.00	0.00	0.00	42.00
11-2233-684000-53330-3615 WCI - Non-Instructional : D	1,799.00	0.00	0.00	0.00	1,799.00
11-2233-684000-53330-3915 Other Benefits - Non-Instru	1,856.00	0.00	0.00	0.00	1,856.00
=====					
Totals for DEPARTMENT: 53330 - Digital Media Cente	127,579.00	0.00	0.00	0.00	127,579.00
=====					
Totals for FUND: 11 - General Fund Unrestricted	127,579.00	0.00	0.00	0.00	127,579.00
=====					
12-2233-684000-53330-2110 Classified Management : Dig	105,618.00	0.00	0.00	0.00	105,618.00
12-2233-684000-53330-2130 Classified Employees : Digi	5,733.00	0.00	0.00	0.00	5,733.00
12-2233-684000-53330-3215 PERS - Non-Instructional :	17,295.00	0.00	0.00	0.00	17,295.00
12-2233-684000-53330-3315 OASDHI - Non-Instructional	7,041.00	0.00	0.00	0.00	7,041.00
12-2233-684000-53330-3325 Medicare - Non-Instructiona	1,649.00	0.00	0.00	0.00	1,649.00
12-2233-684000-53330-3415 H & W - Non-Instructional :	20,010.00	0.00	0.00	0.00	20,010.00
12-2233-684000-53330-3435 H & W - Retiree Fund Non-In	4,123.00	0.00	0.00	0.00	4,123.00
12-2233-684000-53330-3515 SUI - Non-Instructional : D	59.00	0.00	0.00	0.00	59.00
12-2233-684000-53330-3615 WCI - Non-Instructional : D	2,556.00	0.00	0.00	0.00	2,556.00
12-2233-684000-53330-3915 Other Benefits - Non-Instru	2,174.00	0.00	0.00	0.00	2,174.00
=====					
Totals for DEPARTMENT: 53330 - Digital Media Cente	166,258.00	0.00	0.00	0.00	166,258.00
=====					
Totals for FUND: 12 - General Fund Restricted	166,258.00	0.00	0.00	0.00	166,258.00
=====					
Totals for PROJECT: 2233 - Econ Dev-DSN ICT/Dig Med	293,837.00	0.00	0.00	0.00	293,837.00

7/5/17 In the process of updating the current budget for 17/18 to align to the proposed budget for year 5.

# **BP 6307      Debt Issuance and Management**

## **References:**

Government Code Section 8855

The Chancellor shall establish procedures to ensure the District is professionally managing its debt and fulfills its annual debt issuance reporting requirements to the California Debt and Investment Advisory Commission.

Procedures shall include:

- The purposes for which the debt proceeds may be used.
- The types of debt that may be issued.
- The relationship of the debt to, and integration with, the District's capital improvement program or budget, if applicable.
- Policy goals related to the District's planning goals and objectives.
- The internal control procedures that the District has implement, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

**Adopted: xx, 2017**

# **AR 6307 Debt Issuance and Management**

## **References:**

Government Code Section 8855

## **I. Purpose and Goals**

These administrative regulations provide a framework for debt management and capital planning by the District and have been developed to meet the following goals:

- (1) Identifying the purposes for which the debt proceeds may be used.
- (2) Identifying the types of debt that may be issued.
- (3) Describing the relationship of the debt to, and integration with, the District's capital improvement program.
- (4) Establishing goals related to the District's planning goals and objectives.
- (5) Implementing internal control procedures to ensure that the proceeds of the proposed debt issuance will be directed to the intended use upon completion of the issuance.

## **II. Purposes for Which Debt Proceeds May be Used**

### **Authority and Purposes of the Issuance of Debt**

The laws of the State of California (the "State") authorize the District to incur debt to make lease payments, contract debt, borrow money, and issue bonds for district improvement projects. The District is authorized to contract debt to acquire, construct, reconstruct, rehabilitate, replace, improve, extend, enlarge, and equip such projects; to refund existing debt; or to provide for cash flow needs.

### **State Law**

Section 18 of Article XVI of the State Constitution contains the "debt limitation" formula applicable to the District. There are a number of State laws that govern the issuance of general obligation bonds ("GO Bonds") by community college districts. Sections 1(b) (2) (Proposition 46) and 1(b) (3) of Article XIII A (Proposition 39) of the State Constitution allow the District to issue GO Bonds. The statutory authority for issuing GO Bonds is contained in Education Code Section 15000 *et seq.* Additional provisions applicable only to Proposition 39 GO Bonds are contained in Education Code Section 15264 *et seq.* An alternative procedure for issuing GO Bonds is also available in Government Code Section 53506 *et seq.* The statutory authority for issuing Tax and Revenue Anticipation Notes ("TRANS") is contained in Government Code Section 53850 *et seq.* Authority for lease financings is found in Education Code Section 17455 *et seq.* and additional authority is contained in Education Code Sections 17400 *et seq.*, 17430 *et seq.* and 17450 *et seq.* The District may also issue Mello-Roos bonds pursuant to Government Code Section 53311 *et seq.*

### **Debt Issued to Finance Operating Costs**

The District may deem it necessary to finance cash flow requirements under certain conditions. Such cash flow borrowing must be payable from taxes, income, revenue, cash receipts and other moneys attributable to the fiscal year in which the debt is issued. General operating costs include, but are not limited to, those items normally funded in the District's annual operating budget. The District's Chancellor or Vice Chancellor, Business Operations/Fiscal Services ("Vice Chancellor"), will review potential financing methods to determine which method is most prudent for the District. Potential financing sources include tax and revenue anticipation notes, temporary borrowing from the Orange County Treasurer and Tax Collector, and internal temporary interfund borrowing.

## **III. Types of Debt Authorized to be Issued**

- A. Short-Term: The District may issue fixed-rate and/or variable rate short-term debt, which may include TRANS, when such instruments allow the District to meet its cash flow requirements. The District may also issue bond anticipation notes ("BANs") to provide interim financing for bond projects that will ultimately be paid from GO Bonds.
- B. Long-Term: Debt issues may be used to finance essential capital facilities, projects and certain equipment where it is appropriate to spread the cost of the projects over more than one budget year. Long-term debt should not be used to fund District operations. Long term debt in the form of GO Bonds may be issued under Article XIII A of the State Constitution, either under Proposition 46, which requires approval by at least a two-thirds (66.67%) majority of voters, or Proposition 39, which requires approval by at least 55% of voters, subject to certain accountability requirements and

additional restrictions. The District may also enter into long-term leases and/or COPs for public facilities, property, and equipment.

C. Lease Financing: Lease-purchase obligations are a routine and appropriate means of financing capital equipment and certain capital facilities. However, lease obligations may impact on budget flexibility.

D. Use of General Obligation Bonds: A significant portion of the District's capital projects are projected to be funded by GO Bond proceeds. Projects financed by the GO Bonds will be determined by the constraints of applicable law and the project list approved by voters.

#### **IV. Relationship of Debt to and Integration with District's Capital Improvement Program or Budget**

##### **Impact on Operating Budget and District Debt Burden**

In evaluating financing options for capital projects, both short and long-term debt amortization will be evaluated when considering a debt issuance, along with the potential impact of debt service, and additional costs associated with new projects on the operating budget of the District. The cost of debt issued for major capital repairs or replacements may be judged against the potential cost of delaying such repairs.

##### **Capital Improvement Program**

The Vice Chancellor and the facilities staff have responsibility for the planning and management of the District's capital improvement program subject to review and approval by the Board of Trustees. Staff will, as appropriate, supplement and revise any applicable Facilities Master Plan in keeping with the District's current needs for the acquisition, development and/or improvement of District's real estate and facilities. Such plans may include a summary of the estimated cost of each project, schedules for the projects, the expected quarterly cash requirements, and annual appropriations, in order for the projects to be completed.

##### **Considerations for Refunding:**

1. District's Best Interest. Whenever deemed to be in the best interest of the District, the District shall consider refunding or restructuring outstanding debt if it will be financially advantageous or beneficial for debt repayment and/or structuring flexibility.
2. Net Present Value Analysis. The Vice Chancellor shall review a net present value analysis of any proposed refunding in order to make a determination regarding the cost-effectiveness of the proposed refunding.
3. Maximize Expected Net Savings. The timing of any refinancing shall be designed to maximize the District's expected net savings over the life of the bonds.
4. Comply with Existing Legal Requirements. The refunding of any existing debt shall comply with all applicable State and Federal laws governing such issuance.

#### **V. Goals Related to District's Planning Goals and Objectives**

In following these administrative procedures, the District shall pursue the following goals:

1. The District shall strive to fund capital improvements from voter-approved GO Bond issues to preserve the availability of its General Fund for District operating purposes and other purposes that cannot be funded by such bond issues.
2. The District shall endeavor to attain the best possible credit rating for each debt issue in order to reduce interest costs, within the context of preserving financial flexibility and meeting capital funding requirements.
3. The District shall take all practical precautions and proactive measures to avoid any financial decision that will negatively impact current credit ratings on existing or future debt issues.
4. The District shall, with respect to GO Bonds, remain mindful of its statutory debt limit in relation to assessed value growth within the college district and the tax burden needed to meet long-term capital requirements.
5. The District shall consider market conditions and District cash flows when timing the issuance of debt.
6. The District shall determine the amortization (maturity) schedule which will fit best within the overall debt structure of the District at the time the new debt is issued.
7. The District shall match the term of the issue to the useful lives of assets funded by that issue whenever practicable and economical, while considering repair and replacement costs of those assets to be incurred in future.
8. The District shall, when planning for the issuance of new debt, consider the impact of such new debt on overlapping debt of local, state and other governments that overlap with the District.
9. The District shall, when issuing debt, assess financial alternatives to include new and innovative financing approaches, including whenever feasible, categorical grants, revolving loans or other State/federal aid, so as to minimize the encroachment on the District's General Fund.
10. The District shall, when planning for the sizing and timing of debt issuance, consider its ability to expend the funds obtained in a timely, efficient and economical manner.

## **VI. Internal Control Procedures for Issuance of Debt to Ensure Intended Use of Proceeds**

### **Structure of Debt Issues**

A. Maturity of Debt: The duration of a debt issue shall be consistent, to the extent possible, with the economic or useful life of the improvement or asset that the issue is financing. Accordingly, the average life of the financing shall not exceed 120% of the average life of the assets being financed. In addition, the District shall consider the overall impact of the current and future debt burden of the financing when determining the duration of the debt issue.

#### **B. Debt Structure:**

##### **1. GO Bonds:**

a. *New Money Bond Issuances:* For new money bond issuances, the District shall size the bond issuance consistent with the "spend-down" requirements of the Internal Revenue Code and within any limits approved by the District's voters. To the extent possible, the District will also consider credit issues, market factors (e.g. bank qualification) and tax law when sizing the District's bond issuance.

b. *Refunding Bond Issuances:* The sizing of refunding bonds will be determined by the amount of money that will be required to cover the principal of, accrued interest (if any) on, and redemption premium for the bonds to be defeased on the call date and to cover appropriate financing costs.

c. *Maximum Maturity:* All bonds issued by the District shall mature within the limits set forth in applicable provisions of the Education Code or the Government Code. The final maturity of bonds will also be limited to the average useful life of the assets financed or as otherwise required by tax law.

2. *Lease-Purchase Obligations:* The final maturity of equipment or real property lease obligations will be limited to the useful life of the assets to be financed.

C. *Debt Service Structure:* The District shall design the financing schedule and repayment of debt so as to take best advantage of market conditions, provide flexibility, and, as practical, to recapture or maximize its debt capacity for future use.

### **Use of Proceeds**

The District shall be vigilant in using bond proceeds in accordance with the stated purposes at the time such debt was incurred. In furtherance of the administrative regulations, and in connection with the issuance of all GO Bonds:

1. As required by Government Code Section 53410, the District shall only use GO Bond proceeds for the purposes approved by the District's voters; and

2. The Vice Chancellor shall have the responsibility, no less often than annually, to provide to the District's Board of Trustees a written report which shall contain at least the following information:

(i) The amount of the debt proceeds received and expended during the applicable reporting period; and

(ii) The status of the acquisition, construction or financing of the district facility projects, as identified in any applicable bond measure, with the proceeds of the debt.

These reports may be combined with other periodic reports which include the same information, including but not limited to, periodic reports made to the California Debt and Investment Advisory Commission, or continuing disclosure reports or other reports made in connection with the debt.

These requirements shall apply only until the earliest of the following: (i) all the debt is redeemed or defeased, but if the debt is refunded, such provisions shall apply until all such refunding bonds are redeemed or defeased, or (ii) all proceeds of the debt, or any investment earnings thereon, are fully expended.

3. The District shall post on the District website the Annual Report of the District's Independent Bond Oversight Committee which has been given the responsibility to review the expenditure of GO Bond proceeds to assure the community that all GO Bond funds have been used for the construction, renovation, repair, furnishing and equipping of district facilities, and not used for teacher or administrator salaries or other operating expenses.

4. The District shall hire an independent auditor to perform an annual independent financial and performance audit of the expenditure of GO Bond proceeds, and to post such audits on the District website.

## **VII. Reporting Requirements to the California Debt and Investment Advisory Commission**

No later than 30 days prior to the sale of any debt issue, the District shall submit a report of the proposed issuance to the California Debt and Investment Advisory Commission. The report of the proposed debt issuance shall include a certification by the District that it has adopted local debt policies concerning the use of debt and that the contemplated debt issuance is consistent with those local debt policies.

No later than 21 days after the sale of the debt, the District shall submit a report of final sale to the California Debt and Investment Advisory Commission. A copy of the final official statement for the issue shall accompany the report of final sale. If there is no official statement, the District shall provide each of the following documents, if they exist, along with the report of final sale:

- Other disclosure document.
- Indenture.
- Installment sales agreement.
- Loan agreement.
- Promissory note.
- Bond purchase contract.
- Resolution authorizing the issue.
- Bond specimen.

The District shall submit an annual report for any issue of debt for which it has submitted a report of final sale on or after January 21, 2017. The annual report shall cover a reporting period from July 1 to June 30, inclusive, and shall be submitted no later than seven months after the end of the reporting period. The annual report shall consist of the following information:

- Debt authorized during the reporting period, which shall include the following: (1) Debt authorized at the beginning of the reporting period; (2) Debt authorized and issued during the reporting period; (3) Debt authorized but not issued at the end of the reporting period; and (4) Debt authority that has lapsed during the reporting period.
- Debt outstanding during the reporting period, which shall include the following: (1) Principal balance at the beginning of the reporting period; (2) Principal paid during the reporting period; and (3) Principal outstanding at the end of the reporting period.
- The use of proceeds of issued debt during the reporting period, which shall include the following: (1) Debt proceeds available at the beginning of the reporting period; (2) Proceeds spent during the reporting period and the purposes for which is was spent; and (3) Debt proceeds remaining at the end of the reporting period.

**Adopted: xx, 2017**

# AR 6300      Fiscal Management

## References:

Education Code Sections 84040(c); ~~42800~~  
Title 5 Section 58311  
ACCJC Accreditation Standard III.D.9 (*formerly III.D.2*)  
2 Code of Federal Regulations Parts 200.302(b)(6)-(7), 200.305, and 200.400 et seq.

The accounting system and procedures related to revenue and expenditure classification, chart of accounts and general ledger maintenance, financial record keeping and reporting shall be in accordance with Budget and Accounting Manual for California Community Colleges and are updated by changes brought about by new Governmental Accounting Standards Board (GASB) statements and legislative action.

The Orange County Department of Education, Rancho Santiago Community College District Board of Trustees, Chancellor's Office of the California Community Colleges, and other federal, state and local agencies for the categorical and specially funded programs set reporting requirements and timelines which directly affect the accounting system and procedures.

The District is committed to principles of sound fiscal management and to provide for responsible stewardship of available resources. The District adheres to commonly accepted accounting and auditing standards as criteria for fiscal management to:

- Provide for safeguarding and managing District assets to ensure ongoing effective operations; maintenance of adequate cash reserves; implementation and maintenance of effective internal controls; determination of sources of revenues prior to making short-term and long-term commitments; establishment of a plan for the repair and replacement of equipment and facilities.
- Provide for an organizational structure that incorporates a clear delineation of fiscal responsibilities and staff accountability.
- Provide that appropriate administrators keep the Board current on the fiscal condition of the District as an integral part of policy and decision-making.
- Provide for development and communication of fiscal policies, objectives and constraints to the board, staff and students.
- Provide for an adequate management information system that gives timely, accurate and reliable fiscal information for planning, decision making and budgetary control.
- Provide for appropriate fiscal policies and procedures and adequate controls to ensure that established fiscal objectives are met.
- Provide a process to evaluate significant changes in the fiscal environment and make necessary, timely, financial and educational adjustments.
- Provide both short term and long term goals and objectives, utilizing multi-year projections of revenues and expenditures, and broad based input coordinated with District educational planning.
- Provide a method for determining allowability of costs in accordance with EDGAR Second Edition Subpart E Cost Principles.
- Implement the requirements of 2 Code of Federal Regulations Part 200.305 governing payments.

As approved by California law, the district shall have a Revolving Cash Fund at the maximum level of one hundred thousand dollars (\$100,000).

The Vice Chancellor of Business Operations/Fiscal Services and the Assistant Vice Chancellor of Fiscal Services are the designated custodians of said fund. The signature of one of the custodians is required on claims for replenishment of said fund.

The Vice Chancellor, Business Operations/Fiscal Services and staff are responsible for the development, implementation, and review of Rancho Santiago Community College District's accounting system and procedures.

**Responsible Manager:** Assistant Vice Chancellor, Fiscal Services

**Revised: November 2, 2015 (Previously AR3200)**

**Revised: xx, 2017**

# AR 6450 Wireless or Cellular Telephone Use

## References:

Vehicle Code Sections 12810.3, 23123, and 23124;  
26 U.S. Code Sections 274(d)(4) and 280F(d)(4)

The Chancellor shall determine if it is in the best interests of the District to provide a cellular or wireless telephone to employees at District expense.

Cellular telephones provided by the District for compensatory reasons are classified by the Internal Revenue Service as a fringe benefit, the value of which must be included in an employee's gross income.

The value of a cellular telephone provided by the District primarily for non-compensatory business purposes is excludable from an employee's income. Employees will generally not be required to keep notes of business and personal use of District-issued cellular telephones when the telephones are issued for non-compensatory business reasons.

The value of the business use of a District-provided cellular telephone is excludable from an employee's income as a working condition fringe benefit to the extent that, if the employee paid for the use of the cellular telephone themselves, such payment would be allowable as a deduction under Income Tax Regulations Section 162 for the employee.

The District will be considered to have provided an employee with a cellular telephone primarily for non-compensatory business purposes if there are substantial reasons relating to the District's business, other than providing compensation to the employee, for providing the employee with a cellular telephone.

When the District provides an employee with a cellular telephone primarily for non-compensatory business reasons, the IRS will treat the employee's use of the cellular telephone for reasons related to the employer's trade or business as a working condition fringe benefit, the value of which is excludable from the employee's income and, will treat the value of any personal use of a cellular telephone provided by the employer primarily for non-compensatory business purposes as excludable from the employee's income as a de minimis fringe benefit.

These rules do not apply to wireless or cellular telephones owned by employees. Any reimbursements to employees for use of their own wireless or cellular telephones may be excluded from wages if the employee accounts for the expense pursuant to the Internal Revenue Service regulations.

Motor vehicle drivers may not use wireless or cellular telephones while operating their vehicles without a hands-free listening device. Drivers may use a wireless or cellular telephone to contact a law enforcement agency or public safety entity for emergency purposes. Drivers of motor trucks or truck-tractors, tow trucks, or a commercial vehicle, used in commercial agricultural operations may use a digital two-way radio service that utilizes a wireless or cellular telephone.

There is no expectation of privacy when using a District-issued cellular telephone for District business.

New: xx, 2017

# AR 7400 - Travel

## References:

Education Code Section 87032  
2 Code of Federal Regulations Part 200.474

The Chancellor has designated authority for approval of travel requests to the Vice Chancellors and Presidents for employees in each of their respective areas. The travel requests may be for attendance at meetings, workshops, conferences, trainings or conventions that are within the scope of the employee's job assignment. The Chancellor must approve in advance all travel outside of the United States.

Employee travel will be reimbursed for actual, necessary, and reasonable expenses up to approved amounts as described in this Administrative Regulation and ~~are~~ may be subject to additional limitations established by staff development or other funding sources.

The district retains the right to direct employees to attend relevant conventions or conferences.

## Mileage:

Employees required to use their personal automobiles for travel within or outside the district to carry out their job assignments may receive reimbursement for business mileage incurred in accordance with the following guidelines:

1. Reimbursement for such business mileage shall be at the prevailing IRS standard rate.
2. All employees driving on district business shall take the most direct route possible.
3. Mileage shall be calculated as the distance from the employee's regular work location to his/her off-campus business destination and return to regular work location.
4. If the employee does not both leave and return to his/her regular work location, the total miles driven less regular commute miles shall be reimbursed.
5. Employees requesting reimbursement must certify that their vehicle is covered by automobile insurance as required by district rules and regulations for Public Liability and Property damage.
6. A Mileage Reimbursement Claim shall be filed with the District Accounts Payable Department within 15 days following the month the mileage was incurred and only used when no other expenses are associated with the travel except related parking and tolls.

## Travel:

Employees authorized by the Chancellor, Vice Chancellors or Presidents to attend meetings, workshops, conferences, trainings or conventions may receive reimbursement for expenses incurred in accordance with the following guidelines:

1. A Conference/Travel Request Claim Form must be completed, signed and prior authorization obtained before attendance at any event.
2. Allowable expenses associated with travel include only reasonable and necessary expenses: transportation, lodging, registration, meals, car rentals, ground transportation fares (including gratuity not to exceed 20% of the fare), parking, mileage (to and from the airport that exceeds the daily commute of the employee) and other miscellaneous incidental charges such as, minor supplies, postage, reproduction costs, telephone and electronic communication expenses. All expenses should be the most economical and must be authenticated by the original itemized receipts. No reimbursements shall be made for tips/gratuities, valet parking, personal expenses including telephone calls and entertainment expenses, or the purchase of alcoholic beverages. Lodging for conferences within 50 miles of the District Office or College site is not allowable unless specifically approved in advance by the Chancellor, Vice Chancellor or President with documentation of the business necessity. Normally, lodging expenses are reimbursed for the actual dates of the approved conference. The night before or the night the conference ends may be reimbursed if specifically approved in advance by the Chancellor, Vice Chancellor or President with documentation

of the business necessity. The district shall not pay for lodging that exceeds the published standard single occupancy room rate for conferences.

3. Travel advances may be requested for the following:
  - a. Transportation, registration, and lodging payable directly to the third party vendor can be paid in full.
  - b. Cash advances to the employee are limited to 75% of the approved estimated expenses.
  - c. Travel advances will not be authorized for any employee whose expenses will be reimbursed by outside funding or for any employee who has not reconciled prior travel advances with the district.
  - d. Air travel and lodging expenses are commonly arranged on the Internet and charged to the employee's credit card. As an alternative they may be booked using the District authorized travel agency.
  - e. When selecting the travel agency, favorable consideration shall be given to travel agents whose businesses are located within the Rancho Santiago Community College District.
  - f. The district shall not contract with a travel agency owned or partially owned by an employee or a relative of an employee of the district. Further, the district shall not contract with an employee of a travel agency who is also an employee or a relative of an employee of the district.
  - g. Employees shall use only commercial carriers for travel and are expected to use the most economical mode and class\_of transportation unless specifically approved in advance by the Chancellor, Vice Chancellor or President with documentation of the business necessity.
  - h. Lodging shall be reimbursed at the standard room single occupancy rate.
4. All meals for which expenses are actually incurred shall be paid at the per diem rate per meal using the current single low level IRS rate. For fractional parts of a day that do not require overnight travel, the appropriate meal expenses shall be reimbursed.
  - a. The philosophical basis for meal reimbursement is to cover the incremental expense of having to eat out and not having the ability to eat at home. It is not intended to cover the entire cost of the meal.
  - b. When the cost of meals is included in a registration fee, separate reimbursement for the covered meals is not allowed.
  - c. No receipts are required for meal reimbursement since we are paying the IRS per diem rates.
5. A Conference Request/Claim Form must be submitted to the District Accounts Payable Department to account for all expenses within fifteen (15) business days from returning. This includes expense reimbursement and for claims against an advance. The claim form should include a check payable to RSCCD if the amount of expenses claimed are less than the amount advanced to the employee.
  - a. The claims for reimbursement must include original itemized receipts for all expenses incurred by the employee including registration, transportation, lodging, car rental, etc.

**Responsible Manager:** Assistant Vice Chancellor of Fiscal Services

**Revised: February 16, 2016**

**Revised: October 3, 2016**

**References Updated: November 7, 2016**

**Revised: xxxx, 2017**