

COLLEGE OF THE SEQUOIAS COMMUNITY COLLEGE DISTRICT
SCHOOL FACILITIES IMPROVEMENT DISTRICT 3
MEASURE J – TULARE AREA
CITIZENS' OVERSIGHT COMMITTEE

Official Minutes

Monday, February 25, 2013

4:00pm

Tulare Campus Center
4999 East Bardsley Avenue
Tulare, CA 93274

Measure J – Tulare Area Citizens' Bond Oversight Committee Members:

John Beck, Howard Berger, Anthony DeRose, W. Lynn Dredge, Mike Graville,
Jim Henderson, Sue Ann Hillman, Sarah Koligian, Richard Ortega, Bill Postlewaite
John Thomas, Melody Tucker and Juan Moreno

Members Present: John Beck, Anthony DeRose, W. Lynn Dredge, Mike Graville,
Jim Henderson, Sue Ann Hillman Sarah Koligian, Richard Ortega,
Bill Postlewaite, John Thomas, Melody Tucker, and Juan Moreno

Members Absent: Howard Berger

COS Representatives Present:

Stan Carrizosa, Superintendent/President
Brent Calvin, Vice President, Administrative Services
Larry Dutto, Dean of Career Technical Education
Eric Mittlestead, Dean Facilities and Facilities Planning
Linda McCauley, Chief Accounting Officer
Karen Pauls, Executive Assistant to Vice President, Administrative Services

1. Call to Order

Jim Henderson called the meeting to order at 4:00 pm.

2. Public Comments

There were no public comments.

3. Approval of Minutes of October 15, 2012

John Thomas moved to approve the minutes and Melody Tucker seconded the motion. Motion carried.

4. Financial Report

Linda McCauley reviewed the 1st and 2nd quarter financial reports. She explained the negative amount of (\$864,122.74) on the 2nd quarter report is due to item #14 - cash flow. She pointed out that in the 1st quarter item #14 spent \$2,645,092 and then we received the revenue from the state, so the 2nd quarter report is showing it as a credit (receipt of revenue), offsetting the expenditure for the 1st quarter.

Lynn Dredge asked about the \$1million balance for Corcoran and if any progress had been made. Stan Carrizosa informed the committee that he has met with Corcoran a few times, but they don't have a complete project yet. The Superintendent and High School Principal are working with their local Board to put

together a second version of a proposal and he is hoping Corcoran will have a proposal for COS this spring.

Mike Graville asked who has the final say in the project for Corcoran. Stan Carrizosa explained that the project has to fit in accordance with the guidelines for the proposition funding. The original MOU had intent for either shared facilities and/or shared programs. Any final proposal, put into a new MOU, would go to the COS Board for approval.

Juan Moreno asked about the support for Lindsay and Corcoran. Stan Carrizosa explained that to get support from those communities there was an agreement in the proposal of the general obligation bonds to be able to reinvest some resources into those communities for facilities.

Eric Mittlestead pointed out the two balance lines on the financial report (below line 14 and below line 12). The housing valuations dropped in the middle of this process and we were underwater/upside down so we drew the first line to meet existing contracts. There is \$5.3 million left and most is going to be used on existing projects to finalize equipment and other soft costs. For the projects below line 14 we don't have that money because there is not value in the bonds. We have taken out loans and are trying to pay those back. Anything in excess above the line will help to pay off the debt below the line.

Having a Board Study Session to look at the bond anticipation notes that we took out for the original portion of the construction that wasn't able to be funded with the bonding capacity we had when Measure J passed. When the assessed valuation dropped we were already under construction and had to finance the completion of the campus. We are looking at a couple of strategies to try to minimize and retire the short term debt against the existing campus. Stan Carrizosa said the District's commitment has been to try to accommodate the \$1 million for Corcoran. It's not in the funding that you see right in front of you, but it's in the solution strategies that are being developed.

John Beck moved to approve the financial reports and Melody Tucker seconded the motion. Motion carried.

5. Measure J Project Update

Eric Mittlestead worked off the financial report and gave an update on each of the projects listed. He pointed out that those that are completed have a comment in the status column as Completed.

- Project I - miscellaneous piece of getting everything moved to Tulare. It includes planning costs and relocation expenses. We are still in the process of finalizing the move.
- Project II - parking lots and onsite infrastructure the state wouldn't pay for. There is still equipment being purchased with this phase and we are finalizing the paperwork, the approvals from the state, the warranties, and punch lists, but the work is actually done.
- Projects III & IV are complete.
- Project VI - the other half of the campus and it's in the same status as project II. The building are built and we are in the project close out phase with, warrantied, punch lists, and equipping the buildings.
- Project VII – Support of Lindsay is completed and projects 9, 13, and 14 are the financial expenses.

Tony DeRose asked how the committee would know if a project came in over or under budget when the balance is \$0. It's important to let the community know that projects are being completed under the initial plans and the funds are being redirected. Eric Mittlestead explained when a project was completed the remaining balance was swept into the overall debt. He said that all of the projects came in under budget and bid savings were pushed towards the other projects when the valuations went down. Stan Carrizosa requested a summary of the original dollar amounts and the actuals.

6. Proposition 39 General Obligation Bond Audit Report – June 30, 2012

Linda McCauley informed the committee that the report included all of the bonds. Measure J for Tulare, Measure I for Visalia, and Measure C for Hanford. She pointed out that page 25 of the audit report showed there were no financial statement findings, which means all of the expenditures were in accordance with the bond language.

Mike Graville moved to approve the Financial and Performance Audit Report and Melody Tucker seconded the motion. Motion carried.

7. Committee Members Report on Feedback from the Community

Melody Tucker said some people from the Police Department attended the opening and they were really impressed. Bill Postlewaite told the committee that he has heard only positive comments about the Tulare campus.

Larry Dutto told the committee the Tulare campus peaked out at 81 sections, 1,840 seats filled, and 1,300 unduplicated head count. He said they are currently working on the fall schedule and there are 104 sections scheduled with almost 3,000 seats to be filled.

Juan Moreno discussed the issue of computers on campus. Larry Dutto said there are currently student computers in B117 and the Library orientation computer room is set up. There are also a minimum number set up in the library that students can use. He said they are still waiting for the printing kiosk. He said he's real pleased about is the number of students and the community members using the rapid transit.

Larry Dutto informed the committee about a visit regarding the substantive change. Whenever you open a new campus or substantially change a program you have to do a substantive change to the WASC accrediting. Our written report was approved and as part of the process we have to have a site visit. Stan Carrizosa explained this is the arm of the Accrediting Commission for Community and Jr. Colleges, which comes out to approve any substantive change. We've been reassured that the process kind of operates separately from the overall accreditation process and one will not affect the other.

Stan Carrizosa discussed the recent accreditation report COS received and the accompanied sanctions. The two key areas that were focused on in the accreditation report are not overwhelming, but they did rise to the level of this harsh of a sanction, mostly because there were five recommendations in 2012 that were the same five recommendations that persisted from 2006. One area has to do with mandated student learning outcomes and how they are developed for each course, how they're assessed, and how those assessment results are used to improve instruction. The other area has to do with institutional efficiency and effectiveness. How the planning process and the participatory governance process work together and how they collaborate using research to drive their decisions and in forming the priorities for resources to be allocated by the college. We've appointed an Accreditation Response Task Force, which is made up of 45 members of faculty, staff, and students. The task force is broken up into smaller groups each one centered around the actual recommendations that came in the 2012 report. Each small group has been delegated the authority and responsibility to solicit other faculty, staff, and students from across the campus to develop action plans and time lines for implementation for responding to all of the accreditation recommendations. During the "show cause" period of time we are fully accredited, student credits are good, everything is transferrable, and financial aid eligibility remains in place. Nothing changes unless at the end of that period of time we don't become fully compliant in these key areas. We are also in the process of forming an Accreditation Community Advisory Committee because one of the other things we got in this order was the requirement for public disclosure. We have to keep our community apprised of the progress that we are making. They will get accurate information on a bi-weekly basis and know exactly what's going on. The Community Advisory Committee is also going to submit a written summary as part of our accreditation

report to the accrediting body. We want the ACCJC to know that a community advisory committee was solicited from the beginning and participated at least through the spring semester. The advisory committee will be in full operation thru May and then we will probably re-engage them in August or September before we submit our report in October. We've got a good plan laid out. We're tapping into fellow community college colleagues who have recently gone through this process and we're also tapping into the technical or consultant services that we need to specifically make sure we respond thoroughly. Bottom line, we are fulfilling the mission of COS, but there are some technical requirements that we have not gotten in order or met over the course of the 6 years.

Because we were on warning in 2006, we wrote three interim reports; one in 2007, one in 2008, and the ACCJC came for a campus visit in 2009. We were putting together all the right things on paper to show progress toward completing these student learning outcomes and academic requirements, but I don't think we were as far along as we had presented on paper. The gap from 2009-2012 seemed like a huge drop off because when the team actually returned we were not far enough along. They did not see the same progression in the last three years that we were showing them on paper in the first three years.

Tony DeRose asked how we are going to ensure that the plan is implementable. Stan Carrizosa explained the plan is going to be a more structured and codified in the systems that weren't in place. Accountability systems for delegation are what we're building in under the recommendation we got to improve institution efficiency and effectiveness. Now we are going to have those feedback systems in place and ultimately things are going to be brought to the Board that were not necessarily brought to the Board in the past.

8. Date of Next Meeting – Monday, September 9, 2013

9. Items for the Next Agenda

Jim Henderson requested the committee be given an update on accreditation. Also requested is a subtotal of the funds that have been reinvested based on being under budget on the projects already closed and a summary of the study session with the Board of Trustees regarding the Bond Anticipation Notes.

Juan Moreno mentioned the carpool parking spaces and asked if there would be any on the Visalia campus. Stan said he would take that suggestion back as he didn't know what the guideline were or how parking and the assignment of parking was structured on the Visalia campus.

10. Consideration of new members for current positions expiring February 28, 2013

Stan Carrizosa reviewed the three positions that need to be filled before the committee meets again in September. They would be someone from a Local Business Organization, Senior Citizens' Organization and Bone-Fide Tax Payer Association.

11. Recognition of Committee Members Terming Out

Stan Carrizosa thanked the committee members for all of their hard work and commitment to the Tulare project. He said despite the trials and tribulations we have a fabulous project and something really spectacular, not only for Tulare, but also for COS and this whole southern corner of our District. We are especially proud and we know you guys gave a lot of time and we appreciate that tremendously.

Melody thanked Eric for his commitment to the project. She said she's been very impressed with his ability to keep the project going.

12. Adjourn

The meeting was adjourned at 4:50 pm.